

CHURCH OF THE REDEEMER
FINANCIAL STATEMENTS
DECEMBER 31, 2024

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FINANCIAL STATEMENTS
DECEMBER 31, 2024

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INDEPENDENT AUDITORS' REPORT

To the Members of the
Church of the Redeemer

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of Church of the Redeemer, which comprise the statement of financial position as at December 31, 2024, 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 paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of Church of the Redeemer as at December 31, 2024, and the results of its operations and its cash flows for the year then ended, in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

Note 1 describes the Church's accounting policy with respect to equipment. It indicates that the Church expenses capital improvements and purchases of equipment in the year of acquisition. Canadian accounting standards for not-for-profit organizations require that equipment and improvements be recorded at cost when acquired and amortization be recognized for assets with limited useful lives as an expense over the useful lives of the assets. Equipment includes furniture and fixtures and equipment. The effects of this departure from Canadian accounting standards for not-for-profit organizations on the audited financial statements have not been determined for the years ended December 31, 2024 and December 31, 2023.

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 Church of the Redeemer 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.



INDEPENDENT AUDITORS' REPORT (Continued)

Other Information

Management is responsible for the other information. The other information comprises the summarized financial statements in the Church's annual report, but does not include the financial statements and our auditors' 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 information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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's 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.



INDEPENDENT AUDITORS' REPORT (Continued)

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.



INDEPENDENT AUDITORS' REPORT (Continued)

- 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.

KRIENS~LAROSE, LLP

KRIENS~LAROSE, LLP

**Chartered Professional Accountants
Licensed Public Accountants**

Toronto, Ontario
February 4, 2025

CHURCH OF THE REDEEMER
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024

	General Fund 2024 \$	Common Table Fund 2024 \$	Accumulation Fund 2024 \$	Maintenance Reserve Fund 2024 \$	Refugee Settlement Committee Fund 2024 \$	Total 2024 \$	Total 2023 \$
ASSETS							
CURRENT ASSETS							
Cash	139,247	-	115,512	5,055	21,511	281,325	186,529
Account receivable	66,352	-	-	-	-	66,352	82,363
Prepaid expenses	6,550	-	-	-	-	6,550	5,000
HST recoverable	15,784	-	-	-	-	15,784	31,310
Funds held in trust (Note 5)	-	-	-	-	-	-	80,871
Due from general fund	-	-	357,723	-	-	357,723	157,974
Due from other funds	357,597	-	-	-	-	357,597	213,269
	585,530	-	473,235	5,055	21,511	1,085,331	757,316
INVESTMENT (Note 2)							
Rectory fund	793,381	-	-	-	-	793,381	733,517
Church controlled investment fund	1,208,511	-	-	-	-	1,208,511	1,077,418
Guaranteed investment certificate	15,000	-	-	-	-	15,000	50,000
	2,016,892	-	-	-	-	2,016,892	1,860,935
CHURCH PROPERTY (Note 1)	1	-	-	-	-	1	1
	2,602,423	-	473,235	5,055	21,511	3,102,224	2,618,252

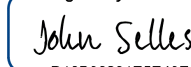
APPROVED ON BEHALF OF THE BOARD:

Signed by:


10088C6EAC9B4D7..., Chairperson

2025-02-21

Signed by:



D40B00204E5E48E..., Treasurer

2025-02-19

CHURCH OF THE REDEEMER
STATEMENT OF FINANCIAL POSITION
 AS AT DECEMBER 31, 2024

	General Fund 2024 \$	Common Table Fund 2024 \$	Accumulation Fund 2024 \$	Maintenance Reserve Fund 2024 \$	Refugee Settlement Committee Fund 2024 \$	Total 2024 \$	Total 2023 \$
LIABILITIES							
CURRENT LIABILITIES							
Accounts payable and accrued liabilities	20,577	-	31,294	-	-	51,871	69,357
Deferred revenue (Note 3)	52,425	-	-	-	-	52,425	50,024
Deferred designated contributions (Note 4)	42,756	-	-	-	-	42,756	42,756
Funds held in trust (Note 5)	-	-	-	-	-	-	80,871
Due to capital accumulation fund	357,723	-	-	-	-	357,723	157,974
Due to general fund	-	357,597	-	-	-	357,597	213,269
	473,481	357,597	31,294	-	-	862,372	614,251
NET ASSETS							
NET ASSETS	2,128,942	(357,597)	441,941	5,055	21,511	2,239,852	2,004,001
	2,602,423	-	473,235	5,055	21,511	3,102,224	2,618,252

