

**THE ANGLICAN SYNOD OF THE DIOCESE OF BRITISH COLUMBIA**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**

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# Grant Thornton

## Independent Practitioner's Review Engagement Report

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To the Executive Council of the  
The Anglican Synod of the Diocese of British Columbia

We have reviewed the accompanying financial statements of the Anglican Synod of the Diocese of British Columbia that comprise of the statement of financial position as at December 31, 2020 and the statements of operations, changes in net assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's responsibility 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.

### **Practitioner's responsibility**

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

**Basis for conclusion**

Certain Synod assets, liabilities and operations that are under the control of the Parishes and not under the direct control of the Synod are not recognized in these non-consolidated financial statements, these include the parishes operating assets, liabilities, net assets, and revenue and expenses incurred by the Parishes. The effects of this departure from Canadian accounting standards for not-for-profit organizations on these non-consolidated financial statements have not been determined.

**Conclusion**

Except for the failure, as described in the preceding paragraph, to account for the assets, liabilities and operations under control, based on our review, nothing has come to our attention that causes us to believe that these non-consolidated financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

**Report on other legal and regulatory requirements**

As required by the Societies Act of British Columbia, we report that, in our opinion, these accounting principles have been applied on a basis consistent with that of the preceding year.

Victoria, Canada  
May 17, 2021



Chartered Professional Accountants

# The Anglican Synod of the Diocese of British Columbia

## Non-Consolidated Statement of Financial Position

(Unaudited)

December 31,

	Operating Fund	Capital Assets Fund	Special Purpose Funds	Consolidated Trust Fund	Total 2020	Total 2019
<b>Assets</b>						
Current						
Cash and cash equivalents	\$ 335,226	\$ -	\$ 12,721	\$ 1,253,924	\$ 1,601,871	\$ 1,877,750
Investments (Note 13)	4,467,510	-	-	25,831,239	30,298,749	28,175,487
Parish receivables	29,203	-	-	-	29,203	32,516
Prepays	3,995	-	-	-	3,995	527
Interfund receivable	670,190	-	1,480,230	-	2,150,420	1,426,851
Other receivables	414,617	-	-	-	414,617	67,052
Inventory (Note 7)	7,557	-	-	-	7,557	7,557
Deposit (Note 4)	-	-	-	-	-	55,047
	<u>5,928,298</u>	<u>-</u>	<u>1,492,951</u>	<u>27,085,163</u>	<u>34,506,412</u>	<u>31,642,787</u>
Church parsonage and site loans (Note 15)	616,687	-	-	-	616,687	698,472
Transportation loans	2,058	-	-	-	2,058	3,712
Long term receivable (Note 11)	159,777	-	-	-	159,777	159,777
Long term investment (Note 12)	25	-	-	-	25	25
Bethlehem Investors Group loan receivable (Note 12)	399,975	-	-	-	399,975	399,975
Surplus properties (Note 2d)	-	-	-	-	-	200,300
Capital assets (Note 2e and Note 5)	-	69,194,730	-	-	69,194,730	69,546,092
	<u>\$ 7,106,820</u>	<u>\$ 69,194,730</u>	<u>\$ 1,492,951</u>	<u>\$ 27,085,163</u>	<u>\$ 104,879,664</u>	<u>\$ 102,651,140</u>
<b>Liabilities</b>						
Current						
Payables and accruals	\$ 552,812	\$ -	\$ -	\$ -	\$ 552,812	\$ 373,284
Unearned revenue	3,542	-	-	-	3,542	5,942
Interfund loan	1,480,230	-	-	670,190	2,150,420	1,426,851
	<u>2,036,584</u>	<u>-</u>	<u>-</u>	<u>670,190</u>	<u>2,706,774</u>	<u>1,806,077</u>
Income distributed to and held by unitholders	-	-	-	662,752	662,752	577,687
Undistributed income	-	-	-	7,251,969	7,251,969	6,314,291
	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,914,721</u>	<u>7,914,721</u>	<u>6,891,978</u>
Fund balances - unrestricted	2,307,526	69,194,730	-	2,061,654	73,563,910	74,143,446
Fund balance - externally restricted	-	-	1,381,612	6,242,189	7,623,801	6,628,142
Fund balance - internally restricted	2,762,710	-	111,339	10,196,409	13,070,458	13,181,497
	<u>5,070,236</u>	<u>69,194,730</u>	<u>1,492,951</u>	<u>18,500,252</u>	<u>94,258,169</u>	<u>93,953,085</u>
Net Assets	<u>5,070,236</u>	<u>69,194,730</u>	<u>1,492,951</u>	<u>26,414,973</u>	<u>102,172,890</u>	<u>100,845,063</u>
	<u>\$ 7,106,820</u>	<u>\$ 69,194,730</u>	<u>\$ 1,492,951</u>	<u>\$ 27,085,163</u>	<u>\$ 104,879,664</u>	<u>\$ 102,651,140</u>

See accompanying notes to the financial statements

# The Anglican Synod of the Diocese of British Columbia

## Non-Consolidated Statement of Changes in Net Assets

(Unaudited)

