

**Cochrane St. United Church**  
**Financial Statements**  
*December 31, 2023*

Draft - For Management Only

**Cochrane St. United Church  
Contents**

*For the year ended December 31, 2023*

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To the Members of Cochrane St. United Church:

We have reviewed the accompanying financial statements of Cochrane St. United Church that comprise the statement of financial position as at December 31, 2023, and the statements of operations, changes in net assets 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 (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.

## Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review 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 Cochrane St. United 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.

Mount Pearl, Newfoundland and Labrador

Chartered Professional Accountants

**Cochrane St. United Church**  
**Statement of Financial Position**

*As at December 31, 2023*

	<b>2023</b>	<b>2022</b>
<b>Assets</b>		
<b>Current</b>		
Cash	111,359	62,664
Marketable securities	59,748	55,112
Harmonized sales tax recoverable	400	787
	<b>171,507</b>	<b>118,563</b>
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accruals	5,210	6,176
UCOF Picnic	112	112
Due to Cemetery Fund	280	110
Due to Cochrane Centre	412	2,592
Due to Mission and Service	2,514	2,683
Due to Bridges to Hope	2,140	745
	<b>10,668</b>	<b>12,418</b>
<b>Net Assets</b>		
General Fund	102,229	52,477
Peter's Organ Fund	58,610	53,668
	<b>160,839</b>	<b>106,145</b>
	<b>171,507</b>	<b>118,563</b>

Approved on behalf of the Board

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Director

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Director

*The accompanying notes are an integral part of these financial statements*

## Cochrane St. United Church Statement of Operations

*For the year ended December 31, 2023*

	<b>2023</b>	<b>2022</b>
<b>Revenues</b>		
Regular offerings	95,325	106,775
Special purpose collections	26,068	37,746
Fundraising	4,174	6,160
Christmas at Cochrane	2,000	2,000
<b>Total revenue</b>	<b>127,567</b>	<b>152,681</b>
<b>Expenses</b>		
Archive storage fees	3,826	3,668
Contribution to Cochrane Centre	58	-
Assessment	5,662	5,860
Employee related expenses	15,625	60,050
General operating expenditures	36,216	34,070
Insurance	1,463	1,235
Interest and bank charges	1,669	1,763
Interest on long-term debt	-	1,932
Office expenses	2,408	3,829
Organ expense	1,334	-
Professional fees	9,554	8,536
Training	-	5,324
<b>Total expenses</b>	<b>77,815</b>	<b>126,267</b>
<b>Excess (deficiency) of revenues over expenses before other items</b>	<b>49,752</b>	<b>26,414</b>
<b>Other income</b>		
Investment income	-	125
<b>Excess of revenues over expenses</b>	<b>49,752</b>	<b>26,539</b>

*The accompanying notes are an integral part of these financial statements*

**Cochrane St. United Church**  
**Statement of Changes in Net Assets**  
*For the year ended December 31, 2023*

	<i>General Fund</i>	<i>Peter's Organ Fund</i>	<b>2023</b>	<i>2022</i>
<b>Net assets, beginning of year</b>	<b>52,477</b>	<b>53,668</b>	<b>106,145</b>	86,516
<b>Excess of revenues over expenses</b>	<b>49,752</b>	-	<b>49,752</b>	26,539
	<b>102,229</b>	<b>53,668</b>	<b>155,897</b>	113,055
<b>Investment income</b>	-	<b>2,208</b>	<b>2,208</b>	1,418
<b>Increase (decrease) in market value of investments</b>	-	<b>2,734</b>	<b>2,734</b>	(6,883)
<b>Funds used</b>	-	-	-	(1,445)
<b>Net assets, end of year</b>	<b>102,229</b>	<b>58,610</b>	<b>160,839</b>	106,145

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## Cochrane St. United Church Statement of Cash Flows

