

CENTRE STREET CHURCH
Financial Statements
Year Ended June 30, 2019

CENTRE STREET CHURCH
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Year Ended June 30, 2019

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Management's Responsibility for Financial Reporting

The financial statements of Centre Street Church have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. 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 Centre Street Church'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 Governors 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 Finance and Audit Committee. The Finance and Audit Committee is appointed by the Board and meets periodically with management and the auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Finance and Audit Committee reports to the Board of Governors 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 generally accepted auditing standards.



Chris Yu, CPA, CMA
Finance Manager

Calgary, AB
September 17, 2019

INDEPENDENT AUDITOR'S REPORT

To the Members of Centre Street Church

Qualified Opinion

We have audited the financial statements of Centre Street Church (the Church), which comprise the statement of financial position as at June 30, 2019, and the statements of operations and changes in fund balances 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 Church as at June 30, 2019, and its results of operations 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 programs 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 Church and we were not able to determine whether any adjustments might be necessary to contributions, excess of revenues over expenses, current 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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the 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 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.

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 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.

(continues)

Independent Auditor's Report to the Members of Centre Street Church (continued)

In preparing the financial statements, management is responsible for assessing the 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 the Church or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Church'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 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 the 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 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 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.

September 17, 2019


Chartered Professional Accountants

CENTRE STREET CHURCH
Statement of Financial Position
June 30, 2019

	City Mission General Fund 2019	Global Mission General Fund 2019	Other Funds 2019	Capital Funds 2019	Total 2019	Total 2018
ASSETS						
CURRENT						
Cash and cash equivalents	\$ 517,418	\$ -	\$ 1,380,611	\$ 2,383,323	\$ 4,281,352	\$ 12,608,252
GST recoverable	62,582	-	-	-	62,582	72,218
Inventory	-	-	80,332	-	80,332	92,470
Prepaid expenses	20,000	-	-	-	20,000	-
Mortgage receivable (Note 4)	-	-	-	1,000,000	1,000,000	-
	600,000	-	1,460,943	3,383,323	5,444,266	12,772,940
INVESTMENTS (Note 5)						
	-	-	1,340,726	21,420,553	22,761,279	11,039,798
MORTGAGE RECEIVABLE (Note 4)						
	-	-	-	1,000,000	1,000,000	2,000,000
PROPERTY AND EQUIPMENT (Note 6)						
	-	-	-	28,624,967	28,624,967	27,493,359
	\$ 600,000	\$ -	\$ 2,801,669	\$ 54,428,843	\$ 57,830,512	\$ 53,306,097
LIABILITIES AND FUND BALANCES						
CURRENT						
Accounts payable and accrued liabilities	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000	\$ 301,033
FUND BALANCES (Note 7)						
Internally restricted: Capital invested (Note 6)	-	-	-	28,624,967	28,624,967	27,493,359
Internally restricted: Other (Notes 7, 8)	500,000	-	2,801,669	25,803,876	29,105,545	25,511,705
	500,000	-	2,801,669	54,428,843	57,730,512	53,005,064
	\$ 600,000	\$ -	\$ 2,801,669	\$ 54,428,843	\$ 57,830,512	\$ 53,306,097

COMMITMENTS (Note 9)

ON BEHALF OF THE BOARD



Governor



Governor

Please see Notes

CENTRE STREET CHURCH
Statement of Operations and Changes in Fund Balances
Year Ended June 30, 2019

