



Financial Reports

July 1, 2021 – June 30, 2022 – Actual
July 1, 2022 – June 30, 2023 – Budget

Treasurer's Report
Actual Results for the Year Ended June 30, 2022

On behalf of the board of elders and staff, I sincerely thank our congregation for faithfully partnering in ministry through your prayers, volunteering and financial giving this past year, especially given the many challenges facing all of us. Despite all the changes that we are currently experiencing in how we live and work together in community, many in our church family continue to demonstrate their ongoing commitment to living out our value of generosity. We are incredibly grateful for God's provision that has allowed Emmanuel to continue to offer ministries and programs that benefit our congregation and others. Many of you continue to carry out Emmanuel's mission "*To fully love God and all people for God's kingdom, pleasure and glory*". May God's blessing rest on you and your families for your faithfulness. Below is a summary of the audited financial statements for 2021/2022..

Revenue:

- Total operating, capital, and designated ministries funds donations, as well as sundry income items, totaled \$628,945 for the year, a decrease of \$253,759 over the prior year.

General Operating Fund:

- Total Operating Revenues decreased approximately 12% for a total of \$570,301. This amount was comprised of general donations to the Operating Fund of \$567,165 (a decrease of 12% over the prior year), and income from internally generated sources totaling \$3,136.
- Total Operating Expenditures, comprised of personnel costs (68%), facility costs (15%), ministry costs (11%), and administration costs (6%) increased by \$4,740 (1%) for a total of \$607,623.
- The resultant deficit in the operating fund for the year ending June 30, 2022, was \$37,322. The Board approved a transfer from the Internally Restricted Operating Reserve Fund to the Operating Fund in order to cover the current year operating fund deficit. This brings the fund balance from \$69,944 on June 30, 2021, to \$32,622 on June 30, 2022. Emmanuel's Policy dictates that the operating fund balance is to be maintained at a minimum of 5% to a maximum of 10% of the previous year's actual operating donations. On June 30, 2022, after this year's transfer, the fund balance of \$32,622 is \$431 above the minimum required balance thereby complying with Emmanuel's Policy parameters (5% of 2021/2022 general donations of \$643,822 = \$32,191).

Capital Fund:

- The total donations for the year to the Capital Fund were \$10,119, a decrease of \$139,314 over the prior year. In addition, the church realized proceeds from the sale of the bus totaling \$2,850.
- Expenditures in the year totaled \$20,895, a decrease of \$1,963 over the prior year. The current year expenditure was comprised of annual depreciation (\$20,895) on our depreciable tangible assets. The result is a net deficit of for the year of \$7,926 ($\$10,119 - 20,895 + 2,850$).
- On June 30, 2021, the capital fund had a positive ending balance of \$113,568. On June 30, 2022, the positive ending balance is \$105,642. This balance is made up of the net book value of capital assets of \$98,055 plus the surplus position of the externally restricted capital fund of \$7,587 (See Note 6 on page 12 of the audited financial statements).

Restricted Funds:

- Total externally restricted operating fund donations were \$48,525, a decrease of \$39,194 over the prior year. Disbursements from the funds were \$26,740, a decrease of \$47,247. The net result in the total of the funds was an increase from \$40,237 on June 30, 2021, to \$62,022 on June 30, 2022. This balance is primarily made up of the Refugee fund (\$30,035) and the Memorial fund (\$26,263). Neither fund had been disbursed at June 30, 2022.
- A breakdown of the donations and related disbursements for each of the designated ministries is reported in the Audited Statements (Schedule 2 – Restricted Funds on page 8).

EMMANUEL BAPTIST CHURCH
FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022



INDEPENDENT AUDITORS' REPORT

To the Members of
Emmanuel Baptist Church

Qualified Opinion

We have audited the accompanying financial statements of Emmanuel Baptist Church, which comprise the statement of financial position as at June 30, 2022 and the statements of revenue and expenditures, changes in fund balances and cash flows and schedules for the year then ended, along with the summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* paragraph, the financial statements present fairly, in all material respects, the financial position of Emmanuel Baptist Church as at June 30, 2022 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many charitable organizations, the church derives revenue from the general public in the form of donations, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of revenue was limited to the amounts recorded in the records of the church and we were not able to determine whether any adjustments might be necessary to revenue, excess (deficiency) of revenue over expenditures for the year, assets and fund balances.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of Emmanuel Baptist Church in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing Emmanuel Baptist Church's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate Emmanuel Baptist Church or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Emmanuel Baptist Church's financial reporting process.