Year Ended December 31,

	<b><u>Operating Fund</u></b>	<b><u>Capital Assets Fund</u></b>	<b><u>Special Purpose Funds</u></b>	<b><u>Consolidated Trust Fund</u></b>	<b><u>Total 2020</u></b>	<b><u>Total 2019</u></b>
Net Assets, Beginning of Year	\$ 5,086,258	\$ 69,746,392	\$ 1,384,301	\$ 24,628,112	\$ 100,845,063	\$ 99,582,580
(Deficiency) Excess of Revenues over Expenditures	<u>(48,135)</u>	<u>(519,549)</u>	<u>109,503</u>	<u>1,021,890</u>	<u>563,709</u>	<u>2,066,652</u>
	5,038,123	69,226,843	1,493,804	25,650,002	101,408,772	101,649,232
Interfund Transfer (Note 16)	32,113	(32,113)	(853)	853	-	-
Consolidated Trust Fund Distributions Re-Invested by Unitholders	-	-	-	20,713	20,713	19,657
Other Net Contributions (Withdrawals)	-	-	-	743,405	743,405	(923,642)
Withdrawal of Undistributed Income Upon Closing Their Accounts	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>99,816</u>
Net Assets, End of Year	<u><u>\$ 5,070,236</u></u>	<u><u>\$ 69,194,730</u></u>	<u><u>\$ 1,492,951</u></u>	<u><u>\$ 26,414,973</u></u>	<u><u>\$ 102,172,890</u></u>	<u><u>\$ 100,845,063</u></u>

See accompanying notes to the financial statements

# The Anglican Synod of the Diocese of British Columbia

## Non-Consolidated Statement of Operations

(Unaudited)

Year Ended December 31,

	<b>Operating Fund</b>	<b>Capital Assets Fund</b>	<b>Special Purpose Funds</b>	<b>Consolidated Trust Fund</b>	<b>Total 2020</b>	<b>Total 2019</b>
<b>Revenue</b>						
Parish assessments	\$ 1,350,848	\$ -	\$ -	\$ -	\$ 1,350,848	\$ 1,349,576
Investment income	221,320	-	-	582,869	804,189	1,081,536
Advisory services	-	-	-	-	-	60,000
Federal wage subsidies	20,775	-	-	-	20,775	-
Transforming futures campaign	77,597	-	-	-	77,597	38,287
Retreats	330	-	-	-	330	20,235
Rentals	-	98,310	-	-	98,310	97,422
Realized/unrealized gain (loss) on investments	-	-	-	1,146,645	1,146,645	2,507,802
Other contributions	31,754	-	1,043,685	5,158	1,080,597	1,084,877
	<u>1,702,624</u>	<u>98,310</u>	<u>1,043,685</u>	<u>1,734,672</u>	<u>4,579,291</u>	<u>6,239,735</u>
<b>Expenditures</b>						
<b>Administrative (Schedule E)</b>	<u>885,105</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>885,105</u>	<u>1,016,901</u>
<b>Assessments</b>						
General Synod	416,976	-	-	-	416,976	436,428
Provincial Synod	27,030	-	-	-	27,030	27,029
	<u>444,006</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>444,006</u>	<u>463,457</u>
<b>Programs (Schedule F)</b>	<u>385,874</u>	<u>-</u>	<u>859,182</u>	<u>692,718</u>	<u>1,937,774</u>	<u>1,921,063</u>
<b>Other</b>						
Administration and bank fees	35,774	-	-	20,064	55,838	55,500
Amortization	-	616,992	-	-	616,992	635,042
Loss (gain) on disposal of equipment	-	(2,258)	-	-	(2,258)	168
Other expenditures (Note 14)	-	-	75,000	-	75,000	75,000
Rental expense	-	3,125	-	-	3,125	5,952
	<u>35,774</u>	<u>617,859</u>	<u>75,000</u>	<u>20,064</u>	<u>748,697</u>	<u>771,662</u>
Excess (deficiency) of revenue over expenditures	<u>\$ (48,135)</u>	<u>\$ (519,549)</u>	<u>\$ 109,503</u>	<u>\$ 1,021,890</u>	<u>\$ 563,709</u>	<u>\$ 2,066,652</u>

See accompanying notes to the financial statements

# The Anglican Synod of the Diocese of British Columbia

## Non-Consolidated Statement of Cash Flows

(Unaudited)