	City Mission General Fund 2019	Global Mission General Fund 2019	Other Funds 2019	Capital Funds 2019	Total 2019	Total 2018
REVENUES						
Ministry & missions	\$ 9,447,063	\$ 2,232,751	\$ 138,683	\$ 5,436,521	\$ 17,255,018	\$ 15,620,428
Missions designated Programs	-	-	132,970	-	132,970	161,293
Sales and services	336,373	-	270,884	-	607,257	591,779
Investment income	-	-	597,572	-	597,572	558,486
Gain on sale of property	51,690	-	23,836	464,585	540,111	372,491
	-	-	-	14,640	14,640	6,574,973
	9,835,126	2,232,751	1,163,945	5,915,746	19,147,568	23,879,450
EXPENSES						
Staff and contract	6,335,442	363,391	469,325	73,800	7,241,958	7,100,891
Designated missions	-	-	132,262	-	132,262	162,001
Ministry, operations and support mortization	3,217,707	1,579,845	785,346	781,971	6,364,869	5,708,188
	-	-	-	683,031	683,031	772,149
	9,553,149	1,943,236	1,386,933	1,538,802	14,422,120	13,743,229
EXCESS (DEFICIENCY) OF OPERATIONS						
	281,977	289,515	(222,988)	4,376,944	4,725,448	10,136,221
TRANSFERS (Schedule 1)	(181,977)	(289,515)	(20,861)	492,353	-	-
	100,000	-	(243,849)	4,869,297	4,725,448	10,136,221
FUND BALANCES - beginning of year	400,000	-	3,045,518	49,559,546	53,005,064	31,868,843
Restricted contribution for land purchase (Note 6)	-	-	-	-	-	11,000,000
FUND BALANCES - end of year	\$ 500,000	\$ -	\$ 2,801,669	\$ 54,428,843	\$ 57,730,512	\$ 53,005,064

CENTRE STREET CHURCH
Statement of Cash Flows
Year Ended June 30, 2019

	City Mission General Fund 2019	Global Mission General Fund 2019	Other Funds 2019	Capital Funds 2019	Total 2019	Total 2018
OPERATING ACTIVITIES						
Excess (deficiency) of operations	\$ 281,977	\$ 289,515	\$ (222,988)	\$ 4,376,944	\$ 4,725,448	\$ 10,136,221
Items not affecting cash:						
Amortization (Note 6)	-	-	-	683,031	683,031	772,149
Gain on sale of property	-	-	-	(14,640)	(14,640)	(6,574,973)
Interfund transfers	(181,977)	(289,515)	(20,861)	492,353	-	-
	100,000	-	(243,849)	5,537,688	5,393,839	4,333,397
Changes in non-cash working capital:						
Inventory	-	-	12,138	-	12,138	(21,893)
Accounts payable and accrued liabilities	-	-	-	(201,032)	(201,032)	201,033
Prepaid expenses	(20,000)	-	-	-	(20,000)	-
GST recoverable	9,636	-	-	-	9,636	(31,159)
Mortgage receivable	-	-	-	(1,000,000)	(1,000,000)	-
	(10,364)	-	12,138	(1,201,032)	(1,199,258)	147,981
Cash flow from (used by) operating activities	89,636	-	(231,711)	4,336,656	4,194,581	4,481,378
INVESTING ACTIVITIES						
Mortgage receivable repayment	-	-	-	1,000,000	1,000,000	1,000,000
Addition to mortgage receivable	-	-	-	-	-	(3,000,000)
Investments	-	-	(638,972)	(11,082,509)	(11,721,481)	(2,541,188)
Sale of West Campus	-	-	-	-	-	8,493,820
Insurance claim received	-	-	-	14,640	14,640	-
Purchase of land	-	-	-	-	-	(12,824,323)
Purchase of other capital assets	-	-	-	(1,814,640)	(1,814,640)	(702,286)
Cash flow from (used by) investing activities	-	-	(638,972)	(11,882,509)	(12,521,481)	(9,573,977)
FINANCING ACTIVITY						
Contributions for land purchase	-	-	-	-	-	11,000,000
Cash flow from financing activity	-	-	-	-	-	11,000,000
INCREASE (DECREASE) IN CASH FLOW						
	89,636	-	(870,683)	(7,545,853)	(8,326,900)	5,907,401
Cash - beginning of year	427,782	-	2,251,294	9,929,176	12,608,252	6,700,851
CASH - END OF YEAR	\$ 517,418	\$ -	\$ 1,380,611	\$ 2,383,323	\$ 4,281,352	\$ 12,608,252

Please see Notes

CENTRE STREET CHURCH
Notes to Financial Statements
Year Ended June 30, 2019

1. PURPOSE OF THE ORGANIZATION

Centre Street Church ("the Church") is a member of the Evangelical Missionary Church of Canada (EMCC), operated through a federally incorporated body and registered with Canada Revenue Agency as a charitable organization and accordingly is exempt from income taxes.

