

CANADIAN BAPTISTS OF WESTERN CANADA
Financial Statements
Year Ended December 31, 2024

CANADIAN BAPTISTS OF WESTERN CANADA
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Year Ended December 31, 2024

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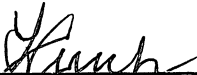
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Canadian Baptists of Western Canada have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Canadian Baptists of Western Canada's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit Committee. The Audit Committee is appointed by the Board and meets periodically with management and the members' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Audit Committee reports to the Board of Directors prior to its approval of the financial statements. The Committee also considers, for review by the Board and approval by the members, the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the members by Dart Bryant LLP, in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).



Laurel Auch, Vice President of Finance

Victor Ku, Director of Administration
and Finance

Calgary, AB
April 25, 2025



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INDEPENDENT AUDITOR'S REPORT

To the Members of Canadian Baptists of Western Canada

Qualified Opinion

We have audited the financial statements of Canadian Baptists of Western Canada (the organization), which comprise the statement of financial position as at December 31, 2024, and the statements of operations and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2024, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO)

Basis for Qualified Opinion

In common with many charitable organizations, the organization derives revenue from individual gifts and events registration the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization. Therefore, we were not able to determine whether any adjustments might be necessary to individual gifts and events registration revenues, operating excess, and cash flows from operating activities for the years ended December 31, 2024, current assets as at December 31, 2024, and net assets as at January 1 and December 31 for both the 2024 and 2023 years. Our audit opinion on the financial statements for the year ended December 31, 2023 was modified accordingly because of the possible effects of this limitation of scope. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the organization in accordance with 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 qualified audit opinion.

Other Information

Management is responsible for the other information. The other information comprises the information, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Independent Auditor's Report to the Members of Canadian Baptists of Western Canada (*continued*)

As described in the Basis of Qualified Opinion section above, we need to obtain sufficient appropriate evidence about the completeness of individual gift and events registration revenues as at and for the year ended December 31, 2023. Accordingly we were unable to conclude whether or not the other information is materially misstated with respect to this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, 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 the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

Auditor's 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 auditor's 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 professional judgment 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 the organization'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 the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the organization 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.

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Independent Auditor's Report to the Members of Canadian Baptists of Western Canada (*continued*)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

A handwritten signature in blue ink, appearing to read "D. Bryant" followed by a stylized flourish or initials.

April 25, 2025

Chartered Professional Accountants

CANADIAN BAPTISTS OF WESTERN CANADA

Statement of Financial Position

December 31, 2024

	General	Church Health & Planting	Special Ministries	Trust	Women in Focus	2024	2023
ASSETS							
CURRENT							
Cash (<i>Note 4</i>)	\$ 491,702	\$ -	\$ -	\$ -	\$ -	\$ 491,702	\$ 494,720
Term deposits	771,775	-	-	-	-	771,775	1,227,600
Accounts receivable (<i>Note 5</i>)	228,877	-	-	-	-	228,877	210,926
Goods and services tax recoverable	10,722	-	-	-	-	10,722	7,601
Prepaid expenses	42,466	-	-	-	-	42,466	40,940
	1,545,542	-	-	-	-	1,545,542	1,981,787
PROPERTY AND EQUIPMENT (<i>Net of accumulated amortization</i>) (<i>Note 7</i>)	84,929	-	-	6,607,583	-	6,692,512	4,846,496
PROPERTY HELD FOR CONSTITUENT CHURCH or SALE (<i>Note 6</i>)	-	-	-	661,000	-	661,000	661,000
	\$ 1,630,470	\$ -	\$ -	\$ 7,268,583	\$ -	\$ 8,899,054	\$ 7,489,283

