

St. Andrew's United Church
Financial Statements
For the year ended December 31, 2021

St. Andrew's United Church
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For the year ended December 31, 2021

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To the Members of St. Andrew's United Church:

Qualified Opinion

We have audited the financial statements of St. Andrew's United Church (the "Church"), which comprise the statement of financial position as at December 31, 2021, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Church as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Church derives some of its revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of this revenue was limited to the amounts recorded in the records of the Church and we were not able to determine whether any adjustments might be necessary to revenues, excess (deficiency) of revenues over expenditures and net assets.

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 qualified opinion.

Emphasis of Matter

We draw attention to Note 4 of the financial statements, which describes the effects of the restatement of prior year figures with respect to recognition of contributions. The prior year financial statements have not been amended and the audit report has not been reissued with respect to this matter.

Other Matter

The financial statements of the St. Andrew's United Church for the year ended December 31, 2020 were audited by McLelland Crawford Topp LLP of Sudbury, Ontario, Canada, prior to its merger with MNP LLP. McLelland Crawford Topp LLP expressed an unqualified opinion on those statements on April 3, 2021.

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 related 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.

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.

Sudbury, Ontario

November 14, 2022

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants

St. Andrew's United Church
Statement of Financial Position

as at December 31, 2021

				2021	2020
	General Fund	Investment Fund	Endowment Fund		Restated
Assets					
Current					
Cash	24,113	-	-	24,113	23,682
Accounts receivable (Note 5)	4,659	1,971	-	6,630	39,586
Prepaid expenses	448	-	-	448	445
Inter-fund balances (Note 6)	50,986	(50,986)	-	-	-
	80,206	(49,015)	-	31,191	63,713
Investments (Note 7)	-	511,990	146,000	657,990	583,111
	80,206	462,975	146,000	689,181	646,824
Liabilities					
Current					
Accounts payable and accrued liabilities	11,529	-	-	11,529	19,924
Deferred contributions (Note 8)	42,000	-	-	42,000	42,000
Advances from related organization (Note 9)	1,374	-	-	1,374	1,650
	54,903	-	-	54,903	63,574
Commitments (Note 11)					
Net Assets					
Endowments	-	-	146,000	146,000	146,165
Internally restricted funds (Note 12)	25,303	129,470	-	154,773	159,571
Unrestricted	-	333,505	-	333,505	277,514
	25,303	462,975	146,000	634,278	583,250
	80,206	462,975	146,000	689,181	646,824

Approved on behalf of the Council

Member

Member

The accompanying notes are an integral part of these financial statements

St. Andrew's United Church

Statement of Operations

For the year ended December 31, 2021

	General Fund	Investment Fund	Endowment funds	2021	2020 <i>Restated</i>
Revenue					
Local offerings	151,296	12,846	-	164,142	171,843
Gain (loss) on investments	-	68,775	-	68,775	(4,912)
Investment income	-	16,998	6,736	23,734	19,798
Fundraising	2,297	-	-	2,297	3,033
Government wage subsidies	1,746	-	-	1,746	24,904
Loose offerings	1,695	-	-	1,695	2,904
Other revenue	600	-	-	600	2,341
Fee for service	-	-	-	-	800
	157,634	98,619	6,736	262,989	220,711
Expenses					
Salaries and benefits	124,783	-	-	124,783	175,287
Occupancy <i>(Note 10)</i>	19,038	-	-	19,038	20,123
Office and administrative	19,025	-	-	19,025	12,430
Sharing our resources	16,231	16,104	-	32,335	38,302
Canadian shield council assessment	10,762	-	-	10,762	8,047
Congregational life	1,713	-	-	1,713	1,513
Fundraising	1,301	-	-	1,301	945
Miscellaneous	956	-	-	956	6,979
Church council	367	-	-	367	400
Fee for service	300	-	-	300	1,515
Total expenses	194,476	16,104	-	210,580	265,541
Excess (deficiency) of revenue over expenses before other items	(36,842)	82,515	6,736	52,409	(44,830)
Other revenues (expenses)					
Out of the Cold - Food	22,492	-	-	22,492	5,986
Benevolent account	22,163	-	-	22,163	13,312
Mission and service	18,255	-	-	18,255	22,030
Community kitchen	-	-	-	-	727
First Nations Reconciliation	-	-	-	-	250
Property fund	-	-	-	-	37
Benevolent account	(27,705)	-	-	(27,705)	(10,820)
Mission and service	(18,255)	-	-	(18,255)	(22,030)
Out of the Cold - Food	(17,924)	-	-	(17,924)	(10,601)
Property fund	(407)	-	-	(407)	-
Community Kitchen	-	-	-	-	(727)
First Nations Reconciliation	-	-	-	-	(500)
	(1,381)	-	-	(1,381)	(2,336)
Excess (deficiency) of revenue over expenses	(38,223)	82,515	6,736	51,028	(47,166)

