

Red Deer Lake United Church

2023 Financial Information



REVIEW ENGAGEMENT REPORT

I have reviewed the statement of financial position of Red Deer Lake United Church as at December 31, 2023, and the statement of operations and the statement of changes in fund balances for the year then ended. My review was made in accordance with Section 6.3 of the United Church of Canada "Financial Handbook for Congregations 2017" and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by Red Deer Lake United Church.

A review does not constitute an audit and consequently I do not express an audit opinion on these financial statements.

Based on my review, nothing has come to my attention that causes me to believe that these financial statements are not, in all material respects, in accordance with Section 6.3 of the United Church of Canada "Financial Handbook for Congregations 2017".

[Date] March 09, 2024

[Signature] 

[Name] Karen Norrie

Red Deer Lake United Church (RDLUC)

Balance Sheet Comparison

As of December 31, 2023

(Unaudited)

	Operating Fund	Internally Restricted Funds	Externally Restricted Funds	Total 2023	Total 2022
ASSETS					
Current					
Cash and cash equivalents (Note 1 and 2)	\$ 199,418	\$101,872	\$ 22,449	\$ 323,738	\$261,292
Goods and service tax recoverable	1,186			1,186	1,259
Accounts receivable	8,010			8,010	8,095
	208,614	101,872	22,449	332,934	270,646
Fixed Assets (Note 3)	3,223,233	-	-	3,223,233	3,223,233
TOTAL ASSETS	\$3,431,846	\$101,872	\$22,449	\$3,556,167	\$3,493,879
LIABILITIES AND FUND BALANCES					
Current					
Accounts payable and accrued liabilities	5,353			5,353	4,112
Current portion of long term debt (Note 5)	25,000			25,000	25,300
Deferred Revenue (Note 4 and 8)	1,705		22,449	24,154	7,905
	32,058	-	22,449	54,507	37,317
Long-term Liabilities (Note 5)	226,878			226,878	250,728
Investment in property (Note 6)	2,568,726			2,568,726	2,554,087
United Church of Canada Deferred Mortgage (Note 7)	402,629			402,629	393,118
Fund balances (See statement of Changes in Fund Balances)	201,556	101,872		303,428	258,629
	\$ 3,431,846	\$ 101,872	\$ 22,449	\$ 3,556,167	\$ 3,493,879

Red Deer Lake United Church (RDLUC)
Receipts and Disbursements Statement
January - December 2023
(Unaudited)

		Jan - Dec. 2023	Jan - Dec. 2022
Receipts			
Donations			
Operating		\$248,102	\$260,422
Mission & Service Fund		8,352	8,215
Capital Fund		360	360
Memorial Fund		2,350	1,095
Planned Giving Fund		1,925	1,187
Other Donations			
Total Donations		\$261,089	\$271,279
Building Usage			
Memorials		4,619	3,839
Weddings		800	
Building Rentals		38,082	36,960
Total Building Usage		\$43,501	\$40,799
Fundraising			
Turkey Supper		\$8,083	\$7,803
Silent Auction		4,498	7,407
Handcraft Market		5,871	4,046
Raffles		1,044	
Poinsettias and Wreaths		199	560
Fundscrip		1,024	1,406
OTE Concerts		25,407	13,427
Total Fundraising		\$46,126	\$34,649
Program Receipts			
Community		\$1,717	\$0
Congregational Care		1,440	1,527
Faith & Spirituality		100	0
Hospitality		3,227	1,122
Property		10,786	10,470
Worship		157	0
Outreach		5,967	984
Administration		3,458	1,411
Total Program Receipts		\$26,852	\$15,514

Red Deer Lake United Church
Receipts and Disbursements Statement
January - December 2023
(Unaudited)

