

# **The Synod of the Diocese of Rupert's Land**

Financial Statements  
**December 31, 2019**



## *Independent auditor's report*

To the Diocesan Council of The Synod of the Diocese of Rupert's Land

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### *Our opinion*

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of The Synod of the Diocese of Rupert's Land (the Company) as at December 31, 2019 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.

#### **What we have audited**

The Company's financial statements comprise:

- the balance sheet as at December 31, 2019;
  - the statement of operations for the year then ended;
  - the statement of changes in fund balances for the year then ended;
  - the statement of cash flows for the year then ended; and
  - the notes to the financial statements, which include a summary of significant accounting policies.
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### *Basis for opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Independence**

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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### *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.

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In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

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### *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 Company'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 Company'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 Company 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.

*PricewaterhouseCoopers LLP*

Chartered Professional Accountants

Winnipeg, Manitoba  
June 1, 2020

# The Synod of the Diocese of Rupert's Land

## Balance Sheet

As at December 31, 2019

								2019	2018	
	Operating Fund	Property Capital Fund	New Church and Diocesan Ministry Development Fund	General Trust Fund	Hobson Trust Fund	Bird Trust Fund	Shared Ministry Investment Fund	Healing and Reconciliation Fund	Total	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Assets</b>										
Cash and term deposits	184,132	-	-	-	-	-	-	-	184,132	129,689
Accounts and loans receivable (note 4)	158,214	-	-	4,863	-	-	-	-	163,077	189,352
Prepaid expenses	13,701	-	-	-	-	-	-	-	13,701	2,744
Interfund balances	(22,420)	(41,881)	7,797	91,913	-	(11,043)	(34,191)	9,825	-	-
	333,627	(41,881)	7,797	96,776	-	(11,043)	(34,191)	9,825	360,910	321,785
<b>Investments – at fair value (note 5)</b>	44,812	366,161	846,779	3,575,007	397,912	246,814	675,433	-	6,152,918	4,874,285
<b>Capital assets – net (note 6)</b>	-	142,504	-	-	-	-	-	-	142,504	153,692
	378,439	466,784	854,576	3,671,783	397,912	235,771	641,242	9,825	6,656,332	5,349,762
<b>Liabilities</b>										
Accounts payable and accrued liabilities	95,105	1,054	-	11,100	500	1,711	1,945	-	111,415	49,691
Distributions payable	-	-	-	19,810	19,252	-	101,428	-	140,490	135,335
Due to The Bishop of the Diocese of Rupert's Land (a Corporation)	20,591	-	-	-	-	-	-	-	20,591	18,400
Promissory notes payable (note 8)	5,475	-	-	-	-	-	-	-	5,475	67,337
	121,171	1,054	-	30,910	19,752	1,711	103,373	-	277,971	270,763
Promissory notes payable (note 8)	60,000	-	-	-	-	-	-	-	60,000	-
Designated payables (note 7)	93,163	-	-	2,198,517	-	-	-	-	2,291,680	1,314,538
	274,334	1,054	-	2,229,427	19,752	1,711	103,373	-	2,629,651	1,585,301
<b>Fund Balances</b>										
Externally restricted	-	-	-	1,006,870	334,110	172,467	-	-	1,513,447	1,508,447
Internally restricted (note 9)	69,803	-	622,370	203,903	14,258	26,304	438,873	9,825	1,385,336	1,393,517
Unrestricted	34,302	465,730	232,206	231,583	29,792	35,289	98,996	-	1,127,898	862,497
	104,105	465,730	854,576	1,442,356	378,160	234,060	537,869	9,825	4,026,681	3,764,461
	378,439	466,784	854,576	3,671,783	397,912	235,771	641,242	9,825	6,656,332	5,349,762

Approved by the Diocesan Council

The accompanying notes are an integral part of these financial statements.

