

2023

# Financial Statements

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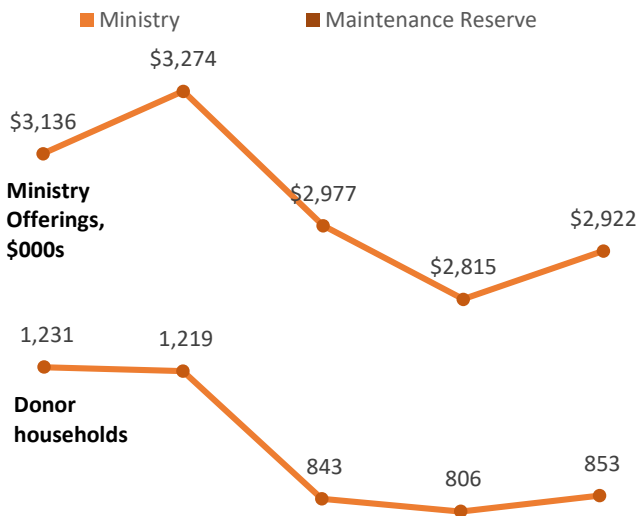
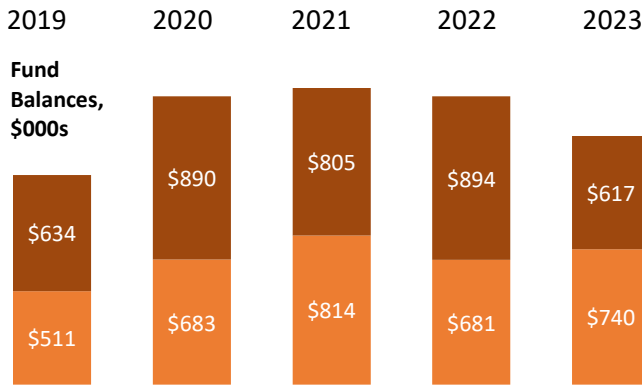


# FINANCIAL HIGHLIGHTS FOR YEAR ENDING AUG 31, 2023



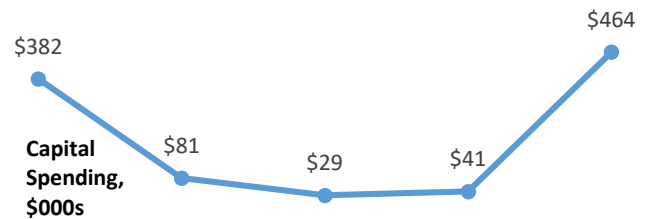
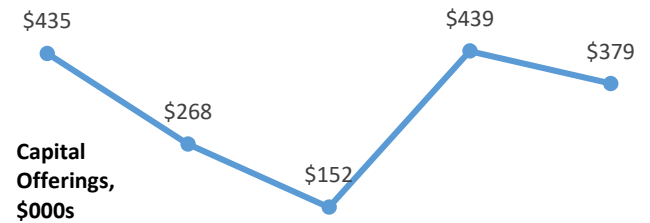
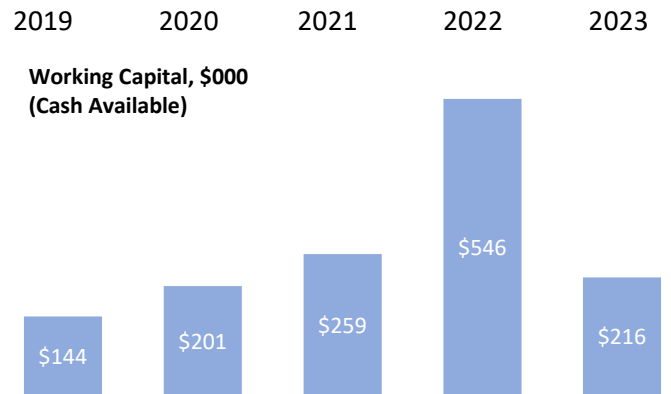
## CHURCH OPERATIONS