Year Ended December 31,

	<u>2020</u>	<u>2019</u>
<b>Operating</b>		
Excess of revenue over expenditures	\$ 563,709	\$ 2,066,652
Non-cash item adjustments		
Amortization	616,992	635,042
Loss (gain) on disposal of equipment and property	(2,258)	168
Realized/unrealized (gain) loss on investments	(1,146,645)	(2,507,802)
Changes in non-cash working capital		
Decrease (increase) in parish receivables	3,313	(13,094)
Decrease (increase) in prepaids	(3,468)	2,759
Decrease (increase) in mortgage receivable	-	434,311
Decrease (increase) in other receivables	(347,565)	(24,712)
Decrease (increase) in deposit	55,047	(1,984)
Decrease (increase) in loans receivable	83,439	(154,982)
Decrease (increase) in long term receivable	-	(159,777)
(Decrease) increase in payables	179,528	(91,163)
(Decrease) increase in unearned revenue	(2,400)	-
(Decrease) increase in forgiveness of debt	-	(434,311)
	<u>(308)</u>	<u>(248,893)</u>
<b>Investing</b>		
Disposal of capital assets	5,125	165
Purchase of capital assets	(68,197)	(8,942)
Unitholders net contributions to CTF	764,118	(469,674)
Payment of Undistributed Income upon closing of CTF accounts	-	99,816
Decrease (increase) in investments, net	<u>(976,617)</u>	<u>1,465,999</u>
	<u>(275,571)</u>	<u>1,087,364</u>
Increase (decrease) in cash	(275,879)	838,471
Cash, beginning of year	<u>1,877,750</u>	<u>1,039,279</u>
<b>Cash, end of year</b>	<u>\$ 1,601,871</u>	<u>\$ 1,877,750</u>

### Cash end of year consists of:

Operating Fund	\$ 335,226	\$ 999,767
Special Purpose Fund	12,721	12,622
Consolidated Trust Fund	<u>1,253,924</u>	<u>865,361</u>
	<u>\$ 1,601,871</u>	<u>\$ 1,877,750</u>

See accompanying notes to the financial statements



# THE ANGLICAN SYNOD OF THE DIOCESE OF BRITISH COLUMBIA

## Notes to Non-Consolidated Financial Statements

December 31, 2020

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### 1. Purpose of the Organization

The Synod represents the Anglican Church of Canada on Vancouver Island and the Gulf Islands. It was incorporated by the Synod Incorporation Act of the Legislative Assembly of the Province of British Columbia in 1889 and is a registered charity under the Income Tax Act of the Government of Canada. Its primary mission is to worship, praise Almighty God, and grow in our relationship with God and with other Christians, to support the weak and the powerless and to heal the sick and troubled. We teach Christ to seekers and learners while promoting wise stewardship of God's creation.

### 2. Significant Accounting Policies

#### (a) Basis of presentation:

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

The Synod's financial statements do not include the operating results of the parishes, nor their assets and liabilities, other than parish assets held in the Consolidated Trust Fund.

#### (b) Fund accounting:

The Operating Fund accounts for the organization's administrative activities.

The Capital Fund reports the assets, liabilities, revenues and expenses related to The Synod's capital assets.

The Special Purpose Fund consists of assets (i) contributed by third parties and subject to external restrictions regarding their disposition or (ii) set aside by Synod for specific purposes.

The Consolidated Trust Fund (CTF) consists of assets invested in units of the Fund (see note 9), (i) contributed by the Operating Fund and by third parties and subject to external restrictions regarding their disposition and (ii) either contributed by third parties without restrictions regarding their distribution or set aside by Synod for specific purposes.

The assets of the CTF are, almost entirely, held by, or for the benefit of, the Synod and its parishes. At December 31, 2020, there were 4 individual trusts within the CTF held by, or for the benefit of, entities other than the Synod and its parishes. The units held by these trusts, whose activities are supported by the Synod, comprised 1.45% of total CTF units at December 31, 2020 (1.50% at December 31, 2019).

#### (c) Revenue recognition:

The Synod follows the restricted fund method of accounting for contributions.

Restricted contributions are recognized as revenue of the appropriate restricted fund when received or receivable.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income of the Consolidated Trust Fund is recognized when earned. Due to the difficulty of determining their value, contributed materials and services are not recognized in the financial statements.

# THE ANGLICAN SYNOD OF THE DIOCESE OF BRITISH COLUMBIA

Notes to Non-Consolidated Financial Statements

December 31, 2020

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## 2. Significant Accounting Policies (continued):

(d) Surplus properties:

Capital assets are classified as surplus properties when they no longer have any long-term service potential to the organization. Surplus properties no longer have service potential after management decides to no longer use the property for operations and commits to a plan to sell the property and the property is available for immediate sale in its present condition. Surplus properties are measured at the lower of its net carrying amount and any residual value and are no longer amortized. Any difference from the carrying amount and the asset's residual amount is recognized as an expense in the statement of operations. During the year, the remaining property held in Fanny Bay, BC was reclassified to the capital assets as there is no plan to sell the property.

(e) Property and equipment:

Property and equipment are amortized over their anticipated life span on the declining basis, as follows:

Building	3%
Dies	20%
Equipment	20%
Furniture	20%
Computer hardware and software	33%

(f) Other operations:

The financial statements also exclude the investment in or the results of operations of Dawson Heights Housing Ltd. (formerly Twilight Homes Ltd), whose common shares are 100% held by the Synod. The Company's Articles of Incorporation prohibit the distribution of the Company's profit to the shareholders.

