

## Treasurer's Notes to Synod 2024

As background to the financial data presented for review, I offer brief comments below.

### 2023 Financial Statements

The statements are “**non-consolidated**” because they do not include certain assets, liabilities, and operations from individual parishes that are part of the Synod. (reference “Basis for Conclusion” on p. 1) For example, parishes manage their own finances. Parish finances, except for some assets held in the consolidated trust fund (CTF) or loans owed, are not included.

The **balance sheet** on p. 3 summarizes synod assets and major funds. Assets are centred in capital assets (land holdings and buildings) and financial instruments (especially the consolidated trust fund (CTF) and some other loans, receivables, and investments). The special purpose funds relate to the refugee sponsorship program.

The **statement of operations** on p. 5 is similar to an income statement for a for-profit company. The two largest influences on the net operating statement are changes in the market value of the CTF and transactions involving capital assets (for example, the sale of property). Administrative expenditures are summarized on this page and expanded in schedule E on p. 17. Jumping to schedule E,

- Asset management expenses were unexpectedly high in 2023 due to an unbudgeted expense for demolition of a building.
- Salaries were grouped differently in 2023 vs 2022. Overall salary expense decreased in 2023 by about \$96k<sup>1</sup>. Episcopal ministry salaries include more people in 2023 than in 2022; the bishop did not receive a big raise.
- Episcopal travel cost amount includes travel expense for all synod staff.

**Notes** are important parts of the financial statements. They offer more information, either generally or related to specific lines in the statements.

**Schedules A, B, C, and D** itemize specific funds<sup>2</sup> managed by the Synod or invested in the CTF. Schedule E is discussed above, and schedule F shows specific program expenditures and the funds affected.

The non-consolidated statements were **reviewed** by Doane Grant Thornton, L.L.P.

The **Finance Committee** reviews and approves the financial statements, with the request that Diocesan Council and the Synod each affirm that approval.

If you have a specific **question** or concern, please contact me or Finance Director Gregory Ptolemy. We will respond as promptly as possible.

---

<sup>1</sup> Amount derived from supporting GL entries involving administration, archives, communications, and episcopal expenditures. These cannot be seen from the statements alone.

<sup>2</sup> Schedules A and C each have one fund showing a negative balance. Errors will be corrected before year-end 2024.

# SYNOD 2024

## 2024 Actual vs Budgeted Spending (9 months ending 30 Sep 2024)

(amounts in \$000)	Actual to Sep 2024	Budget to Sep 2024	Budget 2024
Budgeted income	\$1,300	\$1,164	\$1,552
Unbudgeted income	407	0	0
<b>Total Income</b>	<b>\$1,707</b>	<b>\$1,164</b>	<b>\$1,552</b>
Apportionments	\$189	\$191	\$255
Asset Mgmt / Property	63	108	145
Salaries and Benefits	763	767	1,023
Consultants / Contractors	20	19	25
Synod-specific Costs	7	15	20
Conferences	41	44	59
Office, Bldg, Coms.	155	148	197
Parish Grants	174	202	269
Refugee Program	63	30	40
Travel (all)	30	43	58
Contingencies	0	8	10
<b>Total Expenses</b>	<b>\$1,505</b>	<b>\$1,575</b>	<b>\$2,101</b>
<b>Net Position</b>	<b>\$202</b>	<b>(\$411)</b>	<b>(\$549)</b>

The figures above are interim and subject to revision; however, they represent the best information currently available. Managerial adjustments, i.e., transfers from funds or allocations of gains if needed, are considered by the finance committee when overseeing the budget. Managerial adjustments are excluded from the data above.

Unbudgeted **income** is derived from the sale of property at Fanny Bay and some realized gains in the investment portfolio.

The **expense** portion of the operating statement is in a good position through three quarters.

- Lower asset management costs are assisted by some recouped expenditures.
- Salary/contractor expenses will likely exceed budget by year end due to planned work.
- Synod-specific costs will be closer to budget by year end.
- Office, building, and communications costs include higher-than-usual accounting fees.
- Parish grants are expected to reach the budgeted amount by year end.
- Refugee administration typically benefits from specific contributions from other sources which have not yet been received in 2024.

Respectfully submitted,

JOEL HEFTY, Treasurer