

**KNOX UNITED CHURCH**

**FINANCIAL STATEMENTS**

**December 31, 2019**

*(Unaudited - See Notice to Reader)*

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## NOTICE TO READER

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On the basis of information provided by management, we have compiled the statement of financial position of Knox United Church as at December 31, 2019 and the statement of operations and net assets for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.



Chartered Professional Accountants  
1515 One Lombard Place  
Winnipeg MB R3B 0X3  
February 22, 2020

**KNOX UNITED CHURCH**  
**Statement of Financial Position**  
*(Unaudited - See Notice to Reader)*  
**December 31, 2019**

|   | 2019             |                             |                   |                     | 2018                |  |
|---|------------------|-----------------------------|-------------------|---------------------|---------------------|--|
|   | Operating Fund   | Property and Equipment Fund | Reserve Fund      | Total               | Total               |  |
| <b>ASSETS</b>                                   |                  |                             |                   |                     |                     |  |
| <b>CURRENT</b>                                  |                  |                             |                   |                     |                     |  |
| Cash  | \$ 589,293       | \$ -                        | \$ -              | \$ 589,293          | \$ 716,389          |  |
| Accounts receivable                             | 14,796           | -                           | -                 | 14,796              | 5,504               |  |
|   | <b>604,089</b>   | <b>-</b>                    | <b>-</b>          | <b>604,089</b>      | <b>721,893</b>      |  |
| <b>INVESTMENTS</b>                              | <b>6,559</b>     | <b>-</b>                    | <b>-</b>          | <b>6,559</b>        | <b>5,878</b>        |  |
| <b>PROPERTY AND EQUIPMENT</b>                   |                  |                             |                   |                     |                     |  |
| Land, church buildings and equipment            |                  |                             |                   |                     |                     |  |
| Acquired prior to 1973 at nominal value         | -                | 1                           | -                 | 1                   | 1                   |  |
| Acquired subsequent to January 1, 1973, at cost | -                | 402,021                     | -                 | 402,021             | 402,022             |  |
| <b>INTERFUND BALANCE</b>                        | <b>(597,802)</b> | <b>1</b>                    | <b>597,801</b>    | <b>-</b>            | <b>-</b>            |  |
|   | <b>\$ 12,846</b> | <b>\$ 402,023</b>           | <b>\$ 597,801</b> | <b>\$ 1,012,670</b> | <b>\$ 1,129,794</b> |  |
| <b>LIABILITIES AND NET ASSETS</b>               |                  |                             |                   |                     |                     |  |
| <b>CURRENT</b>                                  |                  |                             |                   |                     |                     |  |
| Accounts payable and accrued liabilities        | \$ 6,173         | \$ -                        | \$ -              | \$ 6,173            | \$ 13,376           |  |
| Deferred revenue                                | 2,430            | -                           | -                 | 2,430               | 440                 |  |
|   | <b>8,603</b>     | <b>-</b>                    | <b>-</b>          | <b>8,603</b>        | <b>13,816</b>       |  |
| <b>NET ASSETS</b>                               |                  |                             |                   |                     |                     |  |
| Unrestricted                                    | 4,243            | -                           | -                 | 4,243               | 58,345              |  |
| Invested in property and equipment              | -                | 402,023                     | -                 | 402,023             | 402,023             |  |
| Restricted ( <i>Schedule 1</i> )                |                  |                             | 597,801           | 597,801             | 655,610             |  |
|   | <b>4,243</b>     | <b>402,023</b>              | <b>597,801</b>    | <b>1,004,067</b>    | <b>1,115,978</b>    |  |
|   | <b>\$ 12,846</b> | <b>\$ 402,023</b>           | <b>\$ 597,801</b> | <b>\$ 1,012,670</b> | <b>\$ 1,129,794</b> |  |

**APPROVED BY THE BOARD:**

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**KNOX UNITED CHURCH**  
**Statement of Operations and Net Assets**  
*(Unaudited - See Notice to Reader)*  
**Year Ended December 31, 2019**