CHURCH OF THE REDEEMER
STATEMENT OF OPERATIONS - GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2024

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	2024	2023
	\$	\$
REVENUES (Schedule)		
Donations and space rental	911,074	816,291
Investment income	221,360	192,053
Subsidies	6,800	6,800
	1,139,234	1,015,144
EXPENSES (Schedule)		
Personnel	587,384	568,955
Diocesan assessment	118,655	128,330
Property	106,849	96,778
General office	71,792	62,067
FaithWorks	29,409	24,181
Church program	18,880	31,410
	932,969	911,721
Excess of revenues over expenses from operations	206,265	103,423

CHURCH OF THE REDEEMER
STATEMENT OF OPERATIONS - RESTRICTED FUND -
COMMON TABLE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2024

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	2024	2023
	\$	\$
REVENUES		
Donations	311,575	264,856
Grant and major donor	86,607	118,868
Investment income	3,049	2,750
	401,231	386,474
EXPENSES		
Personnel	336,419	329,575
Program expense	80,766	85,693
Maintenance contracts	49,955	42,854
Utilities	24,856	21,673
Office expense	22,895	20,327
Insurance	19,199	18,084
Major repair	4,936	4,094
Legal and accounting	3,566	3,729
Church maintenance	3,967	4,921
	546,559	530,950
(Deficiency) of revenues over expenses for the year	(145,328)	(144,476)

CHURCH OF THE REDEEMER
STATEMENT OF OPERATIONS - RESTRICTED FUND -
CAPITAL ACCUMULATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	2024	2023
	\$	\$
REVENUES		
Donations	335,885	468,952
	335,885	468,952
EXPENSES		
Capital expenditures	158,492	344,555
Bank and investment fees	128	282
	158,620	344,837
Excess of revenues over expenses for the year	177,265	124,115

CHURCH OF THE REDEEMER
STATEMENT OF OPERATIONS - RESTRICTED FUND -
MAINTENANCE RESERVE FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	2024	2023
	\$	\$
REVENUES		
Donations	-	3,000
EXPENSES		
Repairs and improvements	-	5,637
Excess (deficiency) of revenues over expenses for the year	-	(2,637)

CHURCH OF THE REDEEMER
STATEMENT OF OPERATIONS - RESTRICTED FUND -
REFUGEE SETTLEMENT COMMITTEE FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	2024	2023
	\$	\$
REVENUES		
Donations	5,692	26,391
EXPENSES		
Settlement support	8,043	69,764
(Deficiency) of revenues over expenses for the year	(2,351)	(43,373)

CHURCH OF THE REDEEMER
SCHEDULE TO STATEMENT OF OPERATIONS - GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2024

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	2024	2023
	\$	\$
UNDESIGNATED DONATIONS		
Envelopes	743,074	660,416
Bequests	25,000	20,000
	768,074	680,416
DESIGNATED DONATIONS		
Grants (Note 10)	46,360	41,969
FaithWorks	25,359	24,181
Other	4,189	6,428
	75,908	72,578
Space rental/weddings/funerals	67,092	63,297
	911,074	816,291
SUBSIDIES		
Diocesan subsidies	6,800	6,800
INVESTMENT INCOME		
Reinvested distributions	110,519	35,690
Diocesan Consolidated Trust fund	30,403	27,276
Unrealized gain on investments (Note 8)	80,438	129,087
	221,360	192,053

CHURCH OF THE REDEEMER
SCHEDULE TO STATEMENT OF OPERATIONS - GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2024

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	2024	2023
	\$	\$
PERSONNEL		
Clergy	225,031	244,686
Support staff	191,686	159,322
Musicians	161,667	156,147
Honoraria	9,000	8,800
	587,384	568,955
PROPERTY		
Contracts	49,955	42,854
Utilities	24,856	21,673
Insurance	19,199	18,084
Church maintenance and supplies	7,903	10,073
Major repairs	4,936	4,094
	106,849	96,778

