

CHURCH OF THE REDEEMER

FINANCIAL STATEMENTS

DECEMBER 31, 2025

Draft

CHURCH OF THE REDEEMER
FINANCIAL STATEMENTS
DECEMBER 31, 2025

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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, 2025, 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, 2025, 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, 2025 and December 31, 2024.

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

**Chartered Professional Accountants
Licensed Public Accountants**

Toronto, Ontario
February XX, 2026

CHURCH OF THE REDEEMER
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025

	General Fund 2025 \$	Common Table Fund 2025 \$	Accumulation Fund 2025 \$	Maintenance Reserve Fund 2025 \$	Refugee Settlement Committee Fund 2025 \$	Total 2025 \$	Total 2024 \$ (Note 10)
ASSETS							
CURRENT ASSETS							
Cash	192,557	-	106,008	5,055	14,340	317,960	281,325
Account receivable	68,770	-	-	-	-	68,770	66,352
Prepaid expenses	6,550	-	-	-	-	6,550	6,550
HST recoverable	17,022	-	-	-	-	17,022	15,784
Funds held in trust (Note 5)	82,667	-	-	-	-	82,667	-
Due from general fund	-	-	456,405	-	-	456,405	382,723
Due from other funds	377,812	-	-	-	-	377,812	357,597
	745,378	-	562,413	5,055	14,340	1,327,186	1,110,331
INVESTMENT (Note 2)							
Rectory fund	869,824	-	-	-	-	869,824	793,381
Church controlled investment fund	1,290,578	-	-	-	-	1,290,578	1,208,511
Guaranteed investment certificate	-	-	-	-	-	-	15,000
	2,160,402	-	-	-	-	2,160,402	2,016,892
CHURCH PROPERTY (Note 1)							
	1	-	-	-	-	1	1
	2,905,781	-	562,413	5,055	14,340	3,487,589	3,127,224

APPROVED ON BEHALF OF THE BOARD:

_____, Chairperson

_____, Treasurer

CHURCH OF THE REDEEMER
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025

	General Fund	Common Table Fund	Accumulation Fund	Maintenance Reserve Fund	Refugee Settlement Committee Fund	Total 2025	Total 2024
	\$	\$	\$	\$	\$	\$	\$
(Note 10)							
LIABILITIES							
CURRENT LIABILITIES							
Accounts payable and accrued liabilities	64,869	-	-	-	-	64,869	51,871
Deferred revenue (Note 3)	82,475	-	-	-	-	82,475	52,425
Deferred designated contributions (Note 4)	37,658	-	-	-	-	37,658	42,756
Funds held in trust (Note 5)	82,667	-	-	-	-	82,667	-
Due to capital accumulation fund	456,405	-	-	-	-	456,405	382,723
Due to general fund	-	377,812	-	-	-	377,812	357,597
	724,074	377,812	-	-	-	1,101,886	887,372
NET ASSETS							
NET ASSETS	2,181,707	(377,812)	562,413	5,055	14,340	2,385,703	2,239,852
	2,905,781	-	562,413	5,055	14,340	3,487,589	3,127,224

CHURCH OF THE REDEEMER
STATEMENT OF OPERATIONS - GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2025

	2025	2024
	\$	\$ (Note 10)
REVENUES (Schedule)		
Donations and space rental	870,718	886,074
Investment income	190,462	221,360
Subsidies	6,800	6,800
	1,067,980	1,114,234
EXPENSES (Schedule)		
Personnel	608,504	587,384
Property	123,116	106,849
Diocesan assessment	119,832	118,655
General office	77,604	71,792
Church program	33,496	18,880
FaithWorks	27,663	29,409
	990,215	932,969
Excess of revenues over expenses from operations	77,765	181,265

CHURCH OF THE REDEEMER
STATEMENT OF OPERATIONS - RESTRICTED FUND -
COMMON TABLE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2025

	2025	2024
	\$	\$
REVENUES		
Donations	403,253	311,575
Grant and major donor	128,020	86,607
Investment income	660	3,049
	531,933	401,231
EXPENSES		
Personnel	322,469	336,419
Program expense	85,712	80,766
Church maintenance	39,945	3,967
Maintenance contracts	34,932	49,955
Office expense	22,473	22,895
Insurance	21,931	19,199
Utilities	20,809	24,856
Legal and accounting	3,877	3,566
Major repair	-	4,936
	552,148	546,559
Excess (deficiency) of revenues over expenses for the year	(20,215)	(145,328)