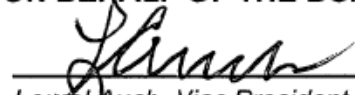
CANADIAN BAPTISTS OF WESTERN CANADA

Statement of Financial Position

December 31, 2024

	General	Church Health & Planting	Special Ministries	Trust	Women in Focus	2024	2023
LIABILITIES AND NET ASSETS							
CURRENT							
Accounts payable and accrued liabilities	\$ 101,291	\$ -	\$ -	\$ 370,994	\$ -	\$ 472,285	\$ 630,768
Property deposits	-	-	-	25,000	-	25,000	25,000
Employee deductions payable	11,078	-	-	-	-	11,078	10,697
Deferred Contributions (Note 9)	5,100	-	-	79,334	-	84,434	92,944
Due to CBWC Foundation (Notes 10, 14)	205,115	-	-	-	-	205,115	206,333
Due to (from) Other Funds (Note 8)	1,041,911	(496,632)	(21,047)	(522,294)	(1,938)	-	-
	1,364,495	(496,632)	(21,047)	(46,967)	(1,938)	797,911	965,742
FUND BALANCES							
INTERNALLY RESTRICTED - Property and equipment (Note 7)	84,929	-	-	6,607,583	-	6,692,512	4,846,496
INTERNALLY RESTRICTED - Other	150,000	404,599	13,827	707,967	17,490	1,293,883	1,627,337
UNRESTRICTED NET ASSETS (DEFICIT)	31,046	92,033	7,220	-	(15,552)	114,747	49,708
	265,975	496,632	21,047	7,315,550	1,938	8,101,142	6,523,541
	\$ 1,630,470	\$ -	\$ -	\$ 7,268,583	\$ -	\$ 8,899,054	\$ 7,489,283

ON BEHALF OF THE BOARD


Laurel Auch, Vice President of Finance


Victor Ku, Director of Administration and Finance

CANADIAN BAPTISTS OF WESTERN CANADA
Statement of Operations and Changes in Net Assets
Year Ended December 31, 2024

	General	Church Health & Planting	Special Ministries	Trust	Women in Focus	2024	2023
REVENUES							
Churches - Budget	\$ 1,262,608	\$ -	\$ -	\$ -	\$ -	\$ 1,262,608	\$ 1,285,430
Churches - Missions	-	41,750	-	116,903	3,000	161,653	154,250
Churches - Designated	156,137	-	1,990	-	2,530	160,657	196,112
Churches - Property (Note 7)	-	-	-	1,752,900	-	1,752,900	557,400
Individual gifts - Missions	66,545	11,085	7,110	137,205	1,240	223,185	361,338
Individual gifts - Designated	46,046	-	-	-	-	46,046	36,217
Grants - CBWC Foundation (Note 14)	800,004	-	-	-	-	800,004	890,000
Events registration	163,972	-	-	30,690	-	194,662	161,066
Rental income	-	142,630	-	7,514	-	150,144	162,470
Other	82,641	-	-	-	-	82,641	52,700
	2,577,953	195,465	9,100	2,045,212	6,770	4,834,500	3,856,983

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CANADIAN BAPTISTS OF WESTERN CANADA
Statement of Operations and Changes in Net Assets *(continued)*
Year Ended December 31, 2024

	General	Church Health & Planting	Special Ministries	Trust	Women in Focus	2024	2023
EXPENSES							
Cultivating leadership	472,955	-	-	76,551	-	549,506	573,567
Investing in relationship	1,200,186	137,781	-	71,518	-	1,409,485	1,291,844
Engaging in missions	212,945	74,170	11,014	21,451	-	319,580	782,736
Operation and management	682,698	903	-	59,659	3,764	747,024	706,067
Designated	156,137	-	1,990	-	1,006	159,133	196,112
Amortization	29,657	-	-	42,514	-	72,171	57,982
	2,754,578	212,854	13,004	271,693	4,770	3,256,899	3,608,308
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE OPERATIONAL TRANSFERS (SCHEDULE 1)	(176,625)	(17,389)	(3,904)	1,773,519	2,000	1,577,601	248,675
OPERATIONAL TRANSFERS (Schedule 1)	212,423	44,000	-	(254,423)	(2,000)	-	-
	35,798	26,611	(3,904)	1,519,096	-	1,577,601	248,675
FUND BALANCES - beginning of year	230,177	470,021	24,951	5,796,454	1,938	6,523,541	6,274,866
FUND BALANCES - end of year	\$ 265,975	\$ 496,632	\$ 21,047	\$ 7,315,550	\$ 1,938	\$ 8,101,142	\$ 6,523,541