Auditors' 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 auditors' 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 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 Emmanuel Baptist Church'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 Emmanuel Baptist Church's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause Emmanuel Baptist Church 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.

Heagy LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Saskatoon, SK
October 3, 2022

EMMANUEL BAPTIST CHURCH

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30

	Operating Fund \$	Capital Fund \$	Restricted Funds \$	Total 2022 \$	Total 2021 \$
ASSETS (note 5)					
CURRENT ASSETS					
Cash	51,635	7,587	94,644	153,866	161,002
Accounts receivable (note 3)	2,105	-	-	2,105	1,859
Prepaid expenses	-	-	-	-	1,028
	53,740	7,587	94,644	155,971	163,889
TANGIBLE CAPITAL ASSETS					
(note 4)	-	98,055	-	98,055	114,598
	53,740	105,642	94,644	254,026	278,487
LIABILITIES					
CURRENT LIABILITIES					
Accounts payable and accrued liabilities	46,326	-	-	46,326	47,162
Payroll taxes	7,414	-	-	7,414	7,576
	53,740	-	-	53,740	54,738
FUND BALANCES					
INVESTED IN TANGIBLE CAPITAL ASSETS	-	98,055	-	98,055	114,598
EXTERNALLY RESTRICTED (note 6) (schedule 2)	-	7,587	62,022	69,609	39,207
INTERNALLY RESTRICTED (note 7) (schedule 2)	-	-	32,622	32,622	69,944
	-	105,642	94,644	200,286	223,749
	53,740	105,642	94,644	254,026	278,487

SIGNED ON BEHALF OF THE BOARD

_____ Director

_____ Director

EMMANUEL BAPTIST CHURCH

STATEMENT OF CHANGES IN FUND BALANCES

FOR THE YEAR ENDED
JUNE 30

	Operating Fund \$	Capital Fund \$	Restricted Funds \$	Total 2022 \$	Total 2021 \$
BALANCE - BEGINNING OF YEAR	-	113,568	110,181	223,749	40,773
Excess (deficiency) of revenue over expenditures for the year	(37,322)	(7,926)	21,785	(23,463)	182,976
Transfer to operating fund (notes 6 and 7) (schedule 2)	37,322	-	(37,322)	-	-
BALANCE - END OF YEAR	-	105,642	94,644	200,286	223,749

EMMANUEL BAPTIST CHURCH

STATEMENT OF REVENUE AND EXPENDITURES

FOR THE YEAR ENDED
JUNE 30

	Operating Fund \$	Capital Fund \$	Restricted Funds \$	Total 2022 \$	Total 2021 \$
REVENUE					
Donations	567,165	10,119	48,525	625,809	880,974
Rental	3,136	-	-	3,136	1,730
	570,301	10,119	48,525	628,945	882,704
EXPENDITURES (schedule 1)					
Personnel	412,771	-	-	412,771	424,481
Facilities	93,318	-	-	93,318	81,296
Outreach ministries	43,900	-	-	43,900	52,825
Administration	27,994	-	-	27,994	19,108
Discipleship ministries	15,176	-	-	15,176	8,853
Professional fees	7,300	-	-	7,300	7,827
Worship	6,605	-	-	6,605	6,466
Fellowship and hospitality	395	-	-	395	910
Care and support ministry	164	-	-	164	1,117
Depreciation	-	20,895	-	20,895	19,142
Interest on long-term debt	-	-	-	-	3,716
Designated disbursements (schedule 2)	-	-	26,740	26,740	73,987
	607,623	20,895	26,740	655,258	699,728
	(37,322)	(10,776)	21,785	(26,313)	182,976
GAIN ON DISPOSAL OF TANGIBLE CAPITAL ASSETS					
	-	2,850	-	2,850	-
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES FOR THE YEAR					
	(37,322)	(7,926)	21,785	(23,463)	182,976

EMMANUEL BAPTIST CHURCH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED
JUNE 30