CHURCH OF THE REDEEMER
STATEMENT OF OPERATIONS - RESTRICTED FUND -
CAPITAL ACCUMULATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2025

	2025 \$	2024 \$ (Note 10)
REVENUES		
Bequest	170,173	25,000
Donations	60,043	335,885
EXPENSES		
Capital expenditures	134,605	158,492
Bank and investment fees	139	128
	134,744	158,620
Excess of revenues over expenses for the year	95,472	202,265

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CHURCH OF THE REDEEMER
STATEMENT OF OPERATIONS - RESTRICTED FUND -
MAINTENANCE RESERVE FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	2025	2024
	\$	\$
REVENUES		
Donations	800	-
EXPENSES		
Repairs and improvements	800	-
Excess (deficiency) of revenues over expenses for the year	-	-

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CHURCH OF THE REDEEMER
STATEMENT OF OPERATIONS - RESTRICTED FUND -
REFUGEE SETTLEMENT COMMITTEE FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	2025	2024
	\$	\$
REVENUES		
Donations	12,857	5,692
EXPENSES		
Settlement support	20,028	8,043
(Deficiency) of revenues over expenses for the year	(7,171)	(2,351)

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CHURCH OF THE REDEEMER
SCHEDULE TO STATEMENT OF OPERATIONS - GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2025

	2025	2024
	\$	\$
UNDESIGNATED DONATIONS		
Envelopes	747,604	743,074
	747,604	743,074
DESIGNATED DONATIONS		
Grants (Note 11)	26,444	46,360
FaithWorks	23,051	25,359
Other	14,877	4,189
	64,372	75,908
Space rental/weddings/funerals	58,742	67,092
	870,718	886,074
SUBSIDIES		
Diocesan subsidies	6,800	6,800
INVESTMENT INCOME		
Reinvested distributions	226,337	110,519
Diocesan Consolidated Trust fund	31,953	30,403
Unrealized gain (loss) on investments (Note 8)	(67,828)	80,438
	190,462	221,360

CHURCH OF THE REDEEMER
SCHEDULE TO STATEMENT OF OPERATIONS - GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2025

	2025	2024
	\$	\$
PERSONNEL		
Clergy	237,946	225,031
Support staff	195,600	191,686
Musicians	165,208	161,667
Honoraria	9,750	9,000
	608,504	587,384
PROPERTY		
Church maintenance and supplies	45,444	7,903
Contracts	34,932	49,955
Insurance	21,931	19,199
Utilities	20,809	24,856
Major repairs	-	4,936
	123,116	106,849

CHURCH OF THE REDEEMER
SCHEDULE TO STATEMENT OF OPERATIONS - GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2025

	2025	2024
	\$	\$
GENERAL		
Office expenses	68,559	63,472
Legal and accounting	9,045	8,320
	77,604	71,792
CHURCH PROGRAM		
Adult learning	24,480	7,690
Worship and spirituality	4,522	6,034
Synod	1,890	-
Stewardship Committee	949	-
Redeemer rainbow	600	600
Church school	337	-
Board of management	258	60
Pastoral care	200	-
Music	133	-
Hospitality	127	996
Outreach	-	3,500
	33,496	18,880

CHURCH OF THE REDEEMER
STATEMENT OF CHANGES IN NET ASSETS
 FOR THE YEAR ENDED DECEMBER 31, 2025

	General Fund 2025 \$	Common Table Fund 2025 \$	Accumulation Fund 2025 \$	Maintenance Reserve Fund 2025 \$	Refugee Settlement Committee Fund 2025 \$	Total 2025 \$	Total 2024 \$
NET ASSETS							
Balance, beginning of year	2,103,942	(357,597)	466,941	5,055	21,511	2,239,852	2,004,001
Excess(deficiency) of revenues over expenses for the year	77,765	(20,215)	95,472	-	(7,171)	145,851	235,851
Interfund transfers (Note 7)	-	-	-	-	-	-	-
Balance, end of year	2,181,707	(377,812)	562,413	5,055	14,340	2,385,703	2,239,852
Restricted funds	-	(377,812)	562,413	5,055	14,340	203,996	135,910
Unrestricted funds	2,181,707	-	-	-	-	2,181,707	2,103,942
	2,181,707	(377,812)	562,413	5,055	14,340	2,385,703	2,239,852