(g) Financial instruments:

The Synod considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The Synod accounts for the following as financial instruments:

- (i) Cash and cash equivalents
- (ii) Trade and other receivables
- (iii) Investments
- (iv) Trade and other payables

A financial asset or liability is recognized when the Synod becomes party to contractual provisions of the instrument.

Measurement - The Synod initially measures its financial assets and financial liabilities at fair value.

The Synod subsequently measures all of its financial assets and financial liabilities at cost or amortized cost less any reductions for impairment, except for investments held in the CTF fund in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

# THE ANGLICAN SYNOD OF THE SYNOD OF BRITISH COLUMBIA

Notes to Non-Consolidated Financial Statements

December 31, 2020

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## 2. Significant Accounting Policies (continued):

### (h) Financial instrument risks:

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Synod's main credit risks relate to its accounts receivable and guarantee.

The entity provides credit to its parishes in the normal course of its operations. There was no significant change in exposure from the prior year.

Liquidity risk is the risk that the Synod will encounter difficulty in meeting the obligations associated with its financial liabilities. The Synod is exposed to this risk mainly in respect of its interfund loans and accounts payable. There was no significant change in exposure from the prior year.

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

(a) 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. Consequently, some assets are exposed to foreign exchange fluctuations. There was no significant change in exposure from the prior year.

(b) 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 Synod is exposed to interest rate risk on its fixed rate financial instruments. There was no significant change in exposure from the prior year.

(c) Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Synod is exposed to other price risk through its investments quoted in an active market.

It is management's opinion that the Synod is not subject to significant amounts of concentration risk as the risk is managed by diversifying its portfolio among asset classes, industry sectors, individual securities and geographical locations. There was no significant change in exposure from the prior year.

## 3. Linked banking arrangement

The Synod presently banks in a linked banking arrangement with most parishes and several other Anglican Church related organizations. Each participant is assigned an individual sub-account, is entitled to designate its own signing authorities and is paid interest based on its average monthly balance.

Individual participants can apply for and may be granted permission to operate in an overdraft position. Limits on the maximum overdraft permitted are at the discretion of the Diocesan Council. In the event that one or more of the participants should be unable to honour its commitment to repay any overdraft, the Synod would be contingently liable for the amount of any loss.

As at December 31, 2020, overdrafts authorized by the Council totaled \$3,514,000 (2019 - \$3,514,000). At December 31, 2020, the accounts with overdrafts totaled \$647,743 (2019 - \$402,993) which were offset by \$4,696,977 (2019 - \$5,208,757) in accounts having positive balances.

# THE ANGLICAN SYNOD OF THE DIOCESE OF BRITISH COLUMBIA

Notes to Non-Consolidated Financial Statements

December 31, 2020

## 4. Deposits

This was an amount advanced to Rogers Court Housing towards initial costs for a future development at the Parish of St Peter St Paul in Esquimalt. The amount was capitalized in 2020 and added to the value of the property. A letter of credit secured by a GIC is also in place.

## 5. Capital Assets

	<u>2020</u>		<u>2019</u>	
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Building	\$ 26,848,836	\$ 7,092,425	\$19,756,411	\$20,247,384
Land	49,409,500	-	49,409,500	49,269,500
Equipment	25,353	21,043	4,310	5,388
Furniture	20,918	13,990	6,928	8,002
Dies	931	395	536	670
Computer Hardware & Software	<u>42,790</u>	<u>25,745</u>	<u>17,045</u>	<u>15,148</u>
	<u>\$ 76,348,328</u>	<u>\$ 7,153,598</u>	<u>\$ 69,194,730</u>	<u>\$ 69,546,092</u>

The amortization expense for 2020 is \$616,992 (2019 - \$635,042).

## 6. Internally Restricted Operating, Vision and Capital Asset Funds

Funds have been set aside for church sites and parsonages loans and transportation loans in the operating fund. Also set aside by the Synod are monies for the Vision Fund established from the proceeds of the sale of certain church properties in the Capital Asset Fund.

	December 31	
	<u>2020</u>	<u>2019</u>
<u>Operating Fund</u>		
Church sites and parsonages	\$ 930,861	\$ 919,156
Vision	1,720,256	1,720,256
Transportation	<u>111,593</u>	<u>111,446</u>
	<u>\$ 2,762,710</u>	<u>\$ 2,750,858</u>

The amount of loans outstanding for church sites and parsonages, and for transportation, is shown separately on the Statement of Financial Position.

# THE ANGLICAN SYNOD OF THE DIOCESE OF BRITISH COLUMBIA

## Notes to Non-Consolidated Financial Statements

December 31, 2020

### 7. Inventory

Medals and pins were created to honour and give special recognition to members of the diocese who have given outstanding service over a significant period of time in their baptismal ministry. To reduce production costs for future recipients, an inventory was created. Inventory is measured at the lower of cost and net realizable value, with cost determined using specific identification method. Net realizable value is the estimated selling price.