	Jan - Dec. 2023	Jan - Dec. 2022
Other Receipts		
Interest	\$1,720	\$740
Grants (Note 8)	33,351	6,423
Total Other Receipts	\$35,072	\$7,163
Total Receipts	\$412,639	\$369,404
Operating Disbursements		
Administration	\$12,665	\$9,857
Board	14,800	600
Communication	4,548	1,764
Community	0	1,000
Congregational Care	9,192	5,329
Faith & Spirituality	194	630
Finance	6,111	8,067
Hospitality	6,278	3,692
Ministry & Personnel	154,635	220,289
Mission & Service	8,352	8,215
Outreach	5,270	0
United Church of Canada National Assessment	12,373	14,657
United Church of Canada Regional Assessment	1,375	733
Property	27,110	32,151
Utilities	26,690	19,955
Insurance	30,225	29,088
Worship	4,962	3,444
Affirm	303	550
Total Operating Disbursements	\$325,081	\$360,020
Total Receipts less Operating Disbursements	\$87,558	\$9,384
Long-term loan interest expense	\$18,610	\$13,984
Surplus (Deficit)	\$68,948	-\$4,600
Long-term loan principal payments	24,150	24,603
Total Surplus (Deficit)	\$44,798	-\$29,202

RED DEER LAKE UNITED CHURCH
Statement of Changes in Fund Balances
Year Ended December 31, 2023
(Unaudited)

	Opening 2023	Receipts	Expenses	Interfund transfer in	Interfund transfer out	Closing 2023
Unrestricted Fund						
Operating Fund	\$145,449	\$313,486	\$319,713	\$62,333	\$0	\$201,556
Internally Restricted Funds						
Capital Fund	14,674	360	0	0	0	15,034
Concert Series (Note 9)	22,673	47,783	22,385	0	19,075	28,996
Fund raising	-	19,269	161	0	19,108	0
Healing Ministry	2,790	160	413	0	0	2,537
Ladies Group	3,382	415	0	0	0	3,797
Memorial Fund	13,337	2,649	7	0	0	15,979
Men's Breakfast	748	1,302	549	0	0	1,501
Mission and Service Fund	-	8,352	8,352	0	0	0
Outreach Fund	7,083	5,917	5,270		0	7,730
Planned Giving Fund (Note 10)	48,492	1,956	0	0	24,150	26,298
Total Internally Restricted Fund Balances	\$113,181	\$88,162	\$37,137	\$0	\$62,333	\$101,872
Externally Restricted Funds						
CSRF - Research Grant		9,800	9,800			-
Senior's Support and Transportation		23,576	23,576			0
Total Externally Restricted Fund Balances	\$0	\$33,376	\$33,376	\$0	\$0	\$0
Total Restrcted Fund Balances	\$ 113,181	\$ 121,538	\$ 70,513	\$ -	\$ 62,333	\$ 101,872
Total Fund Balances	\$258,630	\$435,024	\$390,226	\$62,333	\$62,333	\$303,428

RED DEER LAKE UNITED CHURCH
Notes to the Financial Statements
December 31, 2023
(Unaudited)

Notes:

1 Cash and cash equivalents

- a) Funds are kept in chequing accounts, interest bearing savings accounts and Guaranteed Investment Certificates
- b) The line of credit available from the Canadian Western Bank for the operating bank account is \$50,000 of which \$6,500 is reserved for credit cards.

2 Restricted Cash

- a) Internally Restricted: The Red Deer Lake Board has reserved \$101,872 of it's financial resources for certain purposes as shown in the Statement of Changes in Fund Balances
- b) Externally restricted: In 2023, a Seniors Support Grant of \$10,000 was received from the United Church Chinook Winds Region and was put into Deferred Revenue as well as the remaining amount received from a NHSP grant for \$12,424.
- c) Capital Funds are committed to capital projects. Capital projects priorities are subject to approval by the Church Board.

3 Fixed Assets

- a) The Fixed Assets costs relate to those incurred from 2003 to date.