CHURCH OF THE REDEEMER
STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED DECEMBER 31, 2025

	Operating 2025 \$	Capital Accumulation 2025 \$	Total 2025 \$	Total 2024 \$
CASH FROM OPERATING ACTIVITIES				
Contributions received:				
Envelopes	754,965	-	754,965	759,085
Other	82,667	-	82,667	4,189
Common table program	531,933	-	531,933	401,231
Space use/weddings	58,742	-	58,742	67,092
Bequests	-	170,173	170,173	25,000
Diocesan subsidies	6,800	-	6,800	6,800
Maintenance	800	60,043	60,843	335,885
Grants	56,494	-	56,494	48,761
Refugees	12,857	-	12,857	5,692
Faithworks	23,051	-	23,051	25,359
	1,528,309	230,216	1,758,525	1,679,094
Cash paid for:				
Suppliers and employees	(1,400,305)	(166,038)	(1,566,343)	(1,531,046)
Diocese	(119,832)	-	(119,832)	(118,655)
	(1,520,137)	(166,038)	(1,686,175)	(1,649,701)
	8,172	64,178	72,350	29,393
CASH FROM INVESTING ACTIVITIES				
Proceeds on sale Fiera units	-	-	-	-
Interest and other income	31,952	-	31,952	30,403
Redemption/(Purchase) of GICs	15,000	-	15,000	35,000
	46,952	-	46,952	65,403
Net change in cash	55,124	64,178	119,302	94,796
Interfund transfer (Note 7)	73,682	(73,682)	-	-
Cash, beginning of year	165,813	115,512	281,325	186,529
Cash, end of year	294,619	106,008	400,627	281,325

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...

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...

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, 2025, the investment consists of 2,628 units (2024 - 2,628) and has a book value of \$490,882 (2024 - \$490,882).

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2. INVESTMENTS (Continued)

Church Controlled Investment Fund

The Church-controlled investment fund currently consists of 1,615 units (2024 - 1,335 units) in Fiera Capital Ltd's Balanced Endowment Foundation Trust (EFT) Fund. In 2025 and 2024 no units were redeemed in the fiscal year.

Guaranteed Investment Certificate

The Church previously held a non redeemable Guaranteed Investment Certificates bearing interest of 4.4%. This investment matured in July 2025 and was not renewed. As at December 31, 2025, the balance is \$nil (2024: 15,000).

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.

	2025	2024
	\$	\$
Nursing Service Grant	49,688	50,025
Deferred donation	-	2,400
Cast and Learn	32,787	-
	<hr/>	
Total	82,475	52,425

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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:

	2025	2024
	\$	\$
Balance, beginning of year	42,756	42,756
Restricted contributions received during the year	9,100	-
Amounts recognized as revenue during the year	(14,198)	-
<hr/>		
Balance, end of year	37,658	42,756

5. FUNDS HELD IN TRUST

In the 2025 fiscal year, the Church, the ARIFI/YAQUBI Sponsor Group, and the Anglican United Refugee Alliance agreed to partner in a program to assist refugee applicants financially during their one-year sponsorship period. Under this partnership, the Church acts as trustee, holding and administering the sponsorship funds on behalf of the partners. These funds are restricted, are not available for the Church's general use, and are therefore recorded as both a current asset and a corresponding current liability. They are not included in the Church's cash flows from operations.

The year end liability is covered by cash in the bank account of \$82,667 (2024 - \$Nil).

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, 2025, the line of credit was nil.

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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, 2024 to December 31, 2025.

9. COMMITMENTS

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.

10. COMPARATIVE FIGURES

In 2024, the Board of Directors mandated that all undesignated bequests be allocated to the Getting Our House In Order (GOHIO) capital campaign until the \$1.2 million goal is achieved. To comply with this designation, a prior-period bequest of \$25,000 has been reclassified from general operations to the capital campaign fund.

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11. 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 2025, the Church received a total of \$12,890 (2024 - \$35,000).

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 \$nil of assistance related to the 2025 fiscal year (2024 - \$15,301). The Church have receivable balance of \$nil as at December 31, 2025 (2024 - \$nil).

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12. 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, 2025

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 \$nil (2024: \$nil).

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.