### 8. Consolidated Trust Fund

In 1967, the Consolidated Trust Fund investment portfolio was placed in a Consolidated Trust Fund. Units were allotted to the various trust funds based on the par value of bonds and debentures and the market value of shares contributed - one unit for each \$10 of value. Subsequent additions and withdrawals have been based on the market value of all assets in the Fund. The market value of the unit holders' investments at December 31, 2020, less \$662,752 distributed to and held by income owing to certain trusts, was \$25,752,221 (2019 - \$24,050,425), giving a value of \$15.69 (2019- \$15.32) per unit.

The Synod's investment is shown as assets in the Operating Fund at book value.

### 9. Consolidated Trust Fund Investments

The Consolidated Trust Fund portfolio consists of the following types of investments:

Broker Investments, held by Scotia Wealth Management, for Unit Holders:

	<u>2020</u>	<u>2019</u>
Bonds/debentures:		
Pooled High Yield Fund	\$ -	10,399,438
Equities:		
Canadian	10,329,386	9,243,280
United States	3,214,305	3,824,063
International	<u>206,766</u>	<u>3,568,075</u>
	<u>13,750,457</u>	<u>16,635,418</u>
Cash & cash equivalents	16,348,187	940,129
Interfund loan balance	(670,190)	55,172
Bank	1,253,924	865,361
Investments held by the Synod	<u>(4,267,405)</u>	<u>(4,267,405)</u>
Unit Holders' Investments	<u>\$26,414,973</u>	<u>\$24,628,113</u>

The management of the investment portfolio is under a custodian and monitored by the Finance Committee. In December 2020, the fund changed investment advisors and during that transition a large portion of the investments was temporarily held in cash.

# THE ANGLICAN SYNOD OF THE DIOCESE OF BRITISH COLUMBIA

## Notes to Non-Consolidated Financial Statements

December 31, 2020

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### 10. Employee Future Benefits

Synod employees participate a multi-employer contributory defined benefit pension plan (the General Synod Pension Plan of the Anglican Church of Canada). The Anglican Pension Corporation administers the Plan, including payment of pension benefits on behalf of employers and employees in accordance with the Public Sector Pension Plans Act. The risks and rewards associated with the Plan's unfunded liability or surplus are shared between the employers and the Plan's members and may be reflected in their future contributions.

The current year pension plan expense for Synod employees was \$109,872 (2019 - \$97,835). The current year total pension plan remittance for Synod staff was \$153,816 (2019 - \$141,408). These amounts include employees with the University Chaplaincy program and Emmaus.

### 11. Long Term Receivable

The loan to St. Dunstan to renovate their rectory is non-interest bearing and will be repaid when the rectory is sold. Any growth in the value of the rectory will be shared by the diocese proportionately.

### 12. Long Term Investment

A 25% interest (2,500 common shares) was acquired in Bethlehem Investors Group Ltd. in 2015 for \$25. The investment is recorded at cost. The shareholder loan for \$399,975 is non-interest bearing with no set terms of repayment. A shareholders' loan agreement is in place outlining the options to add or replace existing shareholders as well as detailing future sale of the property.

### 13. Investments

The Synod invested monies from the Vision Fund and Operating Fund in the Consolidated Trust Fund. \$305,058 of the undistributed income in the Consolidated Trust Fund is attributable to these investments.

### 14. Other Expenditures

The 2020 Special Purpose Fund expenditure represents the purchase of Consolidated Trust Fund units by the Stoneham Fund.

### 15. Church Parsonage and Site Loans

The loans are interest bearing and allow for lump sum paydowns. The existing loans have interest rates ranging from 1% to 3% and security of the loan is provided through the diocese's ownership of the land and buildings on which the loans were advanced.

### 16. Interfund Transfer

During the year, the board approved a motion to forgive the interfund balance (\$32,113) between the Capital Assets Fund and the Operating Fund.

# THE ANGLICAN SYNOD OF THE DIOCESE OF BRITISH COLUMBIA

## Notes to Non-Consolidated Financial Statements

December 31, 2020

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### 17. Dawson Heights Housing Ltd.

At December 31, 2020, Dawson Heights Housing Ltd. had shareholders' equity of \$3,442,910 with revenues of \$2,458,449 and expenses of \$2,103,559 resulting in net earnings of \$354,890 for the year then ended.

Cash flows for the year ending December 31, 2020 are as follows:

Net income	\$354,890
Operating	349,984
Financing	(902,551)
Investing	<u>4,531</u>
	<u>\$ (193,146)</u>

### 18. Comparative Figures

Certain accounts in prior year figures have been reclassified to conform to the presentation in the current year.

### 19. Impact of COVID-19 on Operations

Since December 31, 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

The Synod was able to weather the effects of the pandemic on its operations during the year. Previously introduced systems and processes prior to COVID-19 allowed staff to work from home, attend meetings virtually and for those needing to work onsite, separate office space was available to comply with public health orders. Additional knowledge was gained during the year to assist in evaluating new ways and approaches to improve operations. The Synod had sufficient cash on hand and did not need to liquidate investments during the market downturn. The company maintained a strong cash position and had positive income for the year.

