



UNAUDITED

Financial Report

Year Ended December 31, 2020

Grace Presbyterian ChurchStatement of Financial Position
December 31, 2020**UNAUDITED**

	2020	2019
	\$	\$
ASSETS		
Current Assets		
Cash and Cash Equivalents - Unrestricted	481,872	469,182
Accounts Receivable	32,872	11,584
Prepaid Expenses	21,811	20,569
Restricted Short -Term Investments	<u>2,756,163</u>	<u>1,843,355</u>
	3,292,718	2,344,690
Shares – Ridge Rentals	100	100
PCC Consolidated Portfolio Investment	1,396,582	1,206,657
Long-Term Receivable	<u>1,888,325</u>	<u>1,888,325</u>
	3,285,007	3,095,082
TOTAL ASSETS	<u>6,577,725</u>	<u>5,439,772</u>
LIABILITIES		
Current Liabilities		
Accounts Payable & Accrued Liabilities	112,303	50,801
Deferred Restricted Contributions (See Notes 3, 7)	<u>4,314,810</u>	<u>3,238,404</u>
	4,427,113	3,289,205
NET ASSETS		
Net Assets	<u>2,150,612</u>	<u>2,150,567</u>
	<u>6,577,725</u>	<u>5,439,772</u>

Grace Presbyterian ChurchStatement of Receipts and Disbursements
For the Year Ended December 31, 2020**UNAUDITED**

	2020	2020 Budget	2019
	\$	\$	\$
RECEIPTS			
Operating Revenues			
Offerings	652,739	911,000	797,528
Programs	14,076	51,000	44,876
Memorial	7,240	0	12,505
Rental	16,800	40,000	33,201
Parking	20,458	60,000	63,560
Other	137	0	6,682
	<u>711,450</u>	<u>1,062,000</u>	<u>958,352</u>
Investment Revenue (See Note 3)	87,528	50,000	220,898
Government Wage Subsidy (CEWS)	253,827	0	0
Recognition of Deferred Restricted Contributions (See Notes 3, 7)	286,827	199,445	355,301
	<u>1,339,632</u>	<u>1,311,445</u>	<u>1,534,551</u>
TOTAL RECEIPTS	1,339,632	1,311,445	1,534,551
DISBURSEMENTS			
Ministerial Resources	309,966	319,954	387,803
Session Committees (See Note 5)	874,255	1,032,229	1,262,133
PCC Commitments (See Note 4)	251,255	204,450	196,678
Pastoral Expenses	<u>35,355</u>	<u>50,000</u>	<u>68,265</u>
	<u>1,470,831</u>	<u>1,606,633</u>	<u>1,914,879</u>
TOTAL DISBURSEMENTS	1,470,831	1,606,633	1,914,879
Surplus (Deficiency) Before Unrealized Gain (Loss)	(131,199)	(295,188)	(380,328)
Unrealized Gain (Loss)	<u>131,244</u>	<u>30,000</u>	<u>130,799</u>
Surplus (Deficiency)	<u>45</u>	<u>(265,188)</u>	<u>(249,529)</u>
Net Assets, Beginning of the Year	2,150,567		2,400,096
Net Assets, End of the Year	<u>2,150,612</u>		<u>2,150,567</u>

See Accompanying Notes

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Grace Presbyterian ChurchStatement of Cash Flows
For the Year Ended December 31, 2020**UNAUDITED**

	2020	2019
	\$	\$
Net Income (Loss)	46	(249,579)
Cash Provided by Other Operating Activities		
Accounts Receivable	(21,288)	8,910
Prepaid Expenses	(1,242)	(3,311)
Accounts Payable & Accrued Liabilities	61,502	43,963
Restricted Short-Term Investments	<u>(912,808)</u>	<u>(1,418,355)</u>
Net Cash Provided by (Used In) Operating Activities	(873,790)	(1,618,372)
Cash Provided by (Used In) Investing Activities		
PCC Investment	(189,924)	508,229
Shares – Ridge Rentals	<u>0</u>	<u>(100)</u>
Net Cash Provided by (Used In) Investing Activities	(189,924)	508,129
Cash Provided by (Used In) Financing Activities		
Deferred Restricted Revenue Contributions	1,363,232	1,135,019
Deferred Restricted Revenue Recognition	<u>(286,826)</u>	<u>(365,952)</u>
Net Cash Provided by (Used In) Financing Activities	1,076,406	769,067
Net Cash Increase (Decrease) for the Period	12,692	(341,176)
Cash, Beginning of the Period	469,182	810,358
Cash, End of the Period	<u>481,874</u>	<u>469,182</u>