CHURCH OF THE REDEEMER
SCHEDULE TO STATEMENT OF OPERATIONS - GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2024

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	2024	2023
	\$	\$
GENERAL		
Office expenses	63,472	53,308
Legal and accounting	8,320	8,701
Clergy	-	58
	71,792	62,067
CHURCH PROGRAM		
Adult learning	7,690	14,057
Worship and spirituality	6,034	5,113
Outreach	3,500	-
Hospitality	996	5,089
Redeemer rainbow	600	600
Board of management	60	368
Music	-	3,256
Synod	-	2,000
Pastoral care	-	927
	18,880	31,410

CHURCH OF THE REDEEMER
STATEMENT OF CHANGES IN NET ASSETS
 FOR THE YEAR ENDED DECEMBER 31, 2024

	General Fund 2024 \$	Common Table Fund 2024 \$	Accumulation Fund 2024 \$	Maintenance Reserve Fund 2024 \$	Refugee Settlement Committee Fund 2024 \$	Total 2024 \$	Total 2023 \$
NET ASSETS							
Balance, beginning of year	1,923,677	(213,269)	264,676	5,055	23,862	2,004,001	1,966,949
Excess(deficiency) of revenues over expenses for the year	206,265	(145,328)	177,265	-	(2,351)	235,851	37,052
Interfund transfers (Note 7)	(1,000)	1,000	-	-	-	-	-
Balance, end of year	2,128,942	(357,597)	441,941	5,055	21,511	2,239,852	2,004,001
Restricted funds	-	(357,597)	441,941	5,055	21,511	110,910	80,324
Unrestricted funds	2,128,942	-	-	-	-	2,128,942	1,923,677
	2,128,942	(357,597)	441,941	5,055	21,511	2,239,852	2,004,001

CHURCH OF THE REDEEMER
STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED DECEMBER 31, 2024

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	Operating 2024 \$	Capital Accumulation 2024 \$	Total 2024 \$	Total 2023 \$
CASH FROM OPERATING ACTIVITIES				
Contributions received:				
Envelopes	759,085	-	759,085	631,733
Other	4,189	-	4,189	6,428
Common table program	401,231	-	401,231	383,724
Space use/weddings	67,092	-	67,092	63,297
Bequests	25,000	-	25,000	20,000
Diocesan subsidies	6,800	-	6,800	6,800
Maintenance	-	335,885	335,885	471,952
Grants	48,761	-	48,761	41,969
Refugees	5,692	-	5,692	26,391
Faithworks	25,359	-	25,359	24,181
	1,343,209	335,885	1,679,094	1,676,475
Cash paid for:				
Suppliers and employees	(1,372,426)	(158,620)	(1,531,046)	(1,800,694)
Diocese	(118,655)	-	(118,655)	(128,330)
	(1,491,081)	(158,620)	(1,649,701)	(1,929,024)
	(147,872)	177,265	29,393	(252,549)
CASH FROM INVESTING ACTIVITIES				
Proceeds on sale Fiera units	-	-	-	-
Interest and other income	30,403	-	30,403	30,026
Redemption/(Purchase) of GICs	35,000	-	35,000	100,000
	65,403	-	65,403	130,026
Net change in cash	(82,469)	177,265	94,796	(122,523)
Interfund transfer (Note 7)	519,746	(519,746)	-	-
Cash, beginning of year	48,533	137,996	186,529	309,052
Cash, end of year	485,810	(204,485)	281,325	186,529

CHURCH OF THE REDEEMER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

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PURPOSE OF THE ORGANIZATION

The Church of the Redeemer (the Church) is established and operates under the Constitution and Canons of the Incorporated Synod of the Diocese of Toronto. The Church is registered as a charitable organization under the Income Tax Act and as such, is exempt from the payment of income taxes.

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Handbook and include the following significant accounting policies:

Financial Instruments

The Church initially measures its financial assets and liabilities at fair value. The Church subsequently measures all its financial assets and financial liabilities at amortized cost. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash, investments and accounts receivable. Financial liabilities measured at amortized cost include accounts payables

Use of Estimates

The preparation of the financial statements in accordance 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 reporting date and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from those estimated. These estimates are reviewed regularly, and adjustments are made, as appropriate, in the statement of operations in the year they become known.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and fixed income investments with maturities of less than 90 days.