	2022 \$	2021 \$
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenditures for the year	(23,463)	182,976
Items not affecting cash -		
Depreciation	20,895	19,142
Gain on disposal of tangible capital assets	(2,850)	-
	(5,418)	202,118
Changes in non-cash working capital items -		
Accounts receivable	(246)	922
Prepaid expenses	1,028	(771)
Accounts payable and accrued liabilities	(836)	(2,294)
Payroll taxes	(162)	(1,091)
Cash Provided By (Used In) Operating Activities	(5,634)	198,884
FINANCING ACTIVITIES		
Repayment of long-term debt	-	(149,455)
Cash Used In Financing Activities	-	(149,455)
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(4,352)	(23,353)
Proceeds on disposal of tangible capital assets	2,850	-
Cash Used In Investing Activities	(1,502)	(23,353)
INCREASE (DECREASE) IN CASH POSITION	(7,136)	26,076
CASH POSITION - BEGINNING OF YEAR	161,002	134,926
CASH POSITION - END OF YEAR	153,866	161,002

EMMANUEL BAPTIST CHURCH

SCHEDULE 1 - OPERATING EXPENDITURES

FOR THE YEAR ENDED
JUNE 30

	2022	2021
	\$	\$
PERSONNEL		
Salaries	340,560	347,990
Employee benefits	44,447	47,120
Canada pension plan	16,156	15,884
Employment insurance	6,734	6,957
Worker's compensation	1,197	461
Staff team building	1,188	1,028
Congregation contact	1,082	1,047
Books	907	1,292
Continuing education	385	2,484
Mileage	115	188
Retreat	-	30
	412,771	424,481
FACILITIES		
Utilities	40,064	34,762
Repairs, maintenance and renovations	26,661	20,321
Insurance	17,643	16,248
Furnishings and equipment	3,702	2,238
Vehicles	1,836	2,701
Inspections and licensing	1,472	1,310
Supplies	1,315	2,716
Weddings and funerals	625	-
Parking lease	-	1,000
	93,318	81,296
OUTREACH MINISTRIES		
The Quest	14,179	16,063
Canadian Baptists of Western Canada	10,716	16,063
Global impact partnerships	9,238	10,000
Easter presentation	3,925	3,293
Christmas presentation	3,439	3,474
Website	1,151	1,070
Connection - community development	1,020	973
Connection - outreach	200	220
Advertising	32	905
Community impact partnerships	-	518
ESL	-	246
	43,900	52,825

EMMANUEL BAPTIST CHURCH

SCHEDULE 1 - OPERATING EXPENDITURES (continued)

FOR THE YEAR ENDED
JUNE 30

	2022	2021
	\$	\$
ADMINISTRATION		
Conferences and honorariums	10,283	-
Photocopier lease	5,820	6,004
Interest and bank charges	3,869	3,797
Accounting support	2,973	3,303
Maintenance	2,268	2,082
Supplies	1,230	2,141
Postage and courier	901	1,151
Membership fees	650	630
	27,994	19,108
DISCIPLESHIP MINISTRIES		
Children's Ministry -		
Special events	3,574	221
Supplies	660	591
Curriculum	641	437
Leadership training	62	-
Nursery and toddlers	30	93
Adult Discipleship -		
Small group resources and training	2,078	2,069
Women's ministry	156	130
Connection - Discipleship	96	348
Youth Ministry -		
Sr. Youth	3,637	1,914
Evangelism	1,819	708
Jr. Youth	1,265	648
Supplies	520	608
Leadership training	483	565
College ministry	20	223
Seniors' Ministry -		
General ministry	135	298
	15,176	8,853

EMMANUEL BAPTIST CHURCH

SCHEDULE 1 - OPERATING EXPENDITURES (continued)

FOR THE YEAR ENDED
JUNE 30

	2022	2021
	\$	\$
PROFESSIONAL FEES		
Financial audit	7,300	7,827
WORSHIP		
Communion supplies	1,714	1,305
Music, books and copyright fees	1,255	977
Media projects	1,066	1,416
Decoration and banners	679	409
Devotional resources	616	653
Instrument maintenance	597	1,048
Worship leadership development	250	252
Connection - worship	220	211
Christmas Eve	208	195
	6,605	6,466
FELLOWSHIP AND HOSPITALITY		
Connection - fellowship	202	796
Kitchen supplies	193	114
	395	910
CARE AND SUPPORT MINISTRY		
Volunteer training and support	98	229
Support and recovery groups	66	888
	164	1,117
TOTAL OPERATING EXPENDITURES	607,623	602,883