See Accompanying Notes

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1. Purpose of the Organization

Grace Presbyterian Church of Calgary (Grace) is a congregation within the Presbyterian Church in Canada (PCC) and is incorporated under “The Religious Societies’ Land Act” of the Province of Alberta. Grace is a registered charity under the Income Tax Act.

Grace’s vision is to “transform lives through God’s grace”.

2. Comparative Numbers

Some 2019 balances have been restated to conform with the 2020 presentation.

3. Significant Accounting Policies

Revenue Recognition

Grace follows the deferred method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received.

Investment income is recognized as revenue when earned.

Deferred Restricted Contributions

Grace receives contributions designated by the donor for specific purposes. If the funds are not used during the year in which they were donated, they become deferred restricted contributions. Deferred restricted contributions are drawn down as expenditures matching the restrictions or conditions of giving are incurred.

Contributed Services

Volunteers provide extensive support to assist Grace in carrying out its activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Property, furniture and equipment

Property, furniture and equipment are charged as expenses when acquired and accordingly, no asset or amortization is recorded in the accounts. During 2020, expenditures of \$66,522 (2019 - \$263,507) relating to property and equipment were incurred.

Internally Restricted Funds

Grace may restrict contributions or an operating surplus for specific purposes. Internally restricted funds are included as part of the Deferred Restricted Contributions balances.

4. PCC Commitments

As a member of the Presbyterian Church in Canada (PCC), Grace is obligated to support the operations and programs of the denomination. Remittances are made as follows:

- Presbyterian Sharing – an amount determined by the Finance Committee and Session, but based on a suggested amount determined by a formula. These funds are used to cover PCC administrative costs and to support denominational programs.
- Presbytery and Synod Dues – an obligatory formula-based amount to fund operations of the presbytery/synod. (Currently 4.5% of prior year’s revenues reduced by funds sent to Presbyterian Sharing, PWS&D, and used for refugee sponsorship.)
- Congregational Assessment – an obligatory formula-based amount to fund the ministers’ pension plan. (Currently 5% of prior year’s revenues reduced by funds sent to Presbyterian Sharing, PWS&D, and used for refugee sponsorship.)

	2020	2019
	\$	\$
Presbyterian Sharing	50,000	85,000
Presbytery/Synod Dues	89,447	51,246
Congregational Assessment	<u>111,808</u>	<u>60,432</u>
	<u>251,255</u>	<u>196,678</u>

Grace Presbyterian ChurchNotes to the Financial Report
December 31, 2020**UNAUDITED****5. Session Committee Disbursements**

	2020	Budget 2020	2019
	\$	\$	\$
Spiritual Expressions & Development	101,983	109,145	115,941
Children & Youth	16,149	33,645	14,066
Engagement & Service	22,305	98,300	68,464
Pastoral Care Committee	2,518	8,300	1,966
Grace Leadership Initiative	4,133	25,000	15,805
Governance & Planning	13,088	5,000	6,142
Human Resources	3,130	4,300	4,221
Finance	34,348	51,600	76,144
Operations			
Salaries & Benefits	412,807	421,939	408,166
Facilities	181,415	183,500	419,721
Administration/Office	82,379	91,500	131,497
	<u>874,255</u>	<u>1,032,229</u>	<u>1,262,133</u>

The facilities balances include the following capital expenditures:

Major Projects	17,932	25,000	234,630
HVAC	45,255	10,000	12,985
Computer Equipment	1,830	5,000	5,527
Furniture & Equipment	1,505	7,000	10,365
	<u>66,522</u>	<u>47,000</u>	<u>263,507</u>

6. Long-Term Commitments

In May 2019, Grace entered into a leasing agreement with CBSC Capital Inc. (a member of the Canon Group of Companies) to replace the existing photocopier. The lease is for 62 months with payments each quarter for 20 quarters of \$1280 plus GST plus insurance of \$122 plus GST.