# The Synod of the Diocese of Rupert's Land

## Statement of Operations

For the year ended December 31, 2019

									2019	2018
	Operating Fund	Property Capital Fund	New Church and Diocesan Ministry Development Fund	General Trust Fund	Hobson Trust Fund	Bird Trust Fund	Shared Ministry Investment Fund	Healing and Reconciliation Fund	Total	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Revenue</b>										
Parish pledges	630,268	-	-	-	-	-	-	-	630,268	642,431
Trust income	8,030	-	-	19,751	-	-	-	-	27,781	28,049
Donations, bequests and other revenue (note 11)	139,876	7,270	6,500	5,000	-	-	9,770	4,770	173,186	166,123
Income (loss) from investments	-	44,541	104,734	169,693	48,646	30,279	83,041	-	480,934	(44,345)
Sale of property (net)	-	-	59,146	30,862	-	-	-	-	90,008	-
Designated receipts	8,168	-	-	120,657	-	-	-	-	128,825	222,763
Miscellaneous	26,953	-	-	-	-	-	-	-	26,953	40,395
	813,295	51,811	170,380	345,963	48,646	30,279	92,811	4,770	1,557,955	1,055,416
<b>Expenditures</b>										
Parishes	8,659	-	-	-	-	-	-	-	8,659	14,575
Episcopal supervision	128,787	-	-	-	-	-	-	-	128,787	128,678
Wider Church	178,149	-	-	-	-	-	-	-	178,149	174,427
Parish and Diocesan programs	147,252	-	65,518	-	-	-	-	12,951	225,721	211,767
Youth program	10,200	-	-	-	-	-	-	-	10,200	16,001
Administration and general	81,520	4,164	5,284	15,743	2,970	2,817	7,711	-	120,209	114,042
Diocesan staff	244,113	-	-	-	-	-	-	-	244,113	237,669
Pastoral and sundry	20,501	-	-	-	-	-	-	-	20,501	26,057
Retired clergy and widows	45,080	-	-	-	-	-	-	-	45,080	42,335
Interest	1,863	-	-	-	-	-	-	-	1,863	483
Distributions to beneficiaries (note 12)	-	-	-	54,447	19,252	3,000	22,002	-	98,701	77,797
Amortization	-	36,097	-	-	-	-	-	-	36,097	30,963
Designated disbursements	11,566	-	-	166,089	-	-	-	-	177,655	219,234
	877,690	40,261	70,802	236,279	22,222	5,817	29,713	12,951	1,295,735	1,294,028
<b>Excess (deficiency) of revenue over expenditures</b>	(64,395)	11,550	99,578	109,684	26,424	24,462	63,098	(8,181)	262,220	(238,612)

The accompanying notes are an integral part of these financial statements.

# The Synod of the Diocese of Rupert's Land

## Statement of Changes in Fund Balances

For the year ended December 31, 2019

								2019	2018	
	Operating Fund \$	Property Capital Fund \$	New Church and Diocesan Ministry Development Fund \$	General Trust Fund \$	Hobson Trust Fund \$	Bird Trust Fund \$	Shared Ministry Investment Fund \$	Healing and Reconciliation Fund \$	Total \$	Total \$
<b>Externally restricted</b>										
Balance – beginning of year	-	-	-	1,001,870	334,110	172,467	-	-	1,508,447	1,458,447
Allocation from unrestricted funds (note 10)	-	-	-	5,000	-	-	-	-	5,000	50,000
Balance – end of year	-	-	-	1,006,870	334,110	172,467	-	-	1,513,447	1,508,447
<b>Internally restricted</b>										
Balance – beginning of year	69,803	-	622,370	203,903	14,258	26,304	438,873	18,006	1,393,517	1,462,722
Allocation from (to) unrestricted funds (note10)	-	-	-	-	-	-	-	(8,181)	(8,181)	(69,205)
Balance – end of year	69,803	-	622,370	203,903	14,258	26,304	438,873	9,825	1,385,336	1,393,517
<b>Unrestricted</b>										
Balance – beginning of year	66,015	454,180	132,628	141,681	3,368	19,297	45,328	-	862,497	1,081,904
Revenue in excess (deficiency) of expenditures	(64,395)	11,550	99,578	109,684	26,424	24,462	63,098	(8,181)	262,220	(238,612)
Interfund transfers (note 10)	32,682	-	-	(14,782)	-	(8,470)	(9,430)	-	-	-
Allocation from (to) restricted funds (note 10)	-	-	-	(5,000)	-	-	-	8,181	3,181	19,205
Balance – end of year	34,302	465,730	232,206	231,583	29,792	35,289	98,996	-	1,127,898	862,497
	104,105	465,730	854,576	1,442,356	378,160	234,060	537,869	9,825	4,026,681	3,764,461