EMMANUEL BAPTIST CHURCH

SCHEDULE 2 - RESTRICTED FUNDS

**FOR THE YEAR ENDED
JUNE 30, 2022**

	Balance beginning of year \$	Donations & other income \$	Disbursements \$	Transfers \$	Balance end of year \$
Externally restricted					
Caring	7,244	9,485	13,963	-	2,766
Hope Restored	-	582	582	-	-
Memorial	-	26,263	-	-	26,263
Miscellaneous committed	894	3,000	3,000	-	894
Real Choices	-	140	140	-	-
Refugees	30,035	-	-	-	30,035
Short-term Missions	65	-	-	-	65
The Bridge	-	3,875	3,875	-	-
The Quest at Christopher Lake	-	5,180	5,180	-	-
Youth Missions	1,999	-	-	-	1,999
	40,237	48,525	26,740	-	62,022
Internally restricted operating (note 7)	69,944	-	-	(37,322)	32,622
	110,181	48,525	26,740	(37,322)	94,644

EMMANUEL BAPTIST CHURCH

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED
JUNE 30, 2022

1. ORGANIZATION AND PURPOSE

Emmanuel Baptist Church exists to fully love God and all people for God's Kingdom, pleasure, and glory.

The church was incorporated under the Non-Profit Corporations Act of Saskatchewan in 1995. As a registered charity it is not subject to income taxes under the Canadian Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Financial Instruments

The church initially measures its financial assets and 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 church subsequently measures all financial assets and financial liabilities at amortized cost except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in excess (deficiency) of revenue over expenditures for the year.

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

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and payroll taxes.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of any write-down is recognized in net earnings for the year. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting an allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess (deficiency) of revenue over expenditures for the year.

Tangible Capital Assets and Depreciation

Tangible capital assets are recorded at cost and amortized over their estimated useful lives. This requires estimation of the useful life of the asset and its salvage and residual value. When management considers that a tangible capital asset no longer contributes to the church's ability to provide services, its carrying amount is written down to its residual value. As is true of all accounting estimates, it is possible that changes in future conditions could require changes in the recognized amounts for accounting estimates. Should an adjustment become necessary, it would be reported in earnings in the period in which it became known.

EMMANUEL BAPTIST CHURCH

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED
JUNE 30, 2022

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Depreciation of tangible capital assets is calculated using the straight-line method at the following annual rates:

Building	5.00%
Musical instruments	10.00%
Furniture and equipment	20.00%
Automotive equipment	33.33%
Computer equipment	33.33%
Computer software	100.00%

Depreciation on assets acquired during the year is recorded at one-half the normal annual rate.

Individual assets with a net book value less than \$1,500 are to be fully depreciated at year-end.

Fund Accounting

The church follows the restricted fund method of accounting for contributions. It accounts for its operations using the following funds:

Operating Fund

The operating fund accounts for the church's program delivery and administration activities. This fund reports unrestricted resources and restricted operating grants.

Capital Fund

The capital fund reports the assets, liabilities, revenue and expenditures related to the church's capital assets. It also reports all capital revenue and expenditures related to long-range facility planning.

Restricted Funds

The restricted funds consist of internally and externally restricted funds. These funds accumulate capital from legacies, bequests, memorials and special donations. Any appropriations from these funds must be authorized by the church's Board of Directors.

Revenue Recognition

Restricted contributions related to general operations are recognized as revenue of the operating fund in the year in which the related expenditures are incurred. All other restricted contributions are recognized as revenue of the appropriate fund.

Unrestricted contributions, including donation revenue, are recognized as revenue of the operating fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Donated Materials and Services

The church benefits from the donation of materials and services from its members. These financial statements do not reflect the value of donations in kind received in the year since a fair value cannot be reasonably estimated.

EMMANUEL BAPTIST CHURCH

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED
JUNE 30, 2022

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the year. Significant items subject to estimate and assumption include valuation of accounts receivable and the estimated useful lives of tangible capital assets. Actual results could differ from estimates.