The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of operations of the company for future periods.

# The Anglican Synod of the Diocese of British Columbia

Schedule A

## Schedule of Changes in Special Purpose Funds (Unaudited)

	December 31, 2019	2020 Additions	2020 Reductions	December 31, 2020
<b>Internally Designated</b>				
Archives	\$ 2,943	\$ -	\$ -	\$ 2,943
Diocesan Post Special	8,406	-	-	8,406
Focus Seminar Series	888	-	-	888
Insurance Contingency	25,957	7,408	4,500	28,865
Ordination Candidates	727	9,904	8,833	1,798
Synod Costs	10,460	16,000	8,000	18,460
Vision Forward	216,756	-	166,777	49,979
	<u>\$ 266,137</u>	<u>\$ 33,312</u>	<u>\$ 188,110</u>	<u>\$ 111,339</u>
<b>Restricted</b>				
First Nations Reconciliation	\$ 8,045	\$ 14,317	\$ 506	\$ 21,856
Affordable Housing	77,500	-	-	77,500
BC Language Initiative	24,654	107,490	132,969	(825)
Bishop's Gospel Choir - Education	4,161	-	-	4,161
Camp Bursaries	-	114	-	114
CLAY Conference	12,185	-	-	12,185
Clergy Holidays and Retreats	3,170	401	-	3,571
Emmaus Community	13,433	102,212	92,428	23,217
EE Stoneham	49,327	142,987	135,710	56,604
Indigenous Language Program	5,794	13,296	17,500	1,590
Pilgrimage Program	12,319	5,460	-	17,779
Refugee Family Sponsorships	766,406	526,767	282,150	1,011,023
Refugee Program Contingency	108,849	77,920	49,189	137,580
St. Saviour	10,982	19,409	15,134	15,257
University Chaplaincy	21,339	-	21,339	-
	<u>\$ 1,118,164</u>	<u>\$ 1,010,373</u>	<u>\$ 746,925</u>	<u>\$ 1,381,612</u>
	<u>\$ 1,384,301</u>	<u>\$ 1,043,685</u>	<u>\$ 935,035</u>	<u>\$ 1,492,951</u>

See accompanying notes to the financial statements



# The Anglican Synod of the Diocese of British Columbia

Schedule B

## Consolidated Trust Funds - Unrestricted General Funds

(Unaudited)

Year Ended December 31,

	2020		2019	
	Units	Amount*	Units	Amount*
Archdeaconry Fund	10,496	\$ 114,402	10,496	\$ 114,402
Bishopric Endowment	46,295	508,712	46,295	508,712
Bishop's House Equity	34,806	379,099	34,806	379,099
Bishop's Residence	5,798	63,194	5,798	63,194
Clergy Endowment	10,292	112,183	10,292	112,183
Diocesan Fund	4,337	47,270	4,337	47,270
Garrod Legacy #2	21,890	221,082	21,890	221,082
M. E. Tait Estate	31,296	318,470	31,296	318,470
Synod General	25,654	297,242	25,654	297,242
	<u>190,864</u>	<u>\$ 2,061,654</u>	<u>190,864</u>	<u>\$ 2,061,654</u>

\*book value

See accompanying notes to the financial statements

# The Anglican Synod of the Diocese of British Columbia

Schedule C

Consolidated Trust Funds - Internally Designated Funds

(Unaudited)