The accompanying notes are an integral part of these financial statements.

# The Synod of the Diocese of Rupert's Land

## Statement of Cash Flows

For the year ended December 31, 2019

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	2019 \$	2018 \$
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Excess (deficiency) of revenue over expenditures	262,220	(238,612)
Items not affecting cash		
Amortization	36,097	30,963
Realized and unrealized (gains) losses on investments	(480,934)	44,345
	<hr/>	<hr/>
	(182,617)	(163,304)
Change in non-cash working capital items		
Prepaid expenses	(10,957)	1,724
Accounts and loans receivable	26,275	(53,495)
Due from (to) trusts	-	-
Accounts payable and accrued liabilities	61,724	1,467
Distributions payable	5,155	(2,430)
Designated payables – Operating Fund	(5,821)	(8,049)
Due to The Bishop of the Diocese of Rupert's Land (a Corporation)	2,191	(1,242)
	<hr/>	<hr/>
	(104,050)	(225,329)
<b>Financing and investing activities</b>		
Purchase of capital assets	(24,909)	(8,556)
Purchase of investments	(1,083,996)	(50,404)
Proceeds on disposal of investments	286,297	309,980
Promissory notes payable – net	(1,862)	35,064
Designated payables – General Trust Fund	982,963	(124,615)
	<hr/>	<hr/>
	158,493	161,469
<b>Increase (decrease) in cash and term deposits</b>	54,443	(63,860)
<b>Cash and term deposits – Beginning of year</b>	129,689	193,549
	<hr/>	<hr/>
<b>Cash and term deposits – End of year</b>	184,132	129,689
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The accompanying notes are an integral part of these financial statements.



# The Synod of the Diocese of Rupert's Land

## Notes to Financial Statements

December 31, 2019

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### 1 Purpose of organization

The purpose and objective of The Synod of the Diocese of Rupert's Land (the Diocese) is the government and administration of the affairs of The Anglican Church of Canada within the Diocese of Rupert's Land.

The Diocese operates within the auspices of The Anglican Church of Canada. The ongoing operations of the Diocese are dependent on the continued financial support of parishes within the Diocese of Rupert's Land.

### 2 Summary of significant accounting policies

#### **Basis of presentation**

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies.

#### **Fund accounting**

##### ***Operating Fund***

Revenues and expenses related to Diocese operations are reported in the Operating Fund. All other revenues and expenses are reported in their respective funds.

##### ***Property Capital Fund***

The Property Capital Fund reports the assets, liabilities, revenues and expenses related to the Diocese's capital assets, including investments related thereto.

##### ***New Church and Diocesan Ministry Development Fund***

The New Church and Diocesan Ministry Development Fund reports the assets, liabilities, revenue and expenses related to new church and ministry development within the Diocese of Rupert's Land.

##### ***General Trust Fund***

The General Trust Fund consists of a group of trusts funded through donations and investment income from trust funds which are administered by the Diocese of Rupert's Land with the income allocated for specific beneficiaries or purposes. This fund also includes proceeds from the sale of real property of parishes within the Diocese of Rupert's Land, which are being held in trust for future use by the parish.

##### ***Hobson Trust Fund***

Under provisions of the last will and testament of William Edward Hobson, revenues from the Hobson Trust Fund are to be used for the general purposes of St. John's College.

# The Synod of the Diocese of Rupert's Land

## Notes to Financial Statements

December 31, 2019

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### ***Bird Trust Fund***

The Bird Trust Fund was created from proceeds given to the Diocese by Mr. Hubert John Bird. Revenues earned on the original endowment are used for the advancement of religion and education.