3. ACCOUNTS RECEIVABLE

	2022	2021
	\$	\$
Goods and services tax receivable	1,505	1,259
Other receivables	600	600
	2,105	1,859

4. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated Depreciation	Net Book Value	
	\$	\$	2022	2021
			\$	\$
Building	453,347	398,887	54,460	59,368
Musical instruments	4,169	4,169	-	-
Furniture and equipment	185,165	147,876	37,289	50,765
Computer equipment	27,540	21,234	6,306	4,465
Computer software	1,235	1,235	-	-
	671,456	573,401	98,055	114,598

5. LINE OF CREDIT

The church carries a line of credit at its bank which is secured by a first floating charge over all church assets. The line of credit bears interest at a floating rate based on bank prime plus 1 percent. The church's total available line of credit is \$50,000 (2021 - \$50,000). The terms of the line of credit are renegotiated from time to time.

The prime rate at June 30, 2022 was 3.7%.

EMMANUEL BAPTIST CHURCH

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED
JUNE 30, 2022

6. EXTERNALLY RESTRICTED - CAPITAL FUND

	2022	2021
	\$	\$
Deficit - beginning of year	(1,030)	(5,949)
Donations	10,119	149,433
Gain on disposal of tangible capital assets	2,850	-
Purchase of tangible capital assets	(4,352)	(23,353)
Repayment of long-term debt	-	(149,455)
Interest on long-term debt	-	(3,716)
Transfer from operating	-	32,010
Balance (deficit) - end of year	7,587	(1,030)

7. TRANSFERS

In the past, the board of directors had passed a motion to maintain the internally restricted operating fund at a minimum of 5% to a maximum of 10% of the previous year's actual operating donations total. During the current fiscal period, the board approved a transfer of \$37,322 from the internally restricted operating fund to the operating fund in order to cover the current year operating fund deficit. Even after this transfer the minimum required balance in the internally restricted operating fund has been met.

8. FINANCIAL RISK

Liquidity Risk

Liquidity risk is the risk that the church will not be able to meet its financial obligations as they become due. Liquidity risk also includes the risk of not being able to liquidate assets in a timely manner at a reasonable price. The church is subject to liquidity risk mainly with respect to its accounts payable and accrued liabilities and payroll liabilities. This risk is mitigated at the church due to significant current assets. As described in note 9, the liquidity risk has continued to be the same as in the prior year as a result of the health crisis created by the COVID-19 virus and its economic impact. There is uncertainty of the length and potential economic impact of COVID-19. Management will monitor receipts closely to mitigate any risk that may occur.

9. UNCERTAINTY DUE TO THE COVID-19 HEALTH ISSUE

In March 2020 the World Health Organization declared a global pandemic due to the novel coronavirus (COVID-19). The situation is constantly evolving, and the measures put in place are having multiple impacts on local, provincial, national and global economies. As a result of the current health crisis created by the COVID-19 virus, there is uncertainty as to the financial impact and consequences to normal operations for Emmanuel Baptist Church. As this impact cannot be determined, the financial statements have been prepared assuming the organization will be able to continue to function and operate as it would under normal operating circumstances.

Treasurer's Report
Capital and General Operating Budgets
July 1, 2022 to June 30, 2023

The following table presents the CAPITAL budget approved by the Board for the 2022-2023 fiscal year.

	Budget 2022/2023	Actual 2021/2022	Actual 2020/2021	Actual 2019/2020
Capital Revenues				
Capital Donations (Approved by the Board)	2,000	10,119	149,433	93,812
Proceeds of Long Term Debt (CBWC)	-	-	-	115,000
Proceeds from the Sale of the Church Bus		2,850		
Investment Income/Net Gain on Securities	-	-	-	166
Total Capital Revenues	2,000	12,969	149,433	208,978
Capital Expenditures				
Major Repairs - Roof	-	-	-	135,294
Interest on Long-Term Debt (CBWC Loan)	-	-	4,355	6,003
Interest on Long-Term Debt - Prior Year Adjustment	-	-	(639)	
Repayment of Long-Term Debt - Principal (CBWC Loan)	-	-	149,455	12,435
Purchase - Refrigerator for Kitchen	-	-	4,215	-
Purchase - Sound System/Live Stream Equipment	-	-	13,779	49,386
Purchase - Computer Replacements	2,000	4,352	5,358	3,516
Total Capital Expenditures	2,000	4,352	176,523	206,634
<i>Cash requirements for budgeted capital expenditures for 2022/2023 are listed above. Any shortfall in designated capital revenues to cover the above expenditures may be funded by the Operating Fund if there are sufficient funds and the Board approves a transfer.</i>				

