

THE SYNOD OF THE ECCLESIASTICAL PROVINCE OF CANADA

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

Compilation Report

Statement of Financial Position

Statement of Changes in Fund Balances

Statement of Operations

Statement of Cash Flows

Notes to Financial Statements

To the Members of The Synod of the Ecclesiastical Province of Canada

On the basis of information provided by management, I have compiled the statement of financial position of The Synod of the Ecclesiastical Province of Canada as at December 31, 2022, the statement of operations and the statement of changes in fund balances for the year then ended, and Note 2, which describes the basis of accounting applied in the preparation of the compiled financial information ("financial information").

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

I performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, Compilation Engagements, which requires me to comply with relevant ethical requirements. My responsibility is to assist management in the preparation of the financial information.

I did not perform an audit engagement or a review engagement, nor was I required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

Michael Maloney, CPA, CA
June 5, 2024
Rothesay, NB

THE SYNOD OF THE ECCLESIASTICAL PROVINCE OF CANADA
(Incorporated under the laws of Canada)

STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2022

	2022	2021
ASSETS		
Current Assets		
Cash	\$ 33,802	\$ 35,137
Term deposit	65,512	65,448
Accounts receivable	2,784	6,254
	102,098	106,839
Capital Assets		
Metropolitanical Cross	30,000	30,000
	\$ 132,098	\$ 136,839
LIABILITIES		
Current Liabilities		
Accounts payable and accruals	\$ (117)	\$ 1,439
Fund Balances		
Internally restricted for diaconate	12,685	12,685
Internally restricted for misconduct policy	10,000	10,000
Unrestricted operating	109,530	112,715
	132,215	135,400
	\$ 132,098	\$ 136,839

Approved by the Council

Member: _____

Member: _____

THE SYNOD OF THE ECCLESIASTICAL PROVINCE OF CANADA

STATEMENT OF CHANGES IN FUND BALANCES

YEAR ENDED DECEMBER 31, 2022

	Internally Restricted Funds			<u>2022</u>	<u>2021</u>
	<u>Diaconate</u>	<u>Misconduct Policy</u>	<u>Unrestricted Operating</u>	<u>Total</u>	<u>Total</u>
Balance, beginning of year	\$ 12,685	\$ 10,000	\$ 112,715	\$ 135,400	\$ 157,318
Excess (deficiency) of revenue over expenses	<u>-</u>	<u>-</u>	<u>(3,185)</u>	<u>(3,185)</u>	<u>(21,918)</u>
BALANCE, END OF YEAR	<u>\$ 12,685</u>	<u>\$ 10,000</u>	<u>\$ 109,530</u>	<u>\$ 132,215</u>	<u>\$ 135,400</u>

THE SYNOD OF THE ECCLESIASTICAL PROVINCE OF CANADA

STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2022

	<u>2022</u>	<u>2021</u>
Revenue		
Annual assessments	\$ 9,256	\$ 38,000
Investment income	2,634	2,968
Other income	<u>64</u>	<u>21</u>
	<u>11,954</u>	<u>40,989</u>
Expenses		
Synod	-	3,586
ACPO	5,000	
Insurance	2,286	2,175
Meetings	-	-
Bank charges	109	115
Office supplies	97	254
Professional services	79	1,725
Other	800	-
Telephone and video conferencing	23	474
Elections, consecrations and installations	-	-
Website maintenance	25	810
Computer software	466	584
Assessment refund	<u>6,254</u>	<u>53,184</u>
	<u>15,139</u>	<u>62,907</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FOR THE YEAR	<u>\$ (3,185)</u>	<u>\$ (21,918)</u>

THE SYNOD OF THE ECCLESIASTICAL PROVINCE OF CANADA

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2022

	<u>2022</u>	<u>2021</u>
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses for the year	\$ (3,185)	\$ (21,918)
Net change in non-cash working capital item:		
Trade and other receivables	3,470	1,254
Term deposit	(64)	(102)
Trade and other payables	<u>(1,556)</u>	<u>(283)</u>
	<u>1,850</u>	<u>869</u>
NET (DECREASE) IN CASH	(1,335)	(21,049)
Cash at beginning of year	<u>35,137</u>	<u>56,186</u>
CASH AT END OF YEAR	<u>\$ 33,802</u>	<u>\$ 35,137</u>