|  | 2019              |                                   |                   | 2018                |                     |
|--|-------------------|-----------------------------------|-------------------|---------------------|---------------------|
|  | Operating<br>Fund | Property and<br>Equipment<br>Fund | Reserve<br>Fund   | Total               | Total               |
| <b>REVENUE</b>   |                   |                                   |                   |                     |                     |
| Donations  |                   |                                   |                   |                     |                     |
| Envelopes and PAR  | \$ 31,736         | \$ -                              | \$ -              | \$ 31,736           | \$ 37,498           |
| Open collection  | 6,796             | -                                 | -                 | 6,796               | 7,102               |
| Miscellaneous donation   | 1,500             | -                                 | -                 | 1,500               | 485                 |
| Bequests   | -                 | -                                 | -                 | -                   | 10,000              |
| Building Revenue   |                   |                                   |                   |                     |                     |
| Building - Casual  | 26,708            | -                                 | -                 | 26,708              | 17,873              |
| Building - Cost sharing  | 113,712           | -                                 | -                 | 113,712             | 79,136              |
| Building - KEE program   | 21,258            | -                                 | -                 | 21,258              | 19,488              |
| Other Revenue  |                   |                                   |                   |                     |                     |
| KEE Program - Administration cost  | 20,819            | -                                 | -                 | 20,819              | 9,043               |
| Lease income   | -                 | -                                 | -                 | -                   | 21,681              |
| Interest income  | 13,590            | -                                 | -                 | 13,590              | 2,413               |
| Unrealized gain (loss) on investments  | 681               | -                                 | -                 | 681                 | (703)               |
| Reserve fund receipts <i>(Schedule 1)</i>  | -                 | -                                 | 15,240            | 15,240              | 601,575             |
| Contributions from other charitable organizations                                | 4,697             | -                                 | -                 | 4,697               | 5,143               |
|  | <b>241,497</b>    | <b>-</b>                          | <b>15,240</b>     | <b>256,737</b>      | <b>810,734</b>      |
| <b>EXPENDITURES</b>  |                   |                                   |                   |                     |                     |
| Advertising and promotion  | 915               | -                                 | -                 | 915                 | 650                 |
| Instrument repairs   | 1,161             | -                                 | -                 | 1,161               | 1,352               |
| Insurance  | 27,675            | -                                 | -                 | 27,675              | 16,507              |
| Interest and bank charges  | 349               | -                                 | -                 | 349                 | 149                 |
| Ministry and office staff  |                   |                                   |                   |                     |                     |
| Benefits   | 29,523            | -                                 | -                 | 29,523              | 12,002              |
| KEE program benefits   | -                 | -                                 | -                 | -                   | 1,253               |
| Salaries   | 140,082           | -                                 | -                 | 140,082             | 76,220              |
| Travel   | 3,675             | -                                 | -                 | 3,675               | 2,425               |
| Music professionals  | 6,150             | -                                 | -                 | 6,150               | 5,375               |
| Office and administration  | 8,713             | -                                 | -                 | 8,713               | 6,253               |
| Presbytery assessment  | 9,838             | -                                 | -                 | 9,838               | 13,001              |
| Professional fees  | 14,520            | -                                 | -                 | 14,520              | 13,658              |
| Program costs and supplies   | 12,096            | -                                 | -                 | 12,096              | 11,816              |
| Property tax   | 1,090             | -                                 | -                 | 1,090               | 1,090               |
| Repairs and maintenance  | 82,983            | -                                 | -                 | 82,983              | 40,326              |
| Reserve fund disbursements <i>(Schedule 1)</i>                                   | -                 | -                                 | 73,049            | 73,049              | 57,980              |
| Telephone  | 1,550             | -                                 | -                 | 1,550               | 1,677               |
| Utilities  | 70,279            | -                                 | -                 | 70,279              | 45,972              |
|  | <b>410,599</b>    | <b>-</b>                          | <b>73,049</b>     | <b>483,648</b>      | <b>307,706</b>      |
| <b>EXCESS (DEFICIENCY) OF REVENUE OVER<br/>EXPENDITURES BEFORE OTHER REVENUE</b> | <b>(169,102)</b>  | <b>-</b>                          | <b>(57,809)</b>   | <b>(226,911)</b>    | <b>503,028</b>      |
| <b>OTHER REVENUE</b>   |                   |                                   |                   |                     |                     |
| The DuVal Foundation   | 115,000           | -                                 | -                 | 115,000             | 110,000             |
| <b>EXCESS (DEFICIENCY) OF REVENUE<br/>OVER EXPENDITURES FOR THE YEAR</b>         | <b>(54,102)</b>   | <b>-</b>                          | <b>(57,809)</b>   | <b>(111,911)</b>    | <b>613,028</b>      |
| NET ASSETS - BEGINNING OF YEAR   | 58,345            | 402,023                           | 655,610           | 1,115,978           | 502,950             |
| INTERFUND TRANSFERS  | -                 | -                                 | -                 | -                   | -                   |
| <b>NET ASSETS - END OF YEAR</b>  | <b>\$ 4,243</b>   | <b>\$ 402,023</b>                 | <b>\$ 597,801</b> | <b>\$ 1,004,067</b> | <b>\$ 1,115,978</b> |

**KNOX UNITED CHURCH**  
**Schedule of Reserve Fund Balances**

*Schedule 1*

**Year Ended December 31, 2019**

|                            | 2018              | 2019             |                    |                   | 2019 |
|----------------------------|-------------------|------------------|--------------------|-------------------|------|
|                            | Balance           | Receipts         | Disbursements      | Balance           |      |
| Building Repair Fund       | \$ 631,297        | \$ 10,000        | \$ (66,959)        | \$ 574,338        |      |
| Carpet Project Fund        | 15,924            | -                | -                  | 15,924            |      |
| Christmas Hamper           | 516               | 1,700            | (2,200)            | 16                |      |
| Mission & Service Fund     | -                 | 1,470            | (1,470)            | -                 |      |
| Knox Community Fund        | 2,678             | 2,070            | (2,100)            | 2,648             |      |
| Outreach & Community Fund  | 875               | -                | -                  | 875               |      |
| Designated Organ Funds     | 4,000             | -                | -                  | 4,000             |      |
| Designated Emergency Funds | 320               | -                | (320)              | -                 |      |
|                            | <b>\$ 655,610</b> | <b>\$ 15,240</b> | <b>\$ (73,049)</b> | <b>\$ 597,801</b> |      |