The table highlights that capital fund donations and expenditures can significantly vary year over year depending on what capital outlays are required and which capital expenditures resonate with potential donors.

On the next page (F3), there is a summary of the OPERATING budget approved by the Board for the 2022-2023 fiscal year. In addition to the budget amounts by category, the table provides comparative data for actual expenditures in the 2021-2022 and the 2020-2021 fiscal years. Pages F4 to F6 provide additional information for each budget category. The last page (F7) provides a 5-year historical recap of general operating expenditures and donations.

When reviewing this report, and the corresponding audited financial statements, note that the program cost recovery amount for 2021-2022 facility rentals (\$3,136) is presented as "Other Revenues" in the audited financial statements but is netted against facility program expenditures in the Treasurer's Report.

EMMANUEL BAPTIST CHURCH

SUMMARY OPERATING BUDGET - FOR THE FISCAL YEAR JULY 1, 2022 TO JUNE 30, 2023

	Budget 2022/2023	Actual 2021/2022	\$ Increase (Decrease)	% Increase (Decrease)	Actual 2020/2021
REVENUES:					
General Donations (Excludes Income)	538,500	567,165	(28,665)	(5%)	643,822
OPERATING EXPENDITURES (Net of Operating Income and Including The Connection)					
Personnel	359,921	412,772	(52,851)	(13%)	424,481.00
Staff Salaries & Vacation	298,277	340,560	(42,283)	(12%)	
Staff Pension & Group Benefits	36,767	44,447	(7,680)	(17%)	
Staff Statutory	19,827	24,089	(4,262)	(18%)	
Staff Other	5,050	3,676	1,374	37%	
Facilities (Net of Rental Income)	98,224	90,182	8,042	9%	79,566.00
Utilities	48,618	40,064	8,554	21%	
Facility Mtce (Net of Rental Income)	19,681	18,274	1,407	8%	
Major Repairs	10,000	8,588	1,412	(16%)	
Insurance	18,925	17,718	1,207	(7%)	
Furniture, Equipment & Vehicles	1,000	5,538	(4,538)	(82%)	
Outreach Ministries	25,605	43,900	(18,295)	(42%)	52,826.00
Denominational	16,155	24,895	(8,740)	(35%)	
Community Impact	1,500	10,258	(8,758)	(85%)	
Special Events	5,500	7,364	(1,864)	(25%)	
Other	2,450	1,384	1,066	77%	
Administration & Professional fees	27,750	35,294	(7,544)	(21%)	26,934.00
General Office Expenses	19,600	17,061	2,539	15%	
Board Expenses	850	10,933	(10,083)	(92%)	
Audit Fees	7,300	7,300	0	0%	
Discipleship	17,150	15,175	1,975	13%	8,853.00
Children	3,150	4,966	(1,816)	(37%)	
Youth	7,650	7,724	(74)	(1%)	
College	0	20	(20)	(1%)	
Adult	4,950	2,330	2,620	1%	
Seniors	1,400	135	1,265	9%	
Worship	6,750	6,605	145	2%	6,466.00
Fellowship & Hospitality	1,800	395	1,405	4%	910.00
Care & Support	1,300	164	1,136	7%	1,117.00
TOTAL OPERATING EXPENDITURES	538,500	604,487	(65,987)	(11%)	601,153.00
RESERVE (DEFICIT)	0	(37,322)			42,669.00

GENERAL OFFERINGS (Total Budget Decreased by \$28,665 Over 2021/2022 Actuals)

- General donations are budgeted at \$538,500. This amount is required in order to fund this year's programs and other expenses as detailed in the document below.
- No amount is budgeted this year to replenish the internally restricted operating fund. Instead, the prior fiscal year's deficit of \$37,322 was transferred from the internally restricted operating fund to the operating fund to cover the current year's operating fund deficit.