Prepaid Expenses

Prepaid expenses are recorded for goods and services to be received in the next fiscal year, which were paid for in the current fiscal year.

Continued...

CHURCH OF THE REDEEMER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

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1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equipment and Property

Equipment and property including capital improvements, furniture and equipment are expensed in the year of acquisition. The Church of the Redeemer is an incorporated parish of the Diocese of Toronto within the Anglican Church of Canada. All real property, regardless of how the title reads, is held in trust for the Synod of the Diocese of Toronto. Improvements to the Church are recorded as expense in the year they are acquired. The Church building at 162 Bloor Street West has been recorded in the accounts at a nominal value of \$1.

Fund Accounting

The Church follows the restricted fund method of accounting.

The General Fund accounts for the Church's religious operations, program delivery, and administrative activities. This fund reports resources for general operations.

The Common Table Fund accounts for the assets, liabilities, revenues and expenses related to the common table program.

The Capital Accumulation Fund accounts for the assets, liabilities, revenues and expenses related to any future development of the Church.

The Maintenance Reserve Fund accounts for the assets, liabilities, revenues and expenses related to the maintenance of the Church.

The Refugee Settlement Committee Fund accounts for the assets, liabilities, revenues and expenses related to assistance provided for refugees.

Revenue Recognition

Donations

Donations are recognized in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted donations are recognized as revenue of the common table fund, capital accumulation fund, maintenance reserve fund and refugee settlement committee fund.

Unrestricted donations are recognized as revenue of the General fund.

Rentals

Rentals of the Church's facilities are recognized as revenue of the General fund when earned.

Continued...

CHURCH OF THE REDEEMER
NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2024

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1. **SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Revenue Recognition (continued)

Diocesan Consolidated Trust Fund

Unrestricted investment income of the Diocesan consolidated trust fund is recognized as revenue of the General fund.

Investment income

Investment income is recognized on the accrual basis in accordance with applicable terms of the investments.

Any unrealized gain or loss on investments, which is the difference between the investment book value and fair value of the investments is included in the Statement of Operations - General Fund. Transaction costs are expensed as incurred.

Government Assistance

Government assistance is a restricted contribution and is accounted for using the deferral method based on the assistance provided.

Wage subsidies are recognized as revenue in the year the related wages are incurred.

Donated Services

During the year voluntary services were provided. Because these services are not normally purchased by the Church, and because of the difficulty in determining their fair value, donated services are not recognized in these statements.

2. **INVESTMENTS**

Rectory Fund

The rectory at 225 Glenview Avenue was sold in the 2001 year for \$505,225. As required by Diocesan regulation the net proceeds of \$476,592, after payment of legal fees and real estate commission, were deposited with the Diocese and are invested with the Diocesan Consolidated Trust Fund (D.C.T.F).

The D.C.T.F is managed by the Investment Committee of Synod based on investment principles and guidelines contained in their Investment Policy Statement. The fund uses a number of investment managers. As at December 31, 2024, the investment consists of 2,628 units (2023 - 2,628) and has a book value of \$490,882 (2023 - \$490,882).

Continued...

2. INVESTMENTS (Continued)

Church Controlled Investment Fund

The Church-controlled investment fund currently consists of 1,335 units (2023 - 1,213 units) in Fiera Capital Ltd's Balanced Endowment Foundation Trust (EFT) Fund. In 2024 and 2023 no units were redeemed in the fiscal year.

Guaranteed Investment Certificate

The Church also owns non redeemable Guaranteed Investment Certificates bearing interest of 4.4% maturing July 2025 for the total of \$15,000 (2023: 50,000).

The Church's investment policy is:

(a) Safety of Capital

The funds shall be conservatively invested to protect the capital against undue financial and market risk.

(b) Adequate Income

The funds shall be invested so as to generate adequate income for the operation of the Church.

(c) Corporate Responsibility

To the extent that is practical, the Board of Management shall ensure that the funds are invested in companies that are socially responsible.

3. DEFERRED REVENUE

Deferred revenue represents the following grant and funds for space rental services to be provided in the next fiscal year and unspent grants to be utilized in the next fiscal year.