CANADIAN BAPTISTS OF WESTERN CANADA

Statement of Cash Flows

Year Ended December 31, 2024

	General	Church Health & Planting	Special Ministries	Trust	Women in Focus	2024	2023
OPERATING ACTIVITIES							
Excess (deficiency) of revenues over expenses	\$ 35,798	\$ 26,611	\$ (3,904)	\$ 1,519,096	\$ -	\$ 1,577,601	\$ 248,675
Items not affecting cash:							
Amortization	29,657	-	-	42,514	-	72,171	57,981
Gain on disposal of property and equipment	-	-	-	-	-	-	(6,552)
Property Held (Note 5)	-	-	-	(1,752,900)	-	(1,752,900)	(557,400)
	65,455	26,611	(3,904)	(191,290)	-	(103,128)	(257,296)
Changes in non-cash working capital:							
Accounts receivable	(17,952)	-	-	-	-	(17,952)	(9,520)
Accounts payable and accrued liabilities	(116,775)	-	-	(41,707)	-	(158,482)	21,383
Prepaid expenses	(1,526)	-	-	-	-	(1,526)	(5,376)
Goods and services tax payable	(3,121)	-	-	-	-	(3,121)	1,447
Property deposits	-	-	-	-	-	-	6,000
Employee deductions payable	381	-	-	-	-	381	178
Deferred Contributions (Note 9)	(8,358)	-	-	(152)	-	(8,510)	-
	(147,351)	-	-	(41,859)	-	(189,210)	14,112
Cash flow from (used by) operating activities	(81,896)	26,611	(3,904)	(233,149)	-	(292,338)	(243,184)
INVESTING ACTIVITIES							
Purchase of property and equipment	-	-	-	(165,287)	-	(165,287)	(164,946)
Proceeds on disposal of property and equipment	-	-	-	-	-	-	115,000
Term deposits	455,825	-	-	-	-	455,825	(27,600)
Cash flow from (used by) investing activities	455,825	-	-	(165,287)	-	290,538	(77,546)

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CANADIAN BAPTISTS OF WESTERN CANADA

Statement of Cash Flows *(continued)*

Year Ended December 31, 2024

	General	Church Health & Planting	Special Ministries	Trust	Women in Focus	2024	2023
FINANCING ACTIVITIES							
Advances from (to) members	- (376,947)	- (26,611)	- 3,904	- 398,436	- -	- (1,218)	7,148 187,432
Cash flow from (used by) financing activities	(376,947)	(26,611)	3,904	398,436	-	(1,218)	194,580
INCREASE (DECREASE) IN CASH FLOW	(3,018)	-	-	-	-	(3,018)	(126,150)
Cash - beginning of year	494,720	-	-	-	-	494,720	620,870
CASH - END OF YEAR <i>(Note 4)</i>	\$ 491,702	\$ -	\$ -	\$ -	\$ -	\$ 491,702	\$ 494,720

CANADIAN BAPTISTS OF WESTERN CANADA

Notes to Financial Statements

Year Ended December 31, 2024

1. ORGANIZATION

The purpose of the Canadian Baptists of Western Canada ("CBWC"), is to support, enable and facilitate the ministries of local CBWC churches in Western Canada.

The CBWC is incorporated under the laws of Canada without share capital and is also a registered charitable organization under the Income Tax Act (#11921-5036 RR 0001) and as such is exempt from income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations.

These financial statements have been prepared on the going concern basis, which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Management is not aware of any circumstances that would put this going concern assumption at risk.

Fund accounting

These financial statements include the assets, liabilities and net assets of the funds controlled directly by the board of the CBWC except for the controlled entities of Carey Hall and the CBWC Foundation (see Note 14) but do not include the operations of constituent churches, affiliated operations or sponsored agencies such as camps or the BC Convention.

The summarized funds reported on include:

General Fund reports budget revenues and expenditures, missions and designated funds and book room activity.

Church Health and Planting Fund reports the missions work and deposits from the constituency for Church Planting and Renewal.

Special Ministries Fund reports the missions work for development of property, facility, equipment and housing.

Trust Fund reports externally designated and internally restricted funds and activity which are held for specified purposes and time, and include the Resource Centre trusts at year end.

Women in Focus Fund reports revenues and expenditures related to the women's ministry.

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CANADIAN BAPTISTS OF WESTERN CANADA

Notes to Financial Statements

Year Ended December 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income (see Note 3). All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

The organization's financial instruments consist of cash and cash equivalents, term deposits, accounts receivable, accounts payable and accrued liabilities, employee deductions payable, property deposits and deferred contributions.

Cash and cash equivalents

Cash and cash equivalents are recorded at cost and include cash in the bank and short-term investments convertible to cash or original maturities of 3 months or less. Due to the short term maturities of the investments, cost is considered to be equivalent to fair value and are subject to insignificant risk of change in value.