Each year Ministry funds are contributed to the Maintenance Reserve Fund to support major maintenance projects. In 2023 \$485,094 of Ministry funds were transferred to the Maintenance Reserve Fund. A portion of the funds transferred each year are contributed by SCA Society. Major maintenance projects this year included replacing 13 roof top units (\$218,900), removing the North Portable (\$146,700), and continuing the North Atrium/Link refresh (\$101,600)

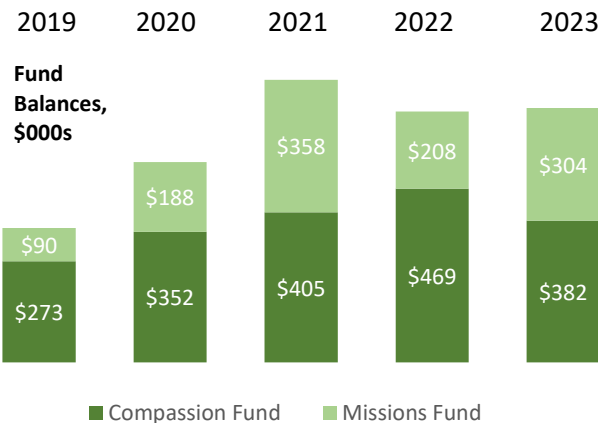


## CAPITAL

This year the major capital spend was the Online Ministry Enhancement project (\$405,800). In addition, we were able to finish paying off the Renew Loan.



## JUSTICE AND COMPASSION



Thanks to your generosity, in addition to walk-in, counselling assistance, and We Care, this year the **Compassion Fund** was able to make significant contributions to:

- Bridging the Gap - \$65,000 - helping people in crisis in Strathcona County
- Mustard Seed - \$55,000 - meals and shelter for those in need in Edmonton
- CIVIDA - \$50,000 - a housing initiative in Strathcona County

The **Missions Fund** provided support to:

- Global Advance - \$167,200
- For Freedom International - \$36,262
- Caleb and Amie Poole (Youth With A Mission) - \$17,500
- Local ministries, including PALM and Youth Rise, and other ministries through the National office

**SHERWOOD PARK ALLIANCE CHURCH SOCIETY**

**Financial Statements**

**Year Ended August 31, 2023**

SHERWOOD PARK ALLIANCE CHURCH SOCIETY

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Year Ended August 31, 2023

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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The financial statements of Sherwood Park Alliance Church Society 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 Sherwood Park Alliance Church Society'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 Isaman Chopek LLP, in accordance with Canadian generally accepted auditing standards.



Senior Associate Pastor



Accountant

Sherwood Park, AB  
October 24, 2023

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Sherwood Park Alliance Church Society

*Opinion*

We have audited the financial statements of Sherwood Park Alliance Church Society (the organization), which comprise the statement of financial position as at August 31, 2023, and the statements of revenues and expenditures 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, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at August 31, 2023, 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 Opinion*

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 opinion.

*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.

(continues)

Independent Auditor's Report to the To the Members of Sherwood Park Alliance Church Society  
(continued)

*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.

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.