The Biblical purpose of the Church is to introduce people to Jesus and help them to become fully devoted followers of Jesus who are committed to loving God, loving one another and together loving our city, nation and world by pursuing God, pursuing relationships, pursuing mission, pursuing generosity and pursuing simplicity.

The continued operation of the Church is dependent on the continued support of interested individuals.

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 (ASNFPO)

Fund accounting

These financial statements include the assets, liabilities and fund balances of the funds controlled and administered directly by the Church.

The funds are summarized for reporting as follows:

- City Mission General fund,
- Global Mission General fund,
- Other funds (including Appleseed Resource, Benevolence, CSC Conference, CSC Scholarship Funds, Café, Centred Singles, City Mission Opportunity, Designated Missions, Facility Rental, Global Mission Opportunity Fund, HR Contingency, Maranatha, Musical Training, Pastoral Training, Short Term Missions, Special Needs, Wedding, Young Adults, Youth Missions),
- Capital funds (including City Mission Capital Development, City Mission Sustaining Capital, and Global Mission Capital Development Fund).

Financial instruments

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. All other financial instruments are reported at amortized cost, and tested for impairment when there are indicators of impairment. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Financial instruments of the Church include cash and cash equivalents, accounts receivable, investments, and accounts payable.

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CENTRE STREET CHURCH
Notes to Financial Statements
Year Ended June 30, 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and cash equivalents

Cash and cash equivalents are comprised of cash and short term deposits with original maturities less than one year at the time of purchase or having the capacity of prompt liquidation.

Inventory

Inventory of books and other items for sale in the Appleseed Resource Centre is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

Property and equipment

Property and equipment are recorded at cost less accumulated amortization. Property and equipment are amortized over their estimated useful lives at the following rates and methods:

Buildings	40 years	straight-line method
Parking lots	20 years	straight-line method
Furniture and equipment	5 years	straight-line method

The Church regularly reviews its property and equipment to eliminate obsolete items.

Purchases less than \$10,000 with a life less than 5 years are expensed as purchased. Contributed assets are recorded at their estimated fair value at their date of contribution.

Revenue recognition

The Church follows the deferral method of accounting for contributions where externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred and, if the restricted contribution is for the purchase of non-depreciable capital assets, directly as an increase to fund balances. Unrestricted contributions to specific funds are recognized when received or receivable.

Programs, services and sales revenue are recorded as earned and include such programs as Alpha, Recovery, VBS and various events for which participation is considered more important than the completeness of revenue. Interest income is recorded as earned.

Contributed services and goods

Volunteers contribute a significant number of hours each year to assist the Church in carrying out its mission. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements. Contributed goods would only be recorded if the value can be determined and the item would otherwise be purchased (none recognized).

Allocated expenses

The Church reports its expenses based on function (Staff and contract, Designated missions, Ministry, operations and support) with expenses not directly related to a function being included in Ministry, operations and support.

No fundraising costs have been incurred in 2019 nor 2018. All general expenses are included in general fund operations.

(continues)

CENTRE STREET CHURCH
Notes to Financial Statements
Year Ended June 30, 2019

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

Measurement uncertainty

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 Church, the more significant areas for which management is required to make near-term estimates is in the assessment of the net realizable value of accounts receivable, inventory and property and equipment. Actual amounts could differ from those estimates.

Comparative figures

Certain comparative amounts have been reclassified to conform to the current year's presentation.

CENTRE STREET CHURCH
Notes to Financial Statements
Year Ended June 30, 2019

3. FINANCIAL INSTRUMENTS

The Church is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Church's risk exposure and concentration as of June 30, 2019.

Credit risk

Credit risk arises from the possibility that third parties may default on their financial obligations. The Church is exposed to credit risk on cash which is minimized by ensuring that cash is held with credible financial institutions.