The accompanying notes are an integral part of these financial statements

St. Andrew's United Church
Statement of Changes in Net Assets

as at December 31, 2021

	<i>General Fund</i>	<i>Investment Fund</i>	<i>Endowment Fund</i>	2021	<i>2020 Restated</i>
Net assets, beginning of year, as previously stated	29,020	381,381	146,165	556,566	601,396
Correction of an error (Note 4)	26,684	-	-	26,684	29,020
Net assets, beginning of year, as restated	55,704	381,381	146,165	583,250	630,416
Excess (deficiency) of revenue over expenses	(38,223)	82,515	6,736	51,028	(47,166)
Transfers	7,822	(921)	(6,901)	-	-
Net assets, end of year	25,303	462,975	146,000	634,278	583,250

The accompanying notes are an integral part of these financial statements

St. Andrew's United Church
Statement of Cash Flows
For the year ended December 31, 2021

	General Fund	Investment Fund	Endowment funds	2021	2020 <i>Restated</i>
Cash provided by (used for) the following activities					
Operating					
Excess (deficiency) of revenue over expenses	(38,223)	82,515	6,736	51,028	(47,166)
Fair value adjustment of investments	-	(43,138)	-	(43,138)	4,912
	(38,223)	39,377	6,736	7,890	(42,254)
Changes in working capital accounts					
Accounts receivable	22,058	10,898	-	32,956	(23,153)
Prepaid expenses	(3)	-	-	(3)	2,453
Accounts payable and accrued liabilities	(8,395)	-	-	(8,395)	2,048
Deferred contributions	-	-	-	-	42,000
	(24,563)	50,275	6,736	32,448	(18,906)
Financing					
Repayment of advances from related organization	(276)	-	-	(276)	(1,754)
Investing					
Purchase of investments	-	(137,000)	-	(137,000)	(107,358)
Proceeds on disposal of investments	-	105,259	-	105,259	136,000
	-	(31,741)	-	(31,741)	28,642
Increase (decrease) in cash resources	(24,839)	18,534	6,736	431	7,982
Cash resources, beginning of year	23,682	-	-	23,682	15,700
Interfund cash transfers	25,270	(18,534)	(6,736)	-	-
Cash resources, end of year	24,113	-	-	24,113	23,682

The accompanying notes are an integral part of these financial statements

1. Nature of the organization

St. Andrew's United Church (the "Church") is a religious and benevolent organization with its congregation in Sudbury, Ontario. It is unincorporated and is a registered charity, thus exempt from income taxes under section 149 (l) (1) of the Income Tax Act ("the Act").

Impact on operations of COVID-19 (coronavirus)

In early March 2020 the impact of the global outbreak of COVID-19 (coronavirus) began to have a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. The Church's operations were impacted by COVID-19 due to decreased attendance, increased demands for services and the additional personal protective equipment purchased in the year.

At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Church as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

2. Change in accounting policy

Financial instruments

Financial instruments in a related party transaction, risk disclosures and other amendments

Effective January 1, 2021 (hereafter referred to as the "initial date of application"), the Church adopted the Accounting Standards Board's revised recommendations for the measurement and disclosure of financial instruments in a related party transaction, as well as revisions to risk disclosures, in Section 3856 *Financial Instruments*. The revised standard provides additional guidance and requirements for the measurement of financial instruments originated/acquired or issued/assumed in a related party transaction ("related party financial instruments").

Revised Section 3856 clarifies that an entity must provide relevant entity-specific information to enable users to evaluate the nature and extent of each type of risk arising from financial instruments. The amendments remove the requirement to separately disclose the risks arising from derivatives from the risks arising from other financial instruments.

Revised Section 3856 requires the following related party financial instruments to be initially measured at fair value:

- Investments in equity instruments quoted in an active market
- Debt instruments quoted in an active market
- Debt instruments when the inputs significant to the determination of its fair value are observable (directly or indirectly)
- Derivative contracts.