Edmonton, Alberta  
October 24, 2023



ISAMAN CHOPEK LLP  
CHARTERED PROFESSIONAL ACCOUNTANTS

**SHERWOOD PARK ALLIANCE CHURCH SOCIETY**

**Statement of Financial Position**

**August 31, 2023**

	Ministry Fund 2023	Compassion Fund 2023	Maintenance Reserve 2023	Capital Fund 2023	Missions Fund 2023	2023	2022
<b>ASSETS</b>							
<b>CURRENT</b>							
Cash	\$ 904,669	\$ 370,892	\$ 914,473	\$ 283,409	\$ 310,421	\$ 2,783,864	\$ 3,164,930
Accounts receivable	94,840	-	-	-	-	94,840	169,608
Goods and services tax recoverable	19,396	207	9,437	3,798	-	32,838	26,203
Prepaid expenses	88,925	-	-	-	-	88,925	260,350
	1,107,830	371,099	923,910	287,207	310,421	3,000,467	3,621,091
Tangible capital assets (Note 2)	-	-	-	1,333,728	-	1,333,728	1,311,615
<b>INTERFUND BALANCES</b>	-	11,161	30,000	32,419	16,497	90,077	-
	\$ 1,107,830	\$ 382,260	\$ 953,910	\$ 1,653,354	\$ 326,918	\$ 4,424,272	\$ 4,932,706
<b>LIABILITIES AND NET ASSETS</b>							
<b>CURRENT</b>							
Accounts payable	\$ 243,507	\$ 42	\$ 336,956	\$ 70,728	\$ 10,253	\$ 661,486	\$ 643,142
Callable debt due in one year (Note 3)	-	-	-	-	-	-	38,060
Employee deductions payable	17,938	-	-	-	-	17,938	18,898
Deferred income	16,337	-	-	-	12,597	28,934	89,760
	277,782	42	336,956	70,728	22,850	708,358	789,860
Callable debt due thereafter	-	-	-	-	-	-	256,102
	277,782	42	336,956	70,728	22,850	708,358	1,045,962
<b>INTERFUND BALANCES</b>	90,076	-	-	-	-	90,076	1
	367,858	42	336,956	70,728	22,850	798,434	1,045,963
<b>NET ASSETS</b>	739,972	382,218	616,954	1,582,626	304,068	3,625,838	3,886,743
	\$ 1,107,830	\$ 382,260	\$ 953,910	\$ 1,653,354	\$ 326,918	\$ 4,424,272	\$ 4,932,706

ON BEHALF OF THE BOARD

 Director  
 Director

See notes to financial statements



**SHERWOOD PARK ALLIANCE CHURCH SOCIETY**  
**Statement of Revenues and Expenditures and Changes in Net Assets**  
**Year Ended August 31, 2023**

	Ministry Fund 2023	Compassion Fund 2023	Maintenance Reserve 2023	Capital Fund 2023	Missions Fund 2023	2023	2022
<b>REVENUES</b>							
Offerings (Schedule 1)	\$ 2,921,669	\$ 165,884	\$ -	\$ 379,490	\$ 332,298	\$ 3,799,341	\$ 3,802,161
Interest income	42,572	19,574	37,406	21,109	12,217	132,878	34,197
Gains (losses) on disposal of assets	-	-	-	850	-	850	-
	2,964,241	185,458	37,406	401,449	344,515	3,933,069	3,836,358
<b>OTHER REVENUES (Schedule 1)</b>	3,132,730	-	-	-	-	3,132,730	4,358,420
<b>EXPENSES</b>							
Salaries and benefits (Schedule 2)	2,148,410	-	-	-	-	2,148,410	2,145,141
Facility operating (Schedule 3)	1,194,664	-	-	-	-	1,194,664	1,150,380
Facility rental	1,166,952	-	-	-	-	1,166,952	1,061,800
MRF - repairs and maintenance	-	-	819,054	-	-	819,054	406,588
Depreciation	-	-	-	441,399	-	441,399	520,670
Capital contributions	410,000	-	-	-	-	410,000	382,000
Administrative (Schedule 5)	373,199	-	-	-	-	373,199	360,484
Compassion costs	-	271,989	-	-	-	271,989	139,556
Missions (Schedule 4)	-	-	-	-	248,700	248,700	502,809
Ministerial - net of recoveries (Schedule 6)	165,066	-	-	-	-	165,066	189,063
Contributions to capital fund	75,000	-	-	-	-	75,000	-
Interest on long term debt	-	-	-	12,261	-	12,261	11,632
Interest and bank charges	-	4	6	-	-	10	-
Debt forgiveness (expense)	-	-	-	-	-	-	771,195
Fundraising costs	-	-	-	-	-	-	293
	5,533,291	271,993	819,060	453,660	248,700	7,326,704	7,641,611
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS</b>	563,680	(86,535)	(781,654)	(52,211)	95,815	(260,905)	553,167
<b>INTERFUND TRANSFERS</b>	(505,094)	-	505,094	-	-	-	-
<b>NET EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	58,586	(86,535)	(276,560)	(52,211)	95,815	(260,905)	553,167
<b>NET ASSETS - BEGINNING OF YEAR</b>	681,386	468,753	893,514	1,634,837	208,253	3,886,743	3,333,576
<b>NET ASSETS - END OF YEAR</b>	\$ 739,972	\$ 382,218	\$ 616,954	\$ 1,582,626	\$ 304,068	\$ 3,625,838	\$ 3,886,743

