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**SHARON VILLAGE BIBLE CHURCH**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members  
Sharon Village Bible Church  
SHARON  
Ontario

We have reviewed the accompanying financial statements of Sharon Village Bible Church that comprise the statement of financial position as at December 31, 2023, and the statements of operations, changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility 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.

### *Practitioner's Responsibility*

Our responsibility is to express a conclusion on the accompanying financial statements based on our reviews. We conducted our reviews in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Sharon Village Bible Church as at December 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.



NORTON McMULLEN LLP  
Chartered Professional Accountants  
Licensed Public Accountants

MARKHAM, Canada  
March 12, 2024

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**SHARON VILLAGE BIBLE CHURCH****STATEMENT OF FINANCIAL POSITION**

As at December 31,

**2023****2022**

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**ASSETS****Current**

Cash	\$ 40,101	\$ 87,979
Term deposits (Note 2)	71,717	-
PSB rebate recoverable	328	174
Deposits	150	150
	<u>\$ 112,296</u>	<u>\$ 88,303</u>

Term Deposits (Note 2)	74,011	-
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DUCA Credit Union Membership Share - at cost	1	1
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Capital Assets (Note 3)	<u>3,861</u>	<u>977</u>
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	<u>\$ 190,169</u>	<u>\$ 89,281</u>
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**LIABILITIES****Current**

Accounts payable and accrued liabilities	<u>\$ 4,940</u>	<u>\$ 3,000</u>
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**FUND BALANCES**

Unrestricted	\$ 39,905	\$ 28,281
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Internally restricted	<u>145,324</u>	<u>58,000</u>
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	<u>\$ 185,229</u>	<u>\$ 86,281</u>
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	<u>\$ 190,169</u>	<u>\$ 89,281</u>
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Approved by the Board:

\_\_\_\_\_  
Director\_\_\_\_\_  
Director

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**SHARON VILLAGE BIBLE CHURCH**  
**STATEMENT OF CHANGES IN FUND BALANCES**

For the year ended December 31, 2023

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	Balance - Beginning	Revenues	Expenses	Transfers (Note 4)	Balance - Ending
<b>Unrestricted</b>					
General Fund (Page 5)	\$ <u>28,281</u>	\$ <u>221,901</u>	\$ <u>122,953</u>	\$ <u>(87,324)</u>	\$ <u>39,905</u>
<b>Internally Restricted</b>					
Facilities & Contingency Fund	\$ 49,000	\$ -	\$ -	\$ 73,828	\$ 122,828
Missions Contingency & Disaster Relief Fund	3,000	-	-	5,679	8,679
Missions Trips Fund	3,000	-	-	2,138	5,138
Local Evangelism Fund	3,000	-	-	5,679	8,679
	\$ <u>58,000</u>	\$ -	\$ -	\$ <u>87,324</u>	\$ <u>145,324</u>
<b>TOTAL</b>	\$ <u>86,281</u>	\$ <u>221,901</u>	\$ <u>122,953</u>	\$ -	\$ <u>185,229</u>
PRIOR YEAR TOTAL	\$ <u>9,633</u>	\$ <u>151,562</u>	\$ <u>74,914</u>	\$ -	\$ <u>86,281</u>

**SHARON VILLAGE BIBLE CHURCH**  
**STATEMENT OF OPERATIONS - GENERAL FUND**

For the year ended December 31,	2023	2022
<b>REVENUES</b>		
Contributions - general	\$ 200,757	\$ 149,815
Contributions - missions	19,000	-
Interest	2,144	1,247
Contributions - benevolence	-	500
	<u>\$ 221,901</u>	<u>\$ 151,562</u>
<b>EXPENSES</b>		
Missions and parachurch support	\$ 80,733	\$ 41,160
Rent	20,025	18,110
Ministry	10,149	7,723
Office and general	3,633	2,059
Professional fees	4,638	3,000
Insurance	2,377	1,041
Amortization	1,026	244
Travel	250	909
Bank charges	122	11
Benevolence	-	500
Repairs and maintenance	-	157
	<u>\$ 122,953</u>	<u>\$ 74,914</u>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<u><b>\$ 98,948</b></u>	<u><b>\$ 76,648</b></u>

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# SHARON VILLAGE BIBLE CHURCH

## STATEMENT OF CASH FLOWS

For the year ended December 31,

2023

2022

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### CASH AND CASH EQUIVALENTS WERE PROVIDED BY (USED IN):

#### OPERATING ACTIVITIES

Excess of revenues over expenses:

General fund	\$ 98,948	\$ 76,648
Internally restricted funds	-	-

Items not affecting cash:

Amortization	1,026	244
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Net change in non-cash working capital balances:

PSB rebate recoverable	(154)	(174)
Deposits	-	(150)
Accounts payable and accrued liabilities	1,940	412

<u>\$ 101,760</u>	<u>\$ 76,980</u>
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#### INVESTING ACTIVITIES

Purchase of capital assets	\$ (3,910)	\$ -
Purchase of term deposits	(145,728)	-
Purchase of DUCA Credit Union membership share	-	(1)
<u>\$ (149,638)</u>	<u>\$ (1)</u>	