GENERAL OPERATING EXPENSES (Total Budget Decreased by \$65,987 Over 2021/2022 Actuals)

Personnel: (Total Budget Decreased by \$52,851 Over 2021/2022 Actuals)

Staff Salaries & Vacation:

The budget for Personnel includes staff salaries, employee health & insurance benefits, pension contributions, statutory expenses (CPP, EI & WCB), resource materials, continuing education, conferences, congregational visits, team building, and miscellaneous employee expenditures.

- Staff received a 2% Cost-of-Living Adjustment (COLA) for the 2022/2023 year. Those who qualified also moved through the salary grid for step increases of 2.5% per step.
- Two persons are no longer on the EBC payroll. In one case the effective date was July 1, 2022 and in the other case the effective date will be January 24, 2023.
- EBC was the recipient of another Canada Summer Jobs grant enabling the church to hire an intern for the summer this year.

Staff Pension, Group Benefits, and Statutory Deductions

Staff pensions, group benefits, and statutory deductions are largely a function of gross pay and are therefore not discretionary expenses except when the budget for gross salaries is reduced

- Employer paid pension contributions are budgeted at 6% of gross, pensionable pay and are managed by Canada Life. The annual budget is approximately \$18,000.
- Employer paid Group Benefits are managed by J & D Benefits for Capital Life and are based on the benefits chosen by individual employees. The annual budget is \$19,000.
- Statutory deductions (CPP, EI, and WCB) are a function of gross pay. The annual budget is approximately \$20,000.

Staff – Other Expenses:

- The budget for these expenses is largely discretionary and includes mileage, books, conferences (none this year), staff planning days, congregational visitations, team building, and continuing education.

Facilities: (Total Budget Increased by \$8,042 Over 2021/2022 Actuals)

The budget for this category includes utilities, regular facility maintenance and repairs, yard maintenance, telephone and internet services, garbage disposal, snow removal, insurance, carpet cleaning, small equipment purchases and furnishings, and \$10,000 for interim parking lot repairs until the finances are in place to resurface the entire lot.

Utilities

- The budget for utilities was increased due to significant cost increases for services

Facility Maintenance

- The budget for maintaining the facility was increased about 8% over last year as the cost of all materials and services have increased over the past 2 years

Major Repairs

- Some funds were budgeted for major repairs but EBC's financial situation did not allow for much more than budgeting for emergency repairs to the parking lot or other needs in the facility.

Insurance

- The budget for insurance was based on the providers estimated cost for the fiscal year

Furniture, Equipment, and Vehicles

- The budget for equipment covers some software upgrades but no furnishings. Since the bus was sold this year, no budget was allocated to vehicles.

Outreach Ministries (Total Budget Decreased by \$\$18,295 Over 2021/2022 Actuals)

Denominational

- Budgeted giving to Canadian Baptists of Western Canada is based on 2.0% of budgeted annual general donations. Budgeted giving to The Quest is based on 1.0% of budgeted annual general donations. Actual contributions are accrued each month based on actual giving and distributed to the recipients on a quarterly basis.

Community Impact

- The budget includes the Community Impact Fund and the Connection's community development programs. Due to financial constraints, EBC was not able to continue funding the STEP Program this year.

Special Events and Other

- The budget for Special Events includes presentations for Christmas, Easter, and Lenten special events. The budget for "Other" expenses includes general costs for advertising, training, royalty licenses, subscriptions, equipment, Zoom cloud storage & our website domain membership

Administration & Professional Fees: (Total Budget Decreased by \$7,544 Over 2021/22 Actuals)

- The budget for general office expenses includes normal office expenses such as stationery and supplies, copier lease & expenses, computer maintenance, bank charges, and accounting support.
- The budget for the Board includes association fees and funds for congregational meetings. No amount was budgeted for Board training this year.
- The budget for Audit Fees is the same as last year, The Board approved Heagy LLP to continue on as the auditor for Emmanuel Baptist Church for the 2022/2023 fiscal year.

Discipleship (Total Budget Increased by \$1,975 Over 2021/2022 Actuals)

The total budget for Discipleship is grouped into five main program areas as summarized below.