See notes to financial statements

**SHERWOOD PARK ALLIANCE CHURCH SOCIETY**

**Statement of Cash Flows  
Year Ended August 31, 2023**

	2023	2022
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenues over expenses	\$ (260,905)	\$ 553,167
Items not affecting cash:		
Amortization of tangible capital assets	441,399	520,670
Gain on disposal of tangible capital assets	(850)	-
Debt recovery	-	(1,346,277)
Debt forgiveness	-	771,195
	179,644	498,755
Changes in non-cash working capital:		
Accounts receivable	74,768	(156,528)
Accounts payable	18,343	59,947
Deferred income	(60,825)	59,141
Prepaid expenses	171,425	(165,252)
Goods and services tax payable	(6,636)	(4,606)
Employee deductions payable	(960)	(1,363)
	196,115	(208,661)
<b>Cash flow from operating activities</b>	<b>375,759</b>	<b>290,094</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of tangible capital assets	(463,512)	(61,222)
Proceeds on disposal of tangible capital assets	850	7,102
<b>Cash flow used by investing activities</b>	<b>(462,662)</b>	<b>(54,120)</b>
<b>FINANCING ACTIVITY</b>		
Repayment of callable debt	(294,162)	(71,626)
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>(381,065)</b>	<b>164,348</b>
Cash - beginning of year	3,164,929	3,000,581
<b>CASH - END OF YEAR</b>	<b>\$ 2,783,864</b>	<b>\$ 3,164,929</b>

See notes to financial statements

SHERWOOD PARK ALLIANCE CHURCH SOCIETY

Notes to Financial Statements

Year Ended August 31, 2023

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**OPERATING STATUS**

Sherwood Park Alliance Church Society (the "Society") is incorporated under the Societies Act of Alberta and operates as a not-for-profit entity. As a registered charity, the Society is exempt from Canadian income tax.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

**Fund accounting**

These financial statements have been prepared on an accrual basis using the restricted fund method of accounting for offerings. Fund accounting is the procedure whereby resources received and the subsequent use of those resources are classified for accounting and reporting purposes into funds which are in accordance with the activities or objectives specified by the source of the resource. The following funds are maintained:

The **ministry fund** accounts for the Church's ministerial and operational activities, and reports all offerings not designated to any other fund.

The **capital fund** reports the assets, liabilities, offerings and expenditures relating to the Church's property and equipment and related liabilities.

The **missions fund** accounts for offerings and other revenue designated for missions.

The **maintenance reserve fund** was established to set aside amounts for major maintenance requirements.

The **compassion fund** provides for special assistance to individuals in need.

**Cash and short term investments**

Cash (bank balances) and short term investments (term deposits less than one year) are amounts on deposit and invested according to the Church's investment policy.

**Tangible capital assets**

Tangible capital assets are recorded at cost if purchased or at fair value at the date of acquisition if received by donation. Depreciation has been provided annually on a straight-line basis at the following rates:

Leasehold improvements	10%
Furniture and equipment	10 to 20%
Digital signage	20%
Computer equipment	25%
Computer software	20%
Playground equipment and rink	10%
Assets under construction	N/A

Depreciation is recorded in the year the asset is put in use, through to the date of disposal. One half of annual depreciation is taken in the year of acquisition.