*For the year ended December 31, 2023*

	<b>2023</b>	<b>2022</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating</b>		
Excess of revenues over expenses	49,752	26,539
Changes in working capital accounts		
Accounts receivable	-	2,377
Harmonized sales tax recoverable	387	94
Accounts payable and accruals	(966)	(3,647)
	<b>49,173</b>	<b>25,363</b>
<b>Financing</b>		
Repayment of long-term debt	-	(9,265)
Increase (decrease) in due to Cemetery fund	170	(245)
Increase (decrease) in due to Cochrane Community Outreach and Performance Centre	(2,180)	955
Increase (decrease) in due to Mission and Service	(169)	687
Increase (decrease) in due to Bridges to Hope	1,395	745
Peter's Organ Funds used	-	(1,445)
	<b>(784)</b>	<b>(8,568)</b>
<b>Investing</b>		
Change in market value of investments	2,734	(6,883)
Investment income earned on Peter's Organ Fund	2,208	1,418
	<b>53,331</b>	<b>11,330</b>
<b>Increase in cash resources</b>	<b>53,331</b>	<b>11,330</b>
<b>Cash resources, beginning of year</b>	<b>117,776</b>	<b>106,446</b>
	<b>171,107</b>	<b>117,776</b>
<b>Cash resources, end of year</b>		
	<b>171,107</b>	<b>117,776</b>
<b>Cash resources are composed of:</b>		
Cash	111,359	62,664
Marketable securities	59,748	55,112
	<b>171,107</b>	<b>117,776</b>

*The accompanying notes are an integral part of these financial statements*

# Cochrane St. United Church Notes to the Financial Statements

For the year ended December 31, 2023

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## 1. Incorporation and nature of the organization

Cochrane St. United Church (the "Church") is a not-for-profit organization incorporated provincially under the Corporations Act of Newfoundland and Labrador. As a registered charity the Church is exempt from the payment of income tax under section 149(1) of the Income Tax Act.

The Church is a congregation of the United Church of Canada and performs sacraments and pastoral care locally.

## 2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

### **Cash and cash equivalents**

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less.

### **Fund accounting**

Cochrane Street United Church follows the restricted fund method of accounting for contributions except for funds in the general fund where the deferral method is used.

The General Fund accounts for the Church's program delivery and administrative activities. This fund reports unrestricted resources as they are received or become receivable and restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

The Peter Organ Fund is an externally restricted fund that reports only contributions and the related expenses for the repair of the organ.

### **Other investments**

Marketable securities have quoted prices in an active market and are carried at fair value. Unrealized gains or losses are reported as part of net income.

### **Contributed services**

The operations of the Church depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in the financial statements.

### **Revenue recognition**

The Church uses the restricted fund method of accounting for contributions.

Restricted investment income earned on Peter's Organ Fund resources is recognized as revenue in the related fund. Unrestricted investment income is recognized as revenue in the General Fund when earned.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as revenue in the Endowment Fund.

### **Financial instruments**

The Church recognizes financial instruments when the Church becomes party to the contractual provisions of the financial instrument.

### **Arm's length financial instruments**

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Church may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Church has made such an election during the year.

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# Cochrane St. United Church

## Notes to the Financial Statements

For the year ended December 31, 2023

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The Church subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost less impairment. With the exception of financial liabilities indexed to a measure of the Church's performance or value of its equity and those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess of revenues over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

### **Measurement uncertainty (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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Accrued liabilities are based on actual invoices or may be estimated based on management's knowledge.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the years in which they become known.

### **3. Financial instruments**

The Church, as part of its operations, carries a number of financial instruments. It is management's opinion that the Church is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

#### **Liquidity risk**

Liquidity risk is the risk that the Church will encounter difficulty in meeting obligations associated with financial liabilities. The Church's exposure to liquidity risk is dependent on the receipt of funds from its donors and other related sources. This risk has not changed from the prior year.

#### **Other price risk**

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or foreign currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Church's investments in publicly-traded securities and corporate bonds exposes the Church to price risk as these investments are subject to price changes in an open market due to a variety of reasons including changes in market rates of interest, general economic indicators and restrictions on credit markets. This risk has not changed from the prior year.

### **4. Comparative figures**

Certain comparative figures have been reclassified to conform with current year presentation.

A balance of \$2,683 was reallocated from accounts payable to due to Mission and Service, \$1,925 was reallocated from accounts payable to due to Cochrane Centre, and \$745 was reallocated from accounts payable to due to Bridges to Hope.