Property and equipment

Property and equipment greater than \$5,000 are stated at cost. Property and equipment are amortized over their estimated useful lives using the straight-line method.

Buildings	50 years
Equipment, furniture & fixtures	5 years
Motor vehicles	5 years
Computer equipment & software	3 years

The organization regularly reviews its capital assets to eliminate obsolete items.

Property Held for constituent churches and sale

Lands and buildings held in trust for constituent churches and agencies are not recorded in these statements as the CBWC does not have beneficial ownership.

Assets of organizations which have ceased operations and gifted their assets to the CBWC are recorded at the date the assets are gifted to the CBWC at fair market value and recorded as property held for constituent churches if the criteria are met, and Property and Equipment otherwise. (see Note 6). These assets are intended to be transferred back into ministry or sold with the proceeds being used for ministry purposes.

These assets are recorded at the lower of their carrying value and fair value less costs to sell and amortization is not recorded.

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CANADIAN BAPTISTS OF WESTERN CANADA

Notes to Financial Statements

Year Ended December 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Impairment of Long Lived Assets

The organization tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

Revenue recognition

Canadian Baptists of Western Canada follows the deferral method of accounting for contributions from churches, individuals and related entities.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Endowment contributions, which represent amounts for which only the interest earned thereon is available for either general operating or specific restricted purposes, are recognized as direct increases in equity.

Investment income, rental revenue, event registration, and other revenues are recognized as revenue when earned.

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. In the financial statements of the CBWC, the more significant areas for which management is required to make near-term estimates is in the assessment of the net realizable value of budgeted church contributions receivable, constituency loans receivable, investments and property held. Actual results could differ from these estimates.

The most significant estimates in these financial statements include the estimate of the amounts relating to property, plant & equipment and property held for constituent churches or sale, impairment and amortization, accrued liabilities and deferred contributions (Note 9)

Contributed services

Volunteers contribute a significant amount of their time each year to assist the CBWC in carrying out its mission. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

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CANADIAN BAPTISTS OF WESTERN CANADA

Notes to Financial Statements

Year Ended December 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Allocation of Fundraising and General Support Expenses

Costs for fundraising during the annual celebration events were \$20,736 (2023: \$25,108) and are included in general fund operating and management expenses. All general expenses are included in general fund operation and management.

3. FINANCIAL INSTRUMENTS

All financial instruments are recorded originally at Fair Value and are subsequently recorded at each year end date as follows:

Financial assets measured at amortized cost:

Cash and cash equivalents (including GIC investments)

Accounts receivable

Constituency loans

Accounts payable and accrued liabilities

Financial assets measured at fair value:

Investments

Risk management relates to the understanding and active management of risks associated with all areas of the ministry and the associated operating environment. Constituency receivables, loans and investments are primarily exposed to market, interest rate, and credit risk.

Interest Rate

Interest rate risk refers to the effect on the market value of the CBWC's constituency loans and investments due to fluctuation of interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. All constituency loans are due on demand with no interest charged.

Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. It is management's opinion that there is no significant exposure to credit risk arising from financial instruments, given its own and the Foundation's credit policies, security taken, and diversification of the Foundation-managed funds.

To examine and mitigate the impact of risk, the CBWC has established, through the CBWC Foundation (note 13), an investment policy in order to ensure the best possible return at an acceptable risk level. The investment procedures and objectives for the CBWC are linked to this policy and include an appropriately diversified asset mix. The Foundation-managed funds manage investment risk by asset class diversification, by diversification within each asset class, and by quality constraints on fixed income instruments.

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CANADIAN BAPTISTS OF WESTERN CANADA

Notes to Financial Statements

Year Ended December 31, 2024

3. FINANCIAL INSTRUMENTS *(continued)*

Financial Asset Impairment

The CBWC assesses potential impairment of all its financial assets recorded at amortized cost at each reporting date. Impairment is measured as the difference between the asset's carrying value and its fair value determined by management's best estimate of discounted cash flows. Any impairment which is not considered temporary is included in current year earnings (see Note 6). None for 2024 nor 2023.

4. CASH AND CASH EQUIVALENTS

	2024	2023
Cash in bank	\$ 113,824	\$ 237,018
Cash in savings accounts	377,878	257,702
	<u>\$ 491,702</u>	<u>\$ 494,720</u>

The organization's cash consists of cash held in a chequing account and cash held in a savings account.