THE SYNOD OF THE ECCLESIASTICAL PROVINCE OF CANADA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

1. GENERAL

The Ecclesiastical Province of Canada was created by Royal Letters Patent in 1860 and currently includes the Dioceses of Nova Scotia and Prince Edward Island, Quebec, Fredericton, Montreal, Eastern Newfoundland and Labrador, Central Newfoundland and Western Newfoundland. The Act provided for members of the Dioceses to meet in Synod. The rights, responsibilities and prerogatives of the Provincial Synod of the Ecclesiastical Province of Canada shall include:

- A. The providing of occasions for fellowship and of a forum for the consideration of topics of particular concern within the Province.
- B. The planning and promotion of teamwork among bishops, clergy and laity within the Province.
- C. The exercise of canonical and legislative authority and jurisdiction in all matters affecting the general interest and well-being of the Church within the Province.
- D. The supervision of the programme of the Advisory Council for Postulants for Ordination within the Province.

The corporation is a charitable organization within the meaning of the Income Tax Act (Canada) and as such, is exempt from income taxes.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

The accounts of the synod are maintained in accordance with the principles of fund accounting. Under fund accounting, resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. The synod records its activities in the following funds:

Operating Fund

The operating fund revenue is based on Diocesan assessments established by the Provincial Council and authorized expenses paid by the Treasurer of the Synod. Expenses relate to meetings of the Synod, the Provincial Council or committees of the Synod or Council and other authorized administrative expenses.

Internally Restricted Diaconate Fund

The restricted reserve for diaconate is established to provide funding for people involved in a servant ministry known as the vocational diaconate.

Internally Restricted Misconduct Policy Fund

The restricted reserve for Misconduct was established in conjunction with the adoption in September 2004 of the provincial misconduct policy.

(b) Basis of presentation

The Synod's financial statements are presented in accordance with Canadian accounting standards for not-for-profit organizations.

(c) Revenue recognition

Revenue is provided by an annual assessment on the dioceses in the Province and is recognized when assessed.

(d) Contributed services

Volunteers contribute a significant amount of their time each year. Contributed services are not recognized in the financial statements due to the difficulty of determining the fair value.

(e) Cash and cash equivalents

The policy of the synod is to disclose bank balances under cash and cash equivalents, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn and temporary investments with a maturity of three months or less from the date of acquisition. Term deposits that the synod cannot use for current transactions because they are pledged as security are also excluded from cash and cash equivalents.

(f) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. All other financial instruments are subsequently recorded at cost or amortized cost, unless provincial council has elected to carry the instruments at fair value. The synod has not elected to carry any such financial instruments at fair value.

(g) Capital asset

The Metropolitan Cross is a symbol of the Metropolitan of Canada. Carried in procession, it has a series of silver bands on the shaft, listing the

THE SYNOD OF THE ECCLESIASTICAL PROVINCE OF CANADA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

3. FINANCIAL INSTRUMENTS

Risks and concentrations

The province is exposed to various risks through its financial instruments, without being exposed to concentrations of risk. The financial instruments and the nature of the risks to which they may be subject are as follows:

Financial Instruments	Risks				
	Credit	Liquidity	Market risk		
			Currency	Interest Rate	Other price
Cash	X			X	
Accounts receivable	X		X		
Accounts payable and accrued liabilities		X	X		

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

It is management's opinion that the entity is not exposed to significant liquidity risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

It is management's opinion that the entity is not exposed to significant credit risk as the synod operates with few receivables.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

It is management's opinion that the entity is not exposed to significant currency risk as the entity has no transactions in foreign currencies during the year.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

It is management's opinion that the entity is not exposed to significant interest rate risk as fluctuations in market rates of interest on cash do not have a significant impact on the synod's results of operations.

Other price risk

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 (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

It is management's opinion that the entity is not exposed to significant other price risk because of its lack of investment in such funds.