### ***Shared Ministry Investment Fund***

The Shared Ministry Investment Fund was created in 2004 out of the remaining proceeds from the sale of Anglican Island. The purpose of this fund is to provide ongoing support to the Diocesan operating budget as well as to provide support to parish projects. The distribution of revenue from this fund will be as follows: 30% to the Diocesan Operating Budget; 30% to the Diocesan Youth Ministry program; 30% to Parish projects; and 10% for Parish and Diocesan emergencies.

### ***Healing and Reconciliation Fund***

The Healing and Reconciliation Fund was created to fund local programs and initiatives developed by aboriginal people for aboriginal people.

### **Cash and term deposits**

Cash and term deposits includes cash on hand as well as cash and term deposits held at financial institutions.

### **Revenue recognition**

Restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenditures are incurred. Unrestricted contributions are recognized as revenue of the appropriate fund as received.

Restricted investment income is recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

### **Capital assets**

#### ***Property Capital Fund***

Purchased capital assets are recorded in the Property Capital Fund at cost. Amortization is provided on a straight-line basis over the assets' estimated useful lives:

Buildings	40 years
Building improvements	10 years
Equipment	3 to 7 years

Contributions received for capital assets are amortized on the same basis as the related assets.

# The Synod of the Diocese of Rupert's Land

## Notes to Financial Statements

December 31, 2019

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### Financial instruments

#### Measurement of financial instruments

The Diocese initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Diocese subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments, which are subsequently measured at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash and term deposits and accounts and loans receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, designated payables, distributions payable and promissory notes payable.

### 3 Related party transactions

The Diocese is a related party to both The Bishop of the Diocese of Rupert's Land (a Corporation) and Rupert's Land Capital Fund Inc. as the entities share key members of governance, creating common influence. The Diocese has both payable and receivable balances outstanding with The Bishop of the Diocese of Rupert's Land (a Corporation) and Rupert's Land Capital Fund Inc. Receivable balances relate to the Bishop of the Diocese of Rupert's Land (a Corporation)'s expenses for the bishops, retired clergies and widows, and retired bishops and widows paid for by the Diocese, and distributions from Rupert's Land Capital Fund Inc. and The Bishop of the Diocese of Rupert's Land (a Corporation) (note 4). Payable balances relate to The Bishop of the Diocese of Rupert's Land (a Corporation)'s proportionate share of investments held by the Diocese and a promissory note payable to Rupert's Land Capital Fund Inc (note 8). All transactions are measured at amortized cost.

# The Synod of the Diocese of Rupert's Land

## Notes to Financial Statements

December 31, 2019

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### 4 Accounts and loans receivable

Accounts and loans receivable consist of the following amounts:

	2019 \$	2018 \$
<b>Operating Fund</b>		
Clergy loans	9,897	5,417
Receivable from parishes	14,046	52,958
Promissory notes receivable	65,475	67,197
Due from Rupert's Land Capital Fund Inc.	8,470	10,723
Due from Bishop of the Diocese of Rupert's Land (a Corporation)	24,601	22,968
Other receivables	35,725	26,993
	<hr/> 158,214	<hr/> 186,256
<b>General Trust Fund</b>		
Other receivables	4,863	3,096
	<hr/> 163,077	<hr/> 189,352

The promissory notes receivables from St. Aidan's Anglican Church is due in full by June 30, 2029 and the interest rate is fixed on the anniversary date of the loan each year at prime plus 1%, currently 4.95%. The interest is to be paid on the anniversary date, with periodic payments of principle. The promissory note from St. Peter, Dynevor, is prime plus 1% and is payable in full in 2020.

The Diocese is the beneficiary of trust funds held in the Bishop of the Diocese of Rupert's Land (a Corporation) (the Bishop's Corporation). The amount due from the Bishop's Corporation represents income from the trust funds not yet remitted to the Diocese.