Assets under construction are not depreciated until put in use.

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

*(continues)*

**SHERWOOD PARK ALLIANCE CHURCH SOCIETY**

**Notes to Financial Statements**

**Year Ended August 31, 2023**

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

**Revenue recognition**

Offerings are recognized as revenue of the particular fund in the year in which the contribution is received, with a receipt issued for the donor's tax deductible contribution. Offerings received in excess of expenditures related to specific missions are deferred and recorded as a recovery towards the next missions, or are used for future outreach initiatives.

Recovery for school facilities and capital contributions are recognized as revenue as they accrue during the year.

Fundraising receipts are recorded as revenue when received.

Pledges are not recognized as revenue until the funds are received.

**Contributed services**

Volunteers contribute numerous hours to assist the Society in carrying out its ministerial and administrative activities. Due to the difficulty in determining their fair value, contributed services are not recognized in the financial statements, nor are receipts issued.

**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. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

**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 at each reporting date. If events or circumstances reverse in a future period, an impairment loss will be reversed to the extent of the impairment, not exceeding the initial carrying value.

**2. TANGIBLE CAPITAL ASSETS**

	Cost	Accumulated Depreciation	<b>2023 Net Book Value</b>	2022 Net Book Value
Motor vehicles	\$ 10,000	\$ 1,500	\$ 8,500	\$ 9,500
Leasehold improvements	1,708,024	976,910	731,114	905,731
Furniture and equipment	730,505	284,951	445,554	268,501
Digital signage	178,787	160,908	17,879	53,636
Computer equipment	67,199	29,115	38,084	36,224
Playground equipment and rink	42,025	4,259	37,766	2,157
Assets under construction	-	-	-	20,500
Computer software	74,824	19,994	54,830	15,365
	<b>\$ 2,811,364</b>	<b>\$ 1,477,637</b>	<b>\$ 1,333,727</b>	<b>\$ 1,311,614</b>

**SHERWOOD PARK ALLIANCE CHURCH SOCIETY**

**Notes to Financial Statements**

**Year Ended August 31, 2023**

**3. CALLABLE DEBT**

	<u>2023</u>	<u>2022</u>
Demand loan from the Bank of Montreal incurring interest at prime plus 0.5% per annum, repayable in monthly blended payments of \$4,371. The interest rate is up for renewal on August 31, 2023. See below for security.	\$ -	\$ 294,162
Principal due in one year	-	(38,060)
	<u>\$ -</u>	<u>\$ 256,102</u>

The loan was paid in full during the year.

The Society is liable to a maximum of \$80,000 (2022 - \$80,000) for Corporate Mastercards

Credit facilities are approved to a maximum of \$195,693.10 and are guaranteed by SPACPC.

Security consists of the following:

- a) Registered first-ranking all indebtedness in the amount of \$16,000,000 registered over property with municipal address, 52362 Rge Rd 231, Sherwood Park, AB (' the mortgage property');
- b) General Security Agreement over all present and after acquired assets, with first ranking for machinery, equipment, CAD accounts receivable, and inventory.
- c) Corporate guarantee of \$1,346,010

**4. DUE TO SPAC PROPERTY COMPANY**

The amount due to Sherwood Park Alliance Church Property Company (SPAC PC) was non-interest bearing and was secured by a subrogation of advances. In the previous year, the SPAC PC board voted on forgiving the debt..

**5. NET ASSETS**

	<u>2023</u>	<u>2022</u>
<b>Restricted funds</b>		
Capital	\$ 1,582,627	\$ 1,634,837
Maintenance Reserve	616,940	893,515
Compassion	382,218	468,753
Missions	304,066	208,253
	<u>2,885,851</u>	3,205,358
<b>Unrestricted funds</b>		
Ministry	