All other related party financial instruments are measured at cost on initial recognition. When the financial instrument has repayment terms, cost is determined using the undiscounted cash flows, excluding interest and dividend payments, less any impairment losses previously recognized by the transferor. When the financial instrument does not have repayment terms, but the consideration transferred has repayment terms, cost is determined based on the repayment terms of the consideration transferred. When the financial instrument and the consideration transferred both do not have repayment terms, the cost is equal to the carrying or exchange amount of the consideration transferred or received.

At initial recognition, the Church may elect to subsequently measure related party debt instruments that are quoted in active market, or that have observable inputs significant to the determination of fair value, at fair value. If the election is not made, these instruments are subsequently measured at amortized cost. Subsequently investments in equity instruments quoted in an active market and derivatives instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are measured at fair value. All other financial instruments arising in a related party transaction are subsequently measured using the cost method.

Previously, the Church initially measured related party financial instruments at either the carrying amount or exchange amount in accordance with Section 3840 *Related Party Transactions*. Subsequent to initial recognition, related party financial instruments were measured in accordance with extant Section 3856.

2. **Change in accounting policy** *(Continued from previous page)*

Transition

The Church applied the changes in accounting policies resulting from the adoption of revised Section 3856 retrospectively and prior periods have been restated. Financial instruments exchanged in a related party transaction that do not exist at the date of initial application and were impaired or modified in the immediately preceding fiscal year have not been restated in accordance with Section 3856. In addition, the following transitional provisions were applied to related party financial instruments that exist at the date of initial application:

- The cost of a financial instrument that has repayment terms is determined using the undiscounted cash flows, excluding interest and dividend payments, of the instrument less any impairment, as at the beginning of the earliest comparative period presented in these financial statements
- The cost of a financial instrument that does not have repayment terms is deemed to be the carrying amount of the instrument in the financial statements of the entity less any impairment, at the beginning of the earliest comparative period presented in these financial statements
- Fair value of a financial instrument that is an investment in debt or equity instruments that are quoted in active market; a debt instrument where inputs significant to the determination of fair value of the instrument are observable; or, a derivative contract, is determined at the beginning of the earliest comparative period presented in these financial statements.

The retrospective application of this change in accounting policy did not have a material impact on the results of operations and financial condition of the Church.

3. **Significant accounting policies**

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

Fund accounting

The Church follows the restricted fund method of accounting for contributions, and maintains three funds: General Fund, Investment Fund and Endowment Fund.

The General Fund accounts for program delivery and administrative activities and represents the day-to-day operations of the Church; and,

The Endowment Fund reports the Church's resources contributed for endowment. Investment income earned on resources of the Endowment Fund is reported in the fund and transferred to operations.

The Investment Fund represents those funds set aside by the Church for investment purposes. The expendability of these funds are restricted to specific purposes as prescribed by the benefactors or, as set out at the discretion of the Church. Investment income earned on the resources of these funds are included in the investment fund income. Gains and losses on the investments are reflected in the investment fund.

Cash and cash equivalents

Cash and cash equivalents include balances with banks.

Tangible capital assets

The Church meets the criteria that allows for tangible capital assets to be expensed on acquisition.

Contributed materials and services

Contributions of materials and services are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the Church's operations and would otherwise have been purchased. Volunteers contribute hundreds of hours annually to assist the Church in carrying out its service delivery activities. Due to the difficulty of determining their fair value, contributed materials services are not recognized in these financial statements.

3. **Significant accounting policies** *(Continued from previous page)*

Revenue recognition

The Church uses the restricted fund method of accounting. Contributions are recognized as revenue of the appropriate fund in the year of receipt unless specific binding restrictions exist as to the future timing of expenses related to the contribution. Contributions, not recognized to a specific fund, are recognized as revenue in the General Fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Endowment contributions are recognized as direct increases in the Endowment Fund balance.

Investment income is recognized as revenue when earned.

Gains and losses on investments are recognized to reflect the fair market value recognition of the investments.

Measurement uncertainty (use of estimates)

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future years could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the years in which they become known.

Financial instruments

The Church recognizes its financial instruments when the Church becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Church may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Church has made such an election during the year.