Grace's payments for 2020 and obligations for the term of the lease are outlined below:

2020	\$5,889
2021	\$5,889
2022	\$5,889
2023	\$5,889
2024	\$2,945

7. Deferred Restricted Contributions

In 2020, Session approved the reclassification of the majority of Deferred Restricted Contributions, and subsequently in 2021, approved how these funds can be disbursed. These actions were undertaken in accordance with the report prepared in 2019 by the accounting firm Pricewaterhouse Coopers.

Capital Fund

The purpose of the Capital fund is to provide funds for major enhancements to the building, capital projects, and significant repair and maintenance costs.

Opening Balance – December 31, 2019	\$418,583
Interfund Transfers – Session Approved	216,055
Contributions During 2020	170,901
Disbursements During 2020	<u>(14,557)</u>
Ending Balance – December 31, 2020	<u>\$790,982</u>

Operations

The purpose of the Operations Fund is to support the day-to-day costs of the ongoing operations of Grace.

Opening Balance – December 31, 2019	\$417,135
Interfund Transfers – Session Approved	26,232
Contributions During 2020	913,209
Disbursements During 2020	<u>(22,394)</u>
Ending Balance – December 31, 2020	<u>\$1,334,182</u>

Missional/Outreach

There are several separate Missional/Outreach Funds. While all of the funds are intended to support the outreach work of Grace, each category has separate restrictions on their use.

Grace Presbyterian ChurchNotes to the Financial Report
December 31, 2020**UNAUDITED****Discipleship**

The purpose of the Discipleship Funds is to support the missional activities of Grace.

Opening Balance – December 31, 2019	\$228,568
Interfund Transfers – Session Approved	533,796
Contributions During 2020	105,878
Disbursements During 2020	(5,430)
Ending Balance – December 31, 2020	<u>\$862,812</u>

Cake Bake

The purpose of the Cake Bake Funds is to provide funds for supplies and equipment for the cake bake as well as to support community organizations assisting the hungry, homeless and less fortunate.

Opening Balance – December 31, 2019	\$55,420
Interfund Transfers – Session Approved	0
Contributions During 2020	0
Disbursements During 2020	0
Ending Balance – December 31, 2020	<u>\$55,420</u>

Preaching Grace

The purpose of the Preaching Grace Funds is to provide funds for the cost of the annual activities associated with the Preaching Grace Program.

Opening Balance – December 31, 2019	\$18,391
Interfund Transfers – Session Approved	0
Contributions During 2020	10,750
Disbursements During 2020	0
Ending Balance – December 31, 2020	<u>\$29,141</u>

Grace Bethany

The purpose of the Grace Bethany Fund is to support charitable and missional activities as determined by the Grace Bethany Group.

Opening Balance – December 31, 2019	\$745
Interfund Transfers – Session Approved	0
Contributions During 2020	605
Disbursements During 2020	0
Ending Balance – December 31, 2020	<u>\$1,350</u>

Ministerial/Congregational Support

There are several separate Ministerial/Congregational Support Funds. While all of the funds are intended to support the worship and congregational activities of Grace, each category has separate restrictions on their use.

Pastoral Assistance

The purpose of the Pastoral Assistance Fund is to provide funds to members and adherents of Grace’s congregation or members of the community who find themselves in need.

Opening Balance – December 31, 2019	\$0
Interfund Transfers – Session Approved	144,438
Contributions During 2020	159,037
Disbursements During 2020	<u>(82,400)</u>
Ending Balance – December 31, 2020	<u>\$221,075</u>

Ministerial Support

The purpose of the Ministerial Support Fund is to provide funds to members of the clergy as they further their studies or well-being during a sabbatical.