All other amounts, except for clergy loans, are non-interest bearing and are due on demand.

# The Synod of the Diocese of Rupert's Land

## Notes to Financial Statements

December 31, 2019

### 5 Investments

	2019 \$	2018 \$
Investments in Integra Balanced Mutual Funds		
Balanced Funds		
Property Capital Fund	311,161	276,939
New Church and Diocesan Ministry Development Fund	718,705	645,430
General Trust Fund	3,015,893	2,054,892
Hobson Trust Fund	337,554	303,805
Bird Trust Fund	209,116	189,552
Shared Ministry Investment Fund	572,390	531,697
	5,164,819	4,002,315
Investments in TREZ Capital Fund		
Property Capital Fund	55,000	57,780
New Church and Diocesan Ministry Development Fund	128,074	134,075
General Trust Fund	559,114	443,408
Hobson Trust Fund	60,358	63,510
Bird Trust Fund	37,698	39,839
Shared Ministry Investment Fund	103,043	96,943
	943,287	835,555
Investments in Canadian Imperial Bank of Commerce Funds		
Operating Fund – Money Market Fund	44,812	36,415
	6,152,918	4,874,285

### 6 Capital assets

#### Property Capital Fund

	2019			2018		
	Cost \$	Accumulated amortization \$	Net \$	Cost \$	Accumulated amortization \$	Net \$
Land	26,058	0	26,058	26,058	-	26,058
Buildings	302,572	267,844	34,728	302,572	260,282	42,290
Building improvements	270,150	177,304	92,846	270,150	150,287	119,863
Equipment	51,174	26,062	25,112	40,538	29,321	11,217
	649,954	471,210	178,744	639,318	439,890	199,428
Deferred contributions	(94,960)	(58,720)	(36,240)	(94,960)	(49,224)	(45,736)
	554,994	412,490	142,504	544,358	390,666	153,692

# The Synod of the Diocese of Rupert's Land

## Notes to Financial Statements

December 31, 2019

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### 7 Designated payables

Designated funds are externally restricted contributions that are received and deposited by the Diocese for the exclusive use of various programs or events in subsequent years. These funds are held until they are either required for their specific designated use or are required to be remitted.

Proceeds from the sale of real property are generally reported in the New Church Diocesan Ministry Development Fund. However, where there is an expectation that the parish will be rebuilt or relocated in the future, the proceeds are held in the General Trust Fund on the balance sheet.

At December 31, 2019, the Diocese holds the following externally restricted contributions:

	2019 \$	2018 \$
Operating Fund		
St. Benedict's Table	76,459	80,855
St. George Woodlands Cemetery	16,704	18,129
	<hr/> 93,163	<hr/> 98,984
General Trust Fund		
Church of the Good Shepherd	504,312	468,198
St. Chad's	290,573	299,813
St. Francis	219,175	203,704
St. Stephen	943,322	-
Archdeaconry Kenora/St. Alban's	241,135	243,839
	<hr/> 2,198,517	<hr/> 1,215,554
	<hr/> 2,291,680	<hr/> 1,314,538

### 8 Promissory notes payable

The promissory notes are payable to Rupert's Land Capital Fund Inc. The notes bear interest at prime plus 1% (currently 4.95%), which is updated annually on the anniversary date of the loan. The first note is payable in full in 2020, and the second note has interest payments due on the anniversary date of the loan with periodic payments of principle, which is due in full by 2029.

# The Synod of the Diocese of Rupert's Land

## Notes to Financial Statements

December 31, 2019

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### 9 Internally restricted funds

Internally restricted funds consist of:

	2019 \$	2018 \$
Operating Fund		
Clergy loan fund	29,246	29,246
Reserve for Lambeth/General Synod	40,557	40,557
	<hr/>	<hr/>
	69,803	69,803
New Church and Diocesan Ministry Development Fund – Capital	622,370	622,370
General Trust Fund – Capital	203,903	203,903
Hobson Trust Fund – Capital	14,258	14,258
Bird Trust Fund – Capital	26,304	26,304
Shared Ministry Investment Fund – Capital	438,873	438,873
Healing and Reconciliation Fund – Healing and Reconciliation	9,825	18,006
	<hr/>	<hr/>
	1,385,336	1,393,517
	<hr/>	<hr/>