Children

- The budget for children's programming included costs for curriculum, volunteer appreciation, special events such as year-end celebrations, and Scooters & Kids Camp (net of cost recovery).

Youth

- The budget for the Youth program included costs for general supplies and equipment, volunteer appreciation, youth trips, events, weekly gatherings, and various celebrations.

College

- No budget was set for our college ministry this year as programming has been limited due to the pandemic.

Adult Programming

- The budget for adult programming included Women's Ministry resources such as study guides for Heart Matters, resources and training for small groups, adult leadership development, Right Now Media subscriptions, funds for the Spiritual Life Conference, and online teaching resources.

Seniors

- Senior's ministry costs were expected to include community development & fellowship, and the Growing in Grace & In-Motion programs. Actual YTD expenditures were for In-Motion equipment, goodie packages for seniors, and gift cards for leaders.

Worship (Total Budget Increased by \$145 Over 2021/2022 Actuals)

- The budget includes amounts for leadership development, instrument maintenance, music and copyright fees, devotional resources, communion supplies and special worship events.

Fellowship & Hospitality (Total Budget Increased by \$1,405 Over 2021/2022 Actuals)

- The budget for these ministries includes various costs associated with the coffee bar, kitchen supplies, and the soup & buns ministry. Due to Cov-19 restrictions these programs have not been operating; however, the staff are providing more opportunities for fellowship in the months ahead.

Care & Support (Total Budget Increased by \$1,136 Over 2021/2022 Actuals)

- The budget for this category includes funds for volunteer leadership training, volunteer appreciation, and support/recovery groups.

A five-year historical recap of general operating expenditures and donations is available for your perusal on the following page.

**EMMANUEL BAPTIST CHURCH
FIVE YEAR HISTORICAL RECAP OF GENERAL OPERATING EXPENDITURES AND DONATIONS**

	BUDGET	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL
EXPENSE CATEGORY	July 2022 - June 2023	July 2021 - June 2022	July 2020 - June 2021	July 2019 - June 2020	July 2018 - June 2019	July 2017 - June 2018
Personnel	359,921	412,771	424,481	443,321	484,023	492,835
Facilities	99,424	93,318	81,296	93,152	99,914	96,071
- <i>Cost Recovery (Rentals)</i>	<i>(1,200)</i>	<i>(3,136)</i>	<i>(1,730)</i>	<i>(2,574)</i>	<i>(2,713)</i>	<i>(1,399)</i>
Outreach	25,605	43,900	52,825	51,982	57,810	68,387
Discipleship:						
- <i>Children</i>	3,150	4,967	1,342	16,236	12,401	14,709
- <i>Cost Recovery (Children)</i>	-	-	-	<i>(7,318)</i>	<i>(6,640)</i>	<i>(6,599)</i>
- <i>Youth</i>	7,650	7,724	4,443	3,125	6,364	9,999
- <i>College</i>	-	20	223	1,427	1,402	
- <i>Adult</i>	4,950	2,330	2,547	7,186	6,423	6,835
- <i>Seniors</i>	1,400	135	298	1,617	2,095	2,307
- <i>Cost Recovery</i>			-	-	<i>(572)</i>	-
Discipleship Sub-total	17,150	15,176	8,853	22,273	21,473	27,251
Administration (Including the Board)	20,450	27,994	19,108	21,120	21,349	17,969
Worship	6,750	6,605	6,466	7,703	7,405	8,051
Professional Fees	7,300	7,300	7,827	6,235	6,235	6,235
Connection (See Note Below)	-	-	-	4,387	4,080	1,521
Fellowship	1,800	395	910	3,062	3,511	1,914
Care & Support	1,300	164	1,117	652	2,014	1,043
TOTAL EXPENSES	538,500	604,487	601,153	651,313	705,101	719,878
DONATIONS	538,500	567,165	643,822	699,441	726,743	686,923
Interest Income						
RESERVE (DEFICIT)	0	(37,322)	42,669	48,128	21,642	(32,955)

Effective July 1, 2020, worship, discipleship, fellowship, pastoral care, administration, facility costs, and community development expenditures pertaining to the Connection are included as line items under the appropriate operating expenditure categories above. This change is to better reflect the actual total expenditures incurred in each of the categories.