The organization is subject to interest rate risk on the interest earning portion of its cash and cash equivalents to the extent that interest rates fluctuate while holding the investments, but is not considered significant.

5. ACCOUNTS RECEIVABLE

	2024	2023
Budgeted church contributions	\$ 188,090	\$ 144,569
Special ministries	19,281	33,207
Camps	-	2,670
Other	21,507	30,480
	<u>\$ 228,878</u>	<u>\$ 210,926</u>

CANADIAN BAPTISTS OF WESTERN CANADA

Notes to Financial Statements

Year Ended December 31, 2024

6. PROPERTY HELD FOR CONSTITUENT CHURCH

	<u>2024</u>	<u>2023</u>
Cornerstone property	<u>661,000</u>	<u>661,000</u>
	<u>\$ 661,000</u>	<u>\$ 661,000</u>

The CBWC holds legal title to the land and buildings of a number of constituent churches, however, beneficial ownership of the land and buildings remain to the benefit of the constituent churches. As a result, the CBWC does not record the cost of the land and buildings (including accumulated amortization) in its financial statements.

The Cornerstone property was donated to the CBWC by the prior constituent churches and is being held in trust by the CBWC until such time as an other appropriate constituent church is identified and agreed upon to use the property or until it is sold.

In January 2023, the CBWC entered into a lease to own agreement for the Cornerstone property. As of December 31, 2024 the CBWC has received property payments to be applied towards principle of \$18,458 and a refundable deposit of \$25,000 with a plan and intention to sell the property in fiscal 2025.

CANADIAN BAPTISTS OF WESTERN CANADA

Notes to Financial Statements

Year Ended December 31, 2024

7. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Land	\$ 4,278,500	\$ -	\$ 4,278,500	\$ 2,700,000
Buildings	2,640,042	310,959	2,329,083	2,031,909
Motor vehicles	158,934	92,323	66,611	86,711
Computer equipment	31,710	31,710	-	-
Computer software	28,672	10,354	18,318	27,876
	\$ 7,137,858	\$ 445,346	\$ 6,692,512	\$ 4,846,496

The following assets included above are internally restricted in the Trust fund:

	2024 Restricted fund balance	2023 Restricted fund balance
<u>Land</u>		
Royal Oak land	\$ 2,700,000	\$ 2,700,000
Virden	87,500	87,500
Forge	1,491,000	-
	4,278,500	2,787,500
<u>Buildings</u>		
Brownstone office building	1,354,264	1,387,381
Royal Oak	252,417	87,128
Virden	460,502	469,900
Forge	261,900	-
	2,329,083	1,944,409
Internally restricted fund balance	\$ 6,607,583	\$ 4,731,909

During the year the Forge church property was donated and transferred to the CBWC from a church within the affiliated group for a estimated fair value of \$1,752,900.

8. DUE TO (FROM) OTHER FUNDS

Due to (from) other funds are non-interest bearing and have no fixed terms of repayment.

CANADIAN BAPTISTS OF WESTERN CANADA**Notes to Financial Statements****Year Ended December 31, 2024****9. DEFERRED CONTRIBUTIONS**

Deferred contributions represent externally restricted operating funds received but not expended by year end for the stated purposes. Changes in the deferred contributions balance are as follows:

	Beginning Balance	Contributions	Recognized as revenue during the year	Ending Balance
Agencies & churches	\$ 100	\$ 156,137	\$ 156,137	\$ 100
Other	13,358	7,500	15,858	5,000
Benevolence	79,486	75,803	75,955	79,334
	<u>\$ 92,944</u>	<u>\$ 239,440</u>	<u>\$ 247,950</u>	<u>\$ 84,434</u>

10. CREDIT FACILITIES

The CBWC has access to a \$200,000 revolving loan from the CBWC Foundation.

	<u>2024</u>	<u>2023</u>
<u>Due to CBWC Foundation</u>		
Revolving loan (1)	\$ 29,975	\$ 149,693
Accounts payable	<u>254,917</u>	<u>89,628</u>
	<u>284,892</u>	<u>239,321</u>
<u>Due (from) CBWC Foundation</u>		
Receivable for rent and administration support	<u>(79,777)</u>	<u>(32,988)</u>
	<u>\$ 205,115</u>	<u>\$ 206,333</u>

(1) The loan bears interest at Prime plus 0.50%. and matures on April 1, 2026. The loan is secured by a first mortgage for \$1,000,000 on the Brownstone office building.