Opening Balance – December 31, 2019	\$0
Interfund Transfers – Session Approved	118,899
Contributions During 2020	0
Disbursements During 2020	<u>(450)</u>
Ending Balance – December 31, 2020	<u>\$118,449</u>

Children & Youth

The purpose of the Children & Youth Fund is to provide funds for the education of Grace’s and the community’s children and youth.

Opening Balance – December 31, 2019	\$0
Interfund Transfers – Session Approved	288,587
Contributions During 2020	0
Disbursements During 2020	<u>(50,001)</u>
Ending Balance – December 31, 2020	<u>\$238,586</u>

Grace Presbyterian ChurchNotes to the Financial Report
December 31, 2020**UNAUDITED****Music**

The purpose of the Music Fund is to provide funds for Grace's music programs.

Opening Balance – December 31, 2019	\$0
Interfund Transfers – Session Approved	17,962
Contributions During 2020	200
Disbursements During 2020	0
Ending Balance – December 31, 2020	<u>\$18,162</u>

Rose Baltrusaitis Scholarship

The purpose of the Rose Baltrusaitis Scholarship Fund is to provide funds for individuals studying music.

Opening Balance – December 31, 2019	\$0
Interfund Transfers – Session Approved	15,583
Contributions During 2020	200
Disbursements During 2020	0
Ending Balance – December 31, 2020	<u>\$15,783</u>

Women's Legacy Fund

The purpose of the Women's Legacy Fund is to provide opportunities for a significant group of women made up of members and adherents of Grace, to set up and organize programs to serve the ministry and outreach of Grace.

Opening Balance – December 31, 2019	\$0
Interfund Transfers – Session Approved	12,000
Contributions During 2020	0
Disbursements During 2020	0
Ending Balance – December 31, 2020	<u>\$12,000</u>

ELL

The purpose of the ELL Fund is to provide funds for Grace's ministry of assisting individuals whose first language is not English to become conversant in the English language.

Opening Balance – December 31, 2019	\$0
Interfund Transfers – Session Approved	26,563
Contributions During 2020	1,852
Disbursements During 2020	(486)
Ending Balance – December 31, 2020	<u>\$27,929</u>

Grace Presbyterian ChurchNotes to the Financial Report
December 31, 2020**UNAUDITED****Deferred Restricted Contributions
Continuity Schedule**

	Restated Opening Balance December 31, 2019	Additions	Disbursements	Ending Balance December 31, 2020
Capital	<u>\$695,566</u>	<u>\$170,901</u>	<u>\$75,485</u>	<u>\$790,982</u>
Operations	<u>443,367</u>	<u>913,209</u>	<u>22,394</u>	<u>1,334,182</u>
Missional/Outreach				
Discipleship	769,864	105,928	12,930	862,862
Cake Bake	55,420	0	0	55,420
Preaching Grace	18,391	10,750	0	29,141
Grace Bethany	745	605	0	1,350
	<u>844,420</u>	<u>117,283</u>	<u>12,930</u>	<u>948,773</u>
Ministerial/Congregational Support				
Pastoral Assistance	178,743	159,287	116,955	221,075
Ministerial Support	120,249	0	1,800	118,449
Children & Youth	292,038	300	53,752	238,586
Music	17,962	200	0	18,162
Rose Baltrusaitis Scholarship	17,143	200	1,560	15,783
Women's Legacy Fund	12,000	0	0	12,000
ELL	26,563	1,852	486	27,929
	<u>664,698</u>	<u>161,839</u>	<u>174,553</u>	<u>651,984</u>
Grace House	15,186	0	1,444	13,742
Centennial Funds	213,747	0	0	213,747
Parking Lot	361,400	0	0	361,400
Library	20	0	20	0
	<u>3,238,404</u>	<u>1,363,232</u>	<u>286,826</u>	<u>4,314,810</u>

Grace Presbyterian Church

Notes to the Financial Report
December 31, 2020

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