### 10 Fund transfers

The following interfund transfers were made to allocate trust income to the Operating Fund and were approved by the Board of Directors:

	2019 \$	2018 \$
Diocesan General Trust	14,782	12,618
Bird Trust	8,470	6,785
Shared Ministry Investment Trust	9,430	7,284
	<hr/>	<hr/>
	32,682	26,687
	<hr/>	<hr/>

In addition to the interfund transfers noted above, there were allocations made between the internally restricted and unrestricted funds that were approved by the Board of Directors. There was also a transfer made from the unrestricted fund to the externally restricted fund to reflect the donor's restrictions on a grant received during the year.

# The Synod of the Diocese of Rupert's Land

## Notes to Financial Statements

December 31, 2019

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### 11 Donations, bequests and other revenue

Donations, bequests and other revenue consist of the following:

	2019 \$	2018 \$
Operating Fund		
New England Co.	15,000	15,000
Anderson Trust	45,080	42,335
Parishioners' contributions	26,486	10,133
Rupert's Land Capital Fund Inc.	9,972	10,092
Rupert's Land News	6,568	8,353
The Bishop of the Diocese of Rupert's Land (a Corporation)	8,030	20,250
Other	28,740	9,960
	<hr/>	<hr/>
	139,876	116,123
General Trust Fund		
Parishioners' contributions	5,000	50,000
Property Capital Fund		
Parishioners' contributions	7,270	-
New Church & Diocesan Ministry Development Fund		
Parishioners contribution	6,500	-
Shared Ministry & Mission		
Parishioners' contributions	9,770	-
Healing and Reconciliation Fund		
Parishioners' contributions	4,770	-
	<hr/>	<hr/>
	173,186	166,123
	<hr/>	<hr/>

### 12 Distributions to beneficiaries

Distributions to beneficiaries consist of:

	2019 \$	2018 \$
St. John's College	22,056	17,621
Other distributions	76,645	60,176
	<hr/>	<hr/>
	98,701	77,797
	<hr/>	<hr/>



# The Synod of the Diocese of Rupert's Land

## Notes to Financial Statements

December 31, 2019

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### 13 Employee pension plan

The Diocese is a member of The Anglican Church of Canada's pension plan providing pension benefits to its employees and is required to make a defined contribution each year to the plan. The net expense for the year is \$54,043 (2018 – \$56,627).

### 14 Financial instruments

#### Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities. The Diocese is exposed to liquidity risk mainly in respect to its accounts payable and accrued liabilities, distributions payable, and promissory notes payable.

#### Interest rate risk

Interest rate risk refers to the adverse consequences of interest rate changes in the Diocese cash flows, financial position and expenses. The risk arises from differences in the timing and amount of cash flows related to the Diocese liabilities. All promissory notes payable bear interest at prime plus 1%, which is updated annually on the anniversary date of the loan.

#### Credit risk

Credit risk is the risk that a financial loss could arise from a counterparty not being able to meet its obligations. The Diocese financial assets that are exposed to credit risk consist of accounts and loan receivables. The Diocese performs regular assessments on the collectability of its accounts and loan receivables. Accounts and loan receivables are due from a wide variety of sources which minimizes the concentration of credit risk.

#### Market risk

Market risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in the marketplace. The Diocese holds significant investments in mutual funds comprising both equity and bond holdings which are susceptible to market fluctuation.

### 15 Subsequent event

Subsequent to December 31, 2019, financial markets have been negatively impacted by a novel strain of coronavirus (COVID-19), which was declared a pandemic by the World Health Organization (WHO) on March 11, 2020. The continued spread of the coronavirus (COVID-19) and the actions being taken to limit its spread may adversely impact our operations, including among others, limiting donation and pledge revenues. It is difficult to reliably measure the potential impact of this uncertainty on our future financial results.