The Church subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost less impairment. With the exception of financial liabilities indexed to a measure of the Church's performance or value of its equity and those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess (deficiency) of revenue over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

3. Significant accounting policies *(Continued from previous page)*

Financial asset impairment

The Church assesses impairment of all its financial assets measured at cost or amortized cost. The Church groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group; there are numerous assets affected by the same factors; or no asset is individually significant. Management considers whether the issuer is having significant financial difficulty; whether there has been a breach in contract, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Church determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

With the exception of related party debt instruments and related party equity instruments initially measured at cost, the Church reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

For related party debt instruments initially measured at cost, the Church reduces the carrying amount of the asset (or group of assets), to the highest of: the undiscounted cash flows expected to be generated by holding the asset, or group of similar assets, excluding the interest and dividend payments of the instrument; the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

For related party equity instruments initially measured at cost, the Church reduces the carrying amount of the asset (or group of assets), to the amount that could be realized by selling the asset(s) at the statement of financial position date.

Any impairment, which is not considered temporary, is included in current year excess (deficiency) of revenue over expenses.

The Church reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess (deficiency) of revenue over expenses in the year the reversal occurs.

4. Correction of an error and comparative figures

During the year the Church determined that contributions recorded as deferred contributions should have been recorded to net assets. This required a restatement of the comparative figures.

The correction had the following effect on the 2021 and 2020 figures: increase in 2021 and 2020 opening net assets of \$26,684 and \$29,020, respectively, decrease in 2020 deferred contributions of \$26,684 and increase in 2020 revenues of \$2,529 and increase in 2020 expenses of \$4,865.

5. Accounts receivable

	<i>2021</i>	<i>2020</i>
Harmonized sales tax (HST) rebate	4,659	5,441
Interest receivable	1,971	12,869
Canadian Emergency Wage Subsidy receivable	-	21,276
	6,630	39,586

6. Inter-fund balances

Interfund transfers consists of amounts owing for the transfers between funds and are non-interest bearing with no terms of repayment.

St. Andrew's United Church
Notes to the Financial Statements
For the year ended December 31, 2021

7. Investments

	2021	2020
Measured at fair value:		
Guaranteed investment certificates with interest rates ranging from 1.20% to 3.03%, maturing between January 2022 and June 2023.	212,000	307,765
Fixed income mutual funds	38,956	28,136
Balanced mutual funds	270,294	161,736
Common shares	136,740	85,474
	657,990	583,111

The cost of the investments at year-end was \$543,839 (2020 - \$541,629).

8. Deferred contributions

The Sudbury Welcomes Immigrants account reported in the general fund consists of funds received in the prior period that is disbursed to families when they arrive in Sudbury. Recognition of these amounts as revenue is deferred to periods when the specified expenditures are made. Changes in the Sudbury Welcomes Immigrants account are as follows:

	2021	2020
Balance, beginning of year	42,000	-
Amount received during the year	-	42,000
Balance, end of year	42,000	42,000

9. Advances from related organization

At the end of the year, the current advances from related organization are as follows:

	2021	2020
Advances from St. Andrew's Place, Sudbury.	1,374	1,650

St. Andrew's Place, Sudbury (the "Place") is a related organization, whose Board of Directors comprises a majority of members of St. Andrew's United Church. The advances are unsecured, non-interest bearing with no specific terms of repayment.

10. Related party transactions

Related party transactions are as follows:

	2021	2020
Expenses		
Rent and occupancy paid to the Place, a related organization	19,038	20,123

These transactions are in the normal course of operations and measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

St. Andrew's United Church
Notes to the Financial Statements
For the year ended December 31, 2021

11. Commitments

The Church has entered into an operating lease for its premises with the Place, a related organization, totaling \$16,800 annually, which expires in December 2026.

The minimum annual lease payments for the next five years under this lease agreement is as follows:

2022	16,800
2023	16,800
2024	16,800
2025	16,800
2026	16,800
	<hr/>
	84,000

In January 2022, the Church and the Place announced the signing of a Covid Pandemic Relief Subsidy Agreement. The terms of the agreement coincide with the 5-year lease extension agreement entered into in December 2021.

The terms of the agreement state the Place will provide the Church a monthly subsidy in the amount of 90% of base rent charged under the aforementioned Place/Church lease agreement, covering the five (5) years ending December 31, 2026.