These transactions are reimbursements of expenses incurred on behalf on the other in the normal course of operations and are measured at the exchange amount which is the amount and terms agreed to by the related parties.

11. DEFERRED GIFTS

The CBWC is the owner of certain life insurance policies totaling approximately \$481,757 (2023: \$481,757) which have been gifted by donors. Charitable donation receipts have been issued by the CBWC to the donors donations they have made to cover the costs of for the premiums payable on the policies.

CANADIAN BAPTISTS OF WESTERN CANADA

Notes to Financial Statements

Year Ended December 31, 2024

12. PENSIONS

The CBWC participates in a money purchase pension plan and records pension expense on a current basis being \$81,257 for the year (2023: \$82,151) which is matching staff contributions for a total of \$162,162 paid to Canada Life.

13. CHANGES IN NET ASSETS

	Net Assets			
	Internally Restricted Property & Equipment	Internally Restricted Other	Unrestricted	Total
	\$	\$	\$	\$
BEGINNING	4,846,496	1,627,337	49,708	6,523,541
Excess revenue			1,577,601	1,577,601
Property and equipment				
- Amortization	(72,171)	42,514	29,657	
- Donated property (note 7)	1,752,900		(1,752,900)	
- Purchases	165,287		(165,287)	
Internally restricted				
- Church planting trusts				
Property management		10,097	(10,097)	
Church planting		16,930	(16,930)	
- Special ministries		(3,904)	3,904	
- Trusts				
Kurios		21,275	(21,275)	
Relief ministries		3,877	(3,877)	
Camping trust		(109,000)	109,000	
Property		(312,949)	312,949	
other		(2,994)	2,994	
ENDING	<u>6,692,512</u>	<u>1,293,183</u>	<u>115,447</u>	<u>8,101,142</u>

CANADIAN BAPTISTS OF WESTERN CANADA

Notes to Financial Statements

Year Ended December 31, 2024

14. CONTROLLED ENTITIES

The following is a summary of the controlled organizations which are not included in these financial statements:

	Audited Carey Hall (1) 2024	Audited CBWC Foundation (2) 2024
Assets	\$36,071,096	\$18,653,735
Liabilities	24,514,504	3,328,848
Net Assets	11,556,592	15,324,887
Revenues - net	3,444,161	1,820,616
Expenses	3,501,880	1,865,588
Cash flows - operations	225,695	(367,519)
- financing / investing	1,565,560	(278,831)

All entities follow substantially the same accounting principles, with the exception of revenue recognition where Carey Hall follows the restricted fund method and CBWC and the Foundation follow the deferral method.

1. Carey Theological College provides for certain educational needs of the constituency. Carey revenue includes \$55,000 (2023: \$109,058) of Education Resourcing from the CBWC.
2. The CBWC Foundation's purpose is to financially support, enable and facilitate the ministry of the CBWC and its associated and affiliated charitable organizations. Specifically, the Foundation intends to support the priority ministries of the CBWC (with a discretionary grant from the development fund value) and new and creative ministry opportunities with no minimum per year.

During the year the foundation supported CBWC in the amount of \$800,000 (2023: \$890,000).

It is expected that \$800,000 will be granted to the CBWC in 2025.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

CANADIAN BAPTISTS OF WESTERN CANADA

Schedule of Interfund Charges and Transfers

(Schedule 1)

Year Ended December 31, 2024

	FUND				
	General	Church Health and Planting	Special Ministries	Trust	Women In Focus
	\$	\$	\$	\$	\$
OPERATIONAL TRANSFERS					
From Budget					
- Church Health and Planting	-	-			
Admin costs	6,000	(6,000)			
Church planting	(50,000)	50,000		-	
- Trusts					
Staff education	(500)			500	
Sabbatical leave	(34,487)			34,487	
Kurios - bursaries	20,500			(20,500)	
Kurios	116,953			(116,953)	
Amortization	(4,813)			4,813	
Cornerstone Baptists	166,664			(166,664)	
SERVE	(7,894)			7,894	
- Women in Focus	-			2,000	(2,000)
	<u>212,423</u>	<u>44,000</u>	<u>-</u>	<u>(254,423)</u>	<u>(2,000)</u>