Year Ended December 31,

\*book value

	2020		2019	
	Units	Amount*	Units	Amount*
All Saints, Port Alberni Property	10,251	\$ 80,365	11,549	\$ 99,365
All Saints, Victoria Rectory	4,916	49,336	4,916	49,336
Bishop's Discretionary	10,012	109,520	10,012	109,520
Bowerman Trust	6,275	70,660	6,275	70,660
Camp Columbia Capital	1,139	12,673	1,139	12,673
Camp Columbia Endowment	1,317	15,147	1,317	15,147
Chemainus General	18,100	227,500	18,100	227,500
Christ Church Cathedral Buildings	260,402	2,882,458	260,402	2,882,458
Christ Church Cathedral Rectory	50,538	676,206	50,538	676,206
Church of the Advent	6,482	73,654	6,482	73,654
Church of the Advent Hazlett	1,276	12,000	1,276	12,000
Church of the Advent Rectory	37,193	465,226	37,952	476,126
Church of the Advent Wickham	378	1,699	1,137	12,599
Church of the Advent Bequests	59	850	59	850
Church of the Holy Spirit Rectory	11,983	139,733	11,983	139,733
Columbia Coast Mission	18,907	223,113	18,907	223,113
Cortes Island Fund	545	5,956	545	5,956
Cumberland Trust	6,540	80,458	6,375	77,955
Denman Island	271	2,741	271	2,741
Diocesan Mission Fund	34,793	381,373	34,793	381,373
Dorthea Brown Bequest (Saltspring)	1,113	8,153	1,113	8,153
E. C. L. M. Trust	4,284	48,048	4,284	48,048
Holy Trinity Rectory	18,686	212,071	18,686	212,071
Holy Trinity Sidney	8,561	91,319	8,561	91,319
Incapacitated Clergy	5,110	47,945	5,110	47,945
Lake Cowichan Rectory Trust	1,917	23,244	1,917	23,244
Lay Retirement	3,381	35,125	3,699	40,125
New Work	6,694	79,090	6,694	79,090
Parksville Rectory Trust	3,025	35,000	3,025	35,000
Sheltered Housing Fund	10,133	106,310	10,133	106,310
St. Andrews, Cowichan - Balme	3,665	42,006	3,665	42,006
St. Andrews, Cowichan Rectory	8,725	97,485	8,725	97,485
St. Andrews, Sidney Rectory	8,705	102,491	8,705	102,491
St. Columba, Port Hardy Rectory	18,690	215,680	18,690	215,680
St. Columba, Ucluelet Property	15,740	175,053	15,740	175,053
St. David's Dorothy McLaughlin	3,053	32,229	2,951	30,679
St. David's, Victoria Rectory	70,426	761,091	71,235	773,169
St. George's, Victoria Rectory	22,159	248,640	22,159	248,640
St. James, Cortes	2,723	30,370	2,723	30,370
St. John the Divine, Courtenay Rectory	12,895	144,515	12,895	144,515
St. John's, Duncan Rectory	12,373	137,113	12,373	137,113
St. John's, Ladysmith Rectory	9,605	114,211	9,591	114,174
St. Mark's Trust, Victoria	22,303	230,567	22,303	230,567
St. Mark's, Qualicum Rectory	13,093	138,835	13,093	138,835
St. Martin's, Victoria Rectory	13,358	154,536	13,358	154,536
St. Mary's, Mayne Building Mtnce.	675	4,502	841	6,889
St. Mary's, Mayne Reserve Fund	3,906	32,598	4,462	40,466
St. Mary's, Metchosin Rectory	15,731	180,399	15,731	180,399
St. Mary's, Victoria Rectory	22,783	258,250	22,783	258,250
St. Michael's, Victoria Bequests	4,172	50,000	4,172	50,000
St. Paul's Housing Reserve	2,136	31,038	2,065	29,953
St. Philips, Lantzville Rectory	11,493	132,949	11,493	132,949
St. Philips, Victoria Rectory	23,125	264,991	23,125	264,991
St. Stephen's Trust, Central Saanich	6,689	100,000	6,689	100,000
Trinity, Port Alberni Rectory	19,380	209,887	20,344	225,022
Two Saints, St Peter	7,378	110,000	-	-
	<u>899,262</u>	<u>\$ 10,196,409</u>	<u>897,161</u>	<u>\$ 10,164,502</u>

# The Anglican Synod of the Diocese of British Columbia

Schedule D

## Consolidated Trust Funds - Externally Restricted Endowments and Trusts

(Unaudited)

Year Ended December 31,

\*book value

	2020		2019	
	Units	Amount*	Units	Amount*
Archer-Heublen	649	\$ 7,079	649	\$ 7,079
Bea Ashton Trust	526	6,657	526	6,657
Biddle/King Estate	45,435	526,153	45,435	526,153
Camp Columbia Bursary	878	9,570	878	9,570
Chemainus Cemetery - Perpetual	3,713	50,837	3,589	48,952
Chemainus Cemetery - Reserve	53	347	51	320
Clergy Widows & Orphans	18,943	205,597	15,647	155,597
Comox Glebe	42,384	463,793	42,384	463,793
Constance Price	5,643	61,436	5,643	61,436
Cowichan Trust	817	5,262	817	5,262
Dewdney Schofield Trust	7,423	80,906	7,423	80,906
Dundas Trust	2,001	18,642	2,001	18,642
E. E. Stoneham Pension	45,637	600,336	40,860	525,336
Edith Turner	5,518	60,141	5,518	60,141
Flitcroft Trust	6,441	76,802	6,151	72,714
Fred Rudd Trust	25,439	365,046	-	-
Garrod Legacy #1	46,864	558,207	36,562	402,104
Holy Trinity NS Cemetery	6,382	69,829	6,169	66,589
Hume Babington Trust	2,369	26,202	2,369	26,202
Ivy Memorial	2,134	23,407	2,134	23,407
J. A. Hall	39,525	458,391	39,525	458,391
Ker Bequest	2,595	28,280	2,595	28,280
Mann Fellowship Trust	91,705	1,018,195	91,705	1,018,195
Mantle - Ordinands	2,458	29,409	2,458	29,409
Mantle Trust	1,285	11,313	1,285	11,313
Nicholas Addems	3,005	32,755	3,005	32,755
Parksville Cemetery Trust	442	5,185	442	5,185
Rev. Dr. William A. Ferguson	6,015	70,758	6,015	70,758
Saltspring Cemetery	11,218	138,480	9,365	111,680
Saltspring Cree Shaw Bequest	17,969	200,000	17,969	200,000
Saltspring Dorothea Crofton	1,726	20,000	1,726	20,000
Saltspring Endowment	4,052	48,571	4,052	48,571
St. Barnabas Rector	2,090	21,149	2,090	21,149
St. Barnabas Wardens	114	1,151	114	1,151
St. George's Endowment	9,267	100,044	9,267	100,044
St. George's Housing Maintenance	6,028	72,051	5,827	68,991
St. Luke's Cemetery	4,677	50,536	4,677	50,536
St. Luke's Fabric	976	9,480	976	9,480
St. Mark's Memorial Garden	1,393	20,000	1,393	20,000
St Mark's Endowment	16,165	238,000	13,183	192,000
St. Mary's, Mayne Cemetery	912	10,240	912	10,240
St. Mary's, Metchosin Cemetery	182	1,897	182	1,897
St.Peter/Paul's, Selkirk Cemetery	384	4,360	371	4,165
St. Peter's Quamichan Cemetery	13,030	146,994	12,980	146,227
St. Peter's Cemetery Development	1,419	21,000	1,419	21,000
St. Stephen's Cemetery	7,519	90,718	7,519	90,718
Swallow Estate - Education	2,563	30,500	2,563	30,500
Threshold Housing	8,619	95,000	8,619	95,000
Westholme Cemetery	4,615	51,483	4,615	51,483
	<u>531,197</u>	<u>\$ 6,242,189</u>	<u>481,655</u>	<u>\$ 5,509,978</u>