Changes in risk

There have been no significant changes in the synod's risk exposures from the prior year.

4. SUBSEQUENT EVENTS

During the past calendar year and continuing into this year, a world-wide pandemic was announced and both the federal and provincial governments have implemented emergency measures that will negatively impact the national and global economy for an undetermined period. The effect of the pandemic and emergency measures cannot be quantified and no allowance or accruals have been recognized in these financial statements.

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Michael Maloney, CPA, CA
June 5, 2024
Rothesay, NB

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(Incorporated under the laws of Canada)

STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2023

	<u>2023</u>	<u>2022</u>
ASSETS		
Current Assets		
Cash	\$ 40,494	\$ 33,802
Term deposit	65,016	65,512
Accounts receivable	-	2,784
	<u>105,510</u>	<u>102,098</u>
Capital Assets		
Metropolitical Cross	<u>30,000</u>	<u>30,000</u>
	<u>\$ 135,510</u>	<u>\$ 132,098</u>
LIABILITIES		
Current Liabilities		
Accounts payable and accruals	<u>\$ (14)</u>	<u>\$ (117)</u>
Fund Balances		
Internally restricted for diaconate	12,685	12,685
Internally restricted for misconduct policy	10,000	10,000
Unrestricted operating	<u>112,839</u>	<u>109,530</u>
	<u>135,524</u>	<u>132,215</u>
	<u>\$ 135,510</u>	<u>\$ 132,098</u>

Approved by the Council

Member: _____

Member: _____

THE SYNOD OF THE ECCLESIASTICAL PROVINCE OF CANADA

STATEMENT OF CHANGES IN FUND BALANCES

YEAR ENDED DECEMBER 31, 2023

	Internally Restricted Funds			<u>2023</u>	<u>2022</u>
	<u>Diaconate</u>	<u>Misconduct Policy</u>	<u>Unrestricted Operating</u>	<u>Total</u>	<u>Total</u>
Balance, beginning of year	\$ 12,685	\$ 10,000	\$ 109,530	\$ 132,215	\$ 135,400
Excess (deficiency) of revenue over expenses	<u>-</u>	<u>-</u>	<u>3,309</u>	<u>3,309</u>	<u>(3,185)</u>
BALANCE, END OF YEAR	<u>\$ 12,685</u>	<u>\$ 10,000</u>	<u>\$ 112,839</u>	<u>\$ 135,524</u>	<u>\$ 132,215</u>

THE SYNOD OF THE ECCLESIASTICAL PROVINCE OF CANADA

STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2023

	<u>2023</u>	<u>2022</u>
Revenue		
Annual assessments	\$ 9,256	\$ 9,256
Investment income	2,653	2,634
Other income	265	64
	<u>12,175</u>	<u>11,954</u>
Expenses		
Synod	-	-
ACPO	5,000	5,000
Insurance	2,510	2,286
Meetings	-	-
Bank charges	109	109
Office supplies	-	97
Professional services	-	79
Other	400	800
Telephone and video conferencing	231	23
Elections, consecrations and installations	-	-
Website maintenance	-	25
Computer software	616	466
Assessment refund	-	6,254
	<u>8,866</u>	<u>15,139</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FOR THE YEAR	<u>\$ 3,309</u>	<u>\$ (3,185)</u>

THE SYNOD OF THE ECCLESIASTICAL PROVINCE OF CANADA

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2023

	<u>2023</u>	<u>2022</u>
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses for the year	\$ 3,309	\$ (3,185)
Net change in non-cash working capital item:		
Trade and other receivables	2,784	3,470
Term deposit	496	(64)
Trade and other payables	103	(1,556)
	<u>3,383</u>	<u>1,850</u>
NET (DECREASE) IN CASH	6,693	(1,335)
Cash at beginning of year	<u>33,802</u>	<u>35,137</u>
CASH AT END OF YEAR	<u>\$ 40,494</u>	<u>\$ 33,802</u>

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NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

1. GENERAL

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Accounts receivable	X		X		
Accounts payable and accrued liabilities		X	X		

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