#### INCREASE (DECREASE) IN CASH

\$ (47,878)	\$ 76,979
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CASH - Beginning

<u>87,979</u>	<u>11,000</u>
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CASH - Ending

<u>\$ 40,101</u>	<u>\$ 87,979</u>
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# SHARON VILLAGE BIBLE CHURCH

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

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### NATURE OF OPERATIONS

Sharon Village Bible Church (the "Church") is incorporated under the Canada Not-for-profit Corporations Act as a not-for-profit organization and is a registered charity under the Income Tax Act. The purpose and work of Sharon Village Bible Church is to glorify God by obedience to His commands and for the spreading of the Gospel, and the spiritual growth of its members. Worship, prayer, teaching, fellowship, and Christian education are important to its total program.

### 1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations, and include the following significant accounting policies:

#### a) Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions based on currently available information. Such estimates and assumptions affect the reported amounts of assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from the estimates used. Significant estimates include the estimated useful life of capital assets.

#### b) Fund Accounting

Resources are classified into funds according to the activities or objectives specified as follows:

**The General Fund** reports the assets, liabilities, revenues and expenses for the operating activities of the Church. Unrestricted contributions and restricted contributions to be used for operations are reported in this fund.

**Internally Restricted Funds** represent funds set aside by the Church for future expenditures within the scope and mandate of each respective fund, as follows:

**Facilities & Contingency Fund** - for current and future facility and equipment needs, and for contingencies

**Missions Contingency & Disaster Relief Fund** - to respond to urgent or unexpected mission needs and/or disaster relief needs

**Mission Trips Fund** - for use on missions trips

**Local Evangelism Fund** - for use on evangelism within Canada

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# SHARON VILLAGE BIBLE CHURCH

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

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1. **SIGNIFICANT ACCOUNTING POLICIES** - Continued

c) **Cash and Cash Equivalents**

Cash and cash equivalents consist of cash held in bank accounts.

d) **Investments**

Term deposits are recorded at amortized cost.

e) **Capital Assets**

Capital assets are recorded at cost. Amortization is being provided over the estimated useful life of the assets using the following annual rate and method:

	<u>Rate</u>	<u>Method</u>
Furniture and equipment	5 years	straight-line

f) **Revenue Recognition**

The Church follows the restricted fund method whereby externally restricted contributions are recognized in the fund corresponding to the purpose for which they were contributed. Restricted contributions for which there is no fund are recorded in accordance with the deferral method. Unrestricted contributions are recognized as revenues in the General Fund.

Interest is recognized when earned.

g) **Contributed Services**

Volunteers and members contribute a significant number of hours per year to assist the Church in carrying out its activities. Because of the difficulty in determining their fair market value, contributed services are not recognized in the financial statements.

h) **Financial Instruments**

**Initial Measurement**

The Church initially measures its financial assets and financial liabilities originated or exchanged in arm's length transactions at fair value.

**Subsequent Measurement**

The Church subsequently measures all its financial assets and liabilities at amortized cost.

Financial assets subsequently measured at amortized cost include cash and term deposits. Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities.



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# SHARON VILLAGE BIBLE CHURCH

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

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### 2. TERM DEPOSITS

Term deposits consist of the following:

	2023	2022
<b>Current</b>		
Term deposit bearing interest at 5.25%, maturing July 2024	<u>\$ 71,717</u>	<u>\$ -</u>
<b>Non-Current</b>		
Term deposit bearing interest at 4.75%, maturing April 2025	<u>\$ 74,011</u>	<u>\$ -</u>

### 3. CAPITAL ASSETS

Capital assets consist of the following:

	2023		2022	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Furniture and equipment	<u>\$ 5,131</u>	<u>\$ 1,270</u>	<u>\$ 3,861</u>	<u>\$ 977</u>

### 4. INTER-FUND TRANSFERS

Amounts of \$73,828, \$5,679, \$5,679, and \$5,679 were transferred from the General Fund to the Facilities & Contingency Fund, Missions Contingency & Disaster Relief Fund, Missions Trips Fund, and Local Evangelism Fund, respectively, in order to set aside funds for future expenditure.

In addition, \$3,541 was transferred from the Missions Trips Fund to the General Fund representing a missions trip occurring during the fiscal year.

These internally restricted amounts are not available for any other purpose without approval of the board of directors.

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# SHARON VILLAGE BIBLE CHURCH

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

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### 5. FINANCIAL INSTRUMENTS

The Church is exposed to various risks through its financial instruments. The following analysis provides a summary of the Church's exposure to and concentrations of risk at December 31, 2023:

a) **Credit Risk**

Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge an obligation. The Church is not exposed to significant credit risk.

b) **Liquidity Risk**

Liquidity risk is the risk that the Church will encounter difficulty in meeting obligations associated with financial liabilities. The Church is exposed to this risk mainly with respect to its accounts payable and accrued liabilities. The Church manages this risk by managing its working capital and by generating sufficient cash flow from operations.

c) **Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk, and price risk. The Church is not exposed to significant market risk.