	2024	2023
	\$	\$
Nursing Service Grant	50,024	50,024
Deferred donation	2,400	-
Total	52,424	50,024

4. DEFERRED DESIGNATED CONTRIBUTIONS

Deferred designated contributions represents the restricted contributions related to the Mural Project in which the related expenses will continue to be incurred of future periods. This amount will be recognized as revenue in the period in which the related expenses are incurred.

The change in the deferred designated contributions balance is as follows:

	2024	2023
	\$	\$
Balance, beginning of year	42,756	42,756
Restricted contributions received during the year	-	-
Amounts recognized as revenue during the year	-	-
Balance, end of year	42,756	42,756

5. FUNDS HELD IN TRUST

In the 2022 fiscal year, the Church, Members of the Torkham Pass Sponsor Group, and the Anglican United Refugee Alliance agreed to be partners in program to assist refugee(s) financially to settle in Canada during the sponsorship period. In this partnership, the Church act as a trustee where funds held in trust are administered by the Church but are not available for its general use and are thus classified as a current asset and liability and are not part of the Church's cash flows from operations.

The year end liability is covered by cash in bank account of \$Nil (2023 - \$80,871).

6. LINE OF CREDIT

The Church has a revolving line of credit facility from the CIBC of \$40,000. The credit is available at prime rate and is secured by a general security agreement covering all present and after acquired personal property of the Church. On December 31, 2024, the line of credit was nil.

7. INTERFUND TRANSFERS

The interfund transfers represents funds transferred between the funds during the year as approved by the Board of Management.

8. UNREALIZED GAIN ON INVESTMENTS

The unrealized gain on investments is the total change in the market value of the Rectory fund investment and the Church controlled investment from December 31, 2023 to December 31, 2024.

9. COMMITMENTS

De Lage Landen Financial Services Canada Inc.

The Church entered into a lease for a printer on December 20, 2019, which expires on March 31, 2025. The lease has been accounted for as an operating lease. Future obligations due approximate \$1,746 and include the following annual payments.

	\$
2025	1,746

Church of the Holy Trinity.

The Church is committed to transfer \$50,024 of funds to the Church of the Holy Trinity to help paying the salary and benefits for hiring a Street Outreach Nurse which will support both churches for the period of one year. The transfer will be made in full upon the hiring of the Nurse.

Fibernetics Corporation

The Church entered into an agreement on July 4, 2024 for a NEWT Business Phone Solution with monthly commitment of \$500 plus applicable sales tax for 60 months.

CHURCH OF THE REDEEMER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

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10. GRANTS

Curacy Grant

The Church receives a curacy subsidy from Incorporated Synod of the Diocese of Toronto. The subsidy is to be used for wages paid to the assistant curate. In fiscal year 2024, the Church received a total of \$35,000 (2023 - \$34,719).

Investing in Neighbourhoods

The Church entered into a contract with the City of Toronto in January, 2013 to participate in a social assistance program for the purpose of increasing the social capital capacity of local neighbourhoods as well as the employability and skill level of recipients of social assistance. The program reimburses employment costs of the Church for qualified employees. The Church received \$15,301 of assistance related to the 2024 fiscal year (2023 - \$13,279). The Church have receivable balance of \$nil as at December 31, 2024 (2023 - \$2,677).

Continued...

CHURCH OF THE REDEEMER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

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11. FINANCIAL INSTRUMENTS

The Church is exposed to various risks through its financial instruments. The following presents the Church's risk exposure and concentration at December 31, 2024

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Church's credit risk would occur with their accounts receivable. Actual exposure to credit losses has been minimal in prior years. The allowance for doubtful accounts is \$0 (2023: \$0).

Liquidity Risk

Liquidity risk is the risk the Church will encounter difficulties in meeting obligations associated with financial liabilities. The Church is exposed to this risk mainly in respect of its accounts payable. The Church expects to meet these obligations as they come due by generating sufficient cash flow from operations, and from unrestricted net assets. There has been no change in the risk assessment from the prior period.

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 risks: interest rate risk, currency risk and other price risk.

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. The Church has a moderate interest rate 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. The Church is not exposed to foreign currency 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 instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Church is exposed to price risk through its investments in mutual funds. The exposure to this risk fluctuates as the Organization's investment market values change from year to year. The risk exposure has increased from previous years due to the instability of the investment market.