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 rate risk, interest rate risk and other price risk. The Church is mainly exposed in regards to stock donations received which are liquidated shortly after receipt.

a) Currency risk

Currency risk is the risk that the value of financial instruments denominated in currencies other than the reporting currency of the Church will fluctuate due to changes in foreign exchange rates. The Church is not exposed to foreign currency risk.

b) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. The Church is exposed to interest rate risk on its fixed and floating rate cash and cash equivalents. In seeking to minimize the risks from interest rate fluctuations, the Church manages these risks through diversified short term deposits with banks, investment brokers and Abundance Canada.

c) 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 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 is not exposed to significant other price risk.

Liquidity risk

Liquidity risk is the risk that the Church will encounter difficulty in meeting obligations associated with financial liabilities. In minimizing the liquidity risk, the Church prepares annual budgets for each fund and actively monitors its cash flows from operating, investing and financing activities.

CENTRE STREET CHURCH
Notes to Financial Statements
Year Ended June 30, 2019

4. MORTGAGE RECEIVABLE

	<u>2019</u>	<u>2018</u>
Mortgage receivable bearing interest at 2% per annum and repayable in annual instalments of \$1 million	\$ 2,000,000	\$ 2,000,000
Current portion of mortgage receivable	<u>(1,000,000)</u>	<u>-</u>
	<u>1,000,000</u>	<u>2,000,000</u>
	<u>\$ 1,000,000</u>	<u>\$ 2,000,000</u>

On July 1, 2017 the Church sold its West Campus for \$8.5 million, receiving \$5.5 million cash and a mortgage receivable of \$3 million. This mortgage is repayable in annual instalments of \$1 million due July 1, with the first instalment being received in June 2018 and the remaining two instalments due July 1, 2019 and July 1, 2020. The mortgage bears interest at 2% per annum, with interest being waived if annual instalments of \$1 million are paid by the due date.

Principal repayment terms are approximately:

2020	\$ 1,000,000
2021	<u>1,000,000</u>
	<u>\$ 2,000,000</u>

CENTRE STREET CHURCH
Notes to Financial Statements
Year Ended June 30, 2019

5. INVESTMENTS

	2019	2018
GIC with ATB Securities at interest rate of 1.45% and maturity November 23, 2018	\$ -	\$ 1,053,480
GIC with ATB Securities at interest rate of 1.65% and maturity February 25, 2019	-	2,000,000
GIC with ATB Securities at 1.7% interest rate and maturity May 24, 2019	-	2,109,550
GIC with ATB Securities at 2.4% interest rate and maturity September 20, 2019	3,000,000	3,000,000
GIC with ATB Securities at variable interest rate and maturity November 23, 2019	1,000,000	1,000,000
GIC with ATB Securities at interest rate of 2.61% and maturity February 23, 2020	1,076,568	-
GIC with ATB Securities at interest rate of 2.70% and maturity February 25, 2020	6,000,000	-
GIC with ATB Securities at interest rate of 2.39% and maturity May 24, 2020	2,163,498	-
Abundance Canada - interest rate 1.69% as at July 1, 2018 restricted scholarships	-	169,678
GIC's with RBC Dominion Securities at interest rates of 2.1 to 2.61% and maturing from October 31, 2019 to June 17, 2020	9,389,184	1,610,433
Accrued interest on ATB Securities GICs	132,029	96,657
	\$ 22,761,279	\$ 11,039,798

6. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	2019 Net book value	2018 Net book value
Land	\$ 16,644,081	\$ -	\$ 16,644,081	\$ 16,644,081
Buildings	17,066,794	5,618,089	11,448,705	10,012,010
Parking lots	1,076,907	811,872	265,035	318,880
Furniture and equipment	8,164,132	7,896,986	267,146	518,388
	\$ 42,951,914	\$ 14,326,947	\$ 28,624,967	\$ 27,493,359

On November 1, 2017, the Church received a donation of \$11 million specifically for the purpose of purchasing land for the NW Campus. Land costing \$11,271,153 was purchased on November 1, 2017.

The capitalized costs (Make More Room For God) to date are \$1,814,640 (included as building cost).