Commencing at the end of the second year of the current lease (December 31, 2023), The Place will reassess its financial position and ability to maintain the relief subsidy. Should continuation of the subsidy become an issue, the Place will provide the Church with six months notice with its intent to renegotiate the amount of the relief subsidy, or to eliminate it altogether if necessary.

12. Internally restricted funds

The internally restricted funds relate to donations received by the Church for programs and activities with specified purposes.

13. Tangible Capital assets

There were no capital asset purchases expensed in 2021 (2020 - \$nil).

Tangible capital assets owned and safeguarded include: the Casevant pipe organ, the sanctuary and chapel doors, various pieces of stained glass, the sound and lighting systems, pianos, oak chairs in the Church, chapel furniture and fixtures (including marble podium and altar) as well as various other fixtures, equipment, office furniture, art works and other accoutrements located at 111 Larch Street, Greater Sudbury, Ontario, Canada.

14. Financial instruments

The Church, as part of its operations, carries a number of financial instruments. It is management's opinion that the Church is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

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. Changes in market interest rates may have an effect on the cash flows associated with some financial assets, known as cash flow risk. Changes in the bank's prime or base lending rates can cause fluctuations in interest payments and cash flows. The Church is exposed to interest rate risk relating to changes in interest rates arising at the date of maturity of their guaranteed investment certificates.

Liquidity risk

Liquidity risk is the risk that the Church will encounter difficulty in meeting obligations associated with financial liabilities. The Church is exposed to this risk mainly in respect of its accounts payable and accrued liabilities.

14. Financial instruments *(Continued from previous page)*

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 foreign 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. The Church's investments in publicly-traded securities exposes the Church to price risk as these investments are subject to price changes in an open market due to a variety of reasons including changes in market rates of interest, general economic indicators and restrictions on credit markets.

15. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.

St. Andrew's United Church
Detail Schedule of Changes in Net Asset Fund Accounts

For the year ended December 31, 2021

(Unaudited)

	<u>Balance</u> <u>Jan 1, 2021</u>	<u>Revenue</u> <u>Donations</u>	<u>Investment</u> <u>Income</u>	<u>Expenses</u>	<u>Transfers</u>	<u>Balance</u> <u>Dec 31,</u> <u>2021</u>
Endowments						
Capital Fund	91,000	-	4,194	-	(4,194)	91,000
Cook	5,165	-	238	-	(403)	5,000
Thornton	50,000	-	2,304	-	(2,304)	50,000
	<u>146,165</u>	<u>-</u>	<u>6,736</u>	<u>-</u>	<u>(6,901)</u>	<u>146,000</u>
Internally restricted investment fund accounts						
James Taylor	-	1,472	-	(1,462)	(9)	-
Lautenslager	18,240	-	841	-	-	19,081
Out of the Cold	51,665	500	1,784	(13,460)	-	40,489
McNaughton	29,112	-	1,342	-	-	30,454
Legge	7,267	-	331	(89)	-	7,509
Griffin	2,550	-	118	-	-	2,668
Brault	3,625	-	167	-	-	3,792
Wright	2,445	-	103	(206)	-	2,342
Martin	3,437	-	158	-	-	3,595
Scott	14,546	-	668	(41)	-	15,174
Technology	-	5,000	192	(847)	22	4,367
	<u>132,886</u>	<u>6,972</u>	<u>5,703</u>	<u>(16,104)</u>	<u>13</u>	<u>129,470</u>
Unrestricted investment fund accounts						
Memorial Gifts	245,659	5,874	11,295	-	(29,727)	233,101
Appreciation of investments	31,855	-	68,775	-	(226)	100,404
	<u>277,514</u>	<u>5,874</u>	<u>80,070</u>	<u>-</u>	<u>(29,953)</u>	<u>333,505</u>
Internally restricted general fund accounts						
Mission and Service	-	18,255	-	(18,255)	-	-
Benevolent	17,194	22,163	-	(27,705)	-	11,651
Out of the Cold	5,282	22,492	-	(17,924)	-	9,850
First Nations Reconciliations	3,527	-	-	-	-	3,527
Property and Piano	682	-	-	(407)	-	275
	<u>26,685</u>	<u>62,910</u>	<u>-</u>	<u>(64,291)</u>	<u>-</u>	<u>25,303</u>
	<u>583,250</u>	<u>75,756</u>	<u>92,509</u>	<u>(80,395)</u>	<u>(36,841)</u>	<u>634,278</u>