Land	\$ 21,079
Buildings, Fixtures and Equipment	3,202,154
Estimated Volunteer labour	368,585
Sub-total	<u>3,591,818</u>
Less notional Volunteer labour contribution	<u>(368,585)</u>
	<u>\$ 3,223,233</u>

- b) The congregation holds title to the property through the Trustees of the congregation for as long as the congregation exists as a United Church congregation.

If, at some future date, the congregation were disbanded the property would revert to The United Church of Canada (through Chinook Winds Region). The United Church of Canada has registered a mortgage against the property. (See Note 7) The United Church of Canada's reversionary interest in congregational property was granted under The United Church of Canada Act, 1925, as a matter of public law. The reversionary interest would only ever take effect if the congregation ceased to exist.

The terms upon which the trustees hold title to the property are set out in the Trusts of Model Deed, which was a schedule to The United Church of Canada Act, 1925. Those terms are elaborated upon in The Manual. There is also a Trustees' Handbook, which provides more information and guidance.

The approval of Chinook Winds Region is required for every sale, mortgage, lease, or other major dealing with congregational property.

For as long as the congregation is in existence, the usual practice is for the congregation to record property value on its financial statements.

No depreciation has been recorded in these financial statements. Accordingly, the Church no longer capitalizes costs unless they were to represent major development projects.

- c) The church buildings and contents are insured for \$9,400,000 (2022: \$8,800,000) - that being the the estimated replacement cost.

RED DEER LAKE UNITED CHURCH
Notes to the Financial Statements
December 31, 2023
(Unaudited)

4 Deferred Revenue

Building usage	\$ 1,705
NHSP Grant for Senior's support packages and Transporations	12,449
Chinook Winds Region Grant for Senior's support packages and Transportation	10,000
	<u>\$ 24,154</u>

5 Long-term liabilities

Canadian Western Bank	\$ 221,878 a)
Less estimated principal portion due within the next 12 months	25,000
	196,878
Chinook Winds Region	30,000 b)
	<u>\$ 226,878</u>

a) Canadian Western Bank

Monthly payments: \$3,792 (Principal and interest)

Interest rate: Variable

Security: Church land and buildings

b) Chinook Winds Region

The loan is interest free and repayable after all current long-term loans have been repaid.

6 Net investment in property has been funded by the following sources

Chinook Winds Region	\$ 306,800
Midlands United Church (Amalgamated with RDLUC January 1, 2008)	499,114
Red Deer Lake United Church	1,762,812
	<u>\$ 2,568,726</u>

7 United Church of Canada Deferred Mortgage

During 2014 the United Church of Canada Loan was restructured with no further cash payments.

An escalating claim has been registered on title in the form of a non performing mortgage.

The claim will increase at 3% simple interest (\$9,511) per annum, capped at a maximum of two times the 2014 loan balance.

The mortgage becomes payable if ministry stops.

Chinook Winds Region Council has a commitment to allocate a portion of any surplus funds arising from asset sales towards mortgage payment and resultant investment in new ministry.

At the end of each year (commencing in 2015) \$9,511 will be transferred from Unrestricted funds to the Restricted Net Assets - United Church of Canada Mortgage until the cap of \$634,060 is reached.

RED DEER LAKE UNITED CHURCH
Notes to the Financial Statements
December 31, 2023
(Unaudited)

8 Grants

In 2023 we received a grant for \$14,000 (\$9,800 received in 2023 - remainder to come in 2024) from the Government of Canada under the Community Services Recovery Fund to be used for hiring a consultant to see if the church could be a Hub for agencies.

During 2023 a grant for the Seniors' Support and Transportation Program was received from Chinook Winds Region (\$5,000), United Church of Canada Seeds of Hope (\$6,000) and from NHSP from the Government of Canada (\$25,000); the remaining funds at the end of 2023 are recorded in deferred revenue pending it being used during 2024.

9 Concert Series

The Concert Series receipts include a Alberta Foundation for the Arts grant of \$3,488 for the On The Edge Concert Series.