CENTRE STREET CHURCH
Notes to Financial Statements
Year Ended June 30, 2019

7. CHANGES IN FUND BALANCES

	Fund Balances			
	Capital	Internally	Unrestricted	Total
	Invested	Restricted		
	\$	\$	\$	\$
OPENING	27,493,359	25,511,705	-	53,005,064
Net excess of			4,725,448	4,725,448
revenues over expenses				
Changes in Capital				
- amortization	(683,031)		683,031	-
- purchases	1,814,639		(1,814,639)	-
Changes in Internally Restricted				
- City Missions General		100,000	(100,000)	-
- Global Mission		330,278	(330,278)	-
- Other funds		(205,542)	205,542	-
- Capital		3,369,104	(3,369,104)	-
ENDING	<u>28,624,967</u>	<u>29,105,545</u>	<u>-</u>	<u>57,730,512</u>

CENTRE STREET CHURCH
Notes to Financial Statements
Year Ended June 30, 2019

8. INTERNALLY RESTRICTED FUNDS

	2019	2018
City Missions General		
Reserve balance	\$ 500,000	\$ 400,000
Other Funds		
Appleseed Resource	13,010	(271)
Benevolence *	-	94,042
CSC Conference *	-	12,300
CSC Scholarship Funds	176,127	179,713
Cafe	90,259	84,460
Centred Singles *	-	15,323
City Mission Opportunity	869,266	901,502
Designated Missions	-	(708)
Facility Rental	204,307	165,083
Global Mission Opportunity Fund	1,365,531	1,053,592
HR Contingency	16,000	100,000
Maranatha *	-	12,098
Musical Training	41,402	35,504
Pastoral Training	14,781	40,115
Short Term Missions *	-	133,330
Special Needs *	-	97,427
Wedding	10,986	16,270
Young Adults *	-	83,705
Youth Missions *	-	22,032
	<u>2,801,669</u>	<u>3,045,517</u>
 * Funds closed in 2019		
Capital		
City Mission Capital Development	22,191,085	19,433,635
City Mission Sustaining Capital	1,818,495	1,685,984
Global Mission Capital Development	1,794,296	946,569
	<u>25,803,876</u>	<u>22,066,188</u>
 Grand total	<u>\$ 29,105,545</u>	<u>\$ 25,511,705</u>

CENTRE STREET CHURCH
Notes to Financial Statements
Year Ended June 30, 2019

9. COMMITMENTS

The church has leases with respect to church campuses. Future minimum lease payments as at year end are as follows:

2020	\$ 200,005
2021	196,137
2022	181,177
2023	178,377
2024	180,377
Thereafter	354,718
	<u>\$ 1,290,791</u>

10. PENSIONS

The Church participates in a defined contribution pension plan through the Evangelical Missionary Church of Canada, the funds of which are administered by Sunlife. The current pension expense is \$89,228 (2018:\$82,785). At the year end, the Church had no unrecorded pension liabilities.

11. RELATED PARTY TRANSACTIONS

Payments to and support for affiliated ministries of EMCC have been made during the year. These amounts have been recorded as payments in missions, operations and support.

	<u>2019</u>	<u>2018</u>
EMCC and EMCC affiliated camps, schools and mission projects	<u>\$ 416,259</u>	<u>\$ 210,758</u>
	<u>\$ 416,259</u>	<u>\$ 210,758</u>

CENTRE STREET CHURCH

Transfers (Schedule 1)

Year Ended June 30, 2019

	City Mission General Fund 2019	Global Mission General Fund 2019	Other Funds 2019	Capital Funds 2019	Total 2019	Total 2018
Operations subsidies and surplus transfers						
City missions general	\$ (472,353)	\$ -	\$ -	\$ 472,353	\$ -	\$ -
sustaining capital (5%)						
Transfers to close out funds						
from Global Missions						
General fund	-	(289,515)	269,515	20,000	-	-
Additional transfers to bring						
City Missions General fund	100,000	-	(100,000)	-	-	-
to \$500,000						
Deficit (surplus) transfers from						
City Mission Opportunity	\$ 190,376	\$ -	\$ (190,376)	\$ -	\$ -	\$ -
fund						
Total Interfund transfers	\$ (181,977)	\$ (289,515)	\$ (20,861)	\$ 492,353	\$ -	\$ -