# The Anglican Synod of the Diocese of British Columbia

## Statement of Administrative and Episcopal Expenditures

Schedule E

(Unaudited)

Year Ended December 31,

	<u>Operating Fund</u>	<u>Capital Assets Fund</u>	<u>Special Purpose Funds</u>	<u>Consolidated Trust Fund</u>	<u>Total 2020</u>	<u>Total 2019</u>
<b>Adminstrative</b>						
Asset management expenses	\$ 34,567	-	-	-	\$ 34,567	\$ 61,143
Communications	133,202	-	-	-	133,202	133,570
Diocesan council	359	-	-	-	359	2,557
General office costs	7,218	-	-	-	7,218	5,639
Insurance	5,203	-	-	-	5,203	3,512
Internet and email	19	-	-	-	19	205
Legal and accounting	20,043	-	-	-	20,043	17,524
Memberships	500	-	-	-	500	2,583
Office supplies	3,818	-	-	-	3,818	5,952
Photocopier	3,213	-	-	-	3,213	3,983
Postage	2,327	-	-	-	2,327	5,621
Professional fees	18,283	-	-	-	18,283	19,962
Repairs and maintenance	16,340	-	-	-	16,340	18,559
Salaries and benefits	343,483	-	-	-	343,483	366,572
Synod, diocesan	11,181	-	-	-	11,181	7,460
Synod, general	6,000	-	-	-	6,000	9,969
Telephone and utilities	7,107	-	-	-	7,107	8,930
Training	100	-	-	-	100	2,611
Travel	6,280	-	-	-	6,280	5,080
	<u>619,243</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>619,243</u>	<u>681,432</u>
<b>Episcopal Ministry</b>						
Salaries and benefits	256,599	-	-	-	256,599	326,892
Travel and Other	9,263	-	-	-	9,263	8,577
	<u>265,862</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>265,862</u>	<u>335,469</u>
	<u>\$ 885,105</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 885,105</u>	<u>\$ 1,016,901</u>

See accompanying notes to the financial statements

# The Anglican Synod of the Diocese of British Columbia

Schedule F

## Statement of Program Expenditures

(Unaudited)

Year Ended December 31,

	Operating Fund	Capital Assets Fund	Special Purpose Funds	Consolidated Trust Fund	Total 2020	Total 2019
<b>Programs</b>						
Archives	\$ 12,270	\$ -	\$ -	\$ -	\$ 12,270	\$ 20,149
Clergy and curacy support	34,529	-	60,710	8,004	103,243	99,114
Conferences	-	-	-	-	-	7,474
Diocesan post	8,958	-	-	-	8,958	8,000
Distributions re-invested	-	-	-	20,713	20,713	19,657
Distributions to parishes	-	-	-	497,432	497,432	424,979
Grants	22,020	-	436,850	72,312	531,182	605,117
Insurance deductibles	-	-	4,500	-	4,500	2,000
Other programs, net	14,020	-	215,975	94,257	324,252	215,792
Parish grants	213,534	-	17,750	-	231,284	148,047
Parish redevelopment	4,058	-	85,897	-	89,955	90,164
Refugee program, net of grants	58,805	-	37,500	-	96,305	123,792
Retreats	529	-	-	-	529	21,852
Safe Church	2,318	-	-	-	2,318	1,268
Sisters of St. John the Divine	14,833	-	-	-	14,833	33,658
Vision grants	-	-	-	-	-	100,000
	<u>\$ 385,874</u>	<u>\$ -</u>	<u>\$ 859,182</u>	<u>\$ 692,718</u>	<u>\$ 1,937,774</u>	<u>\$ 1,921,063</u>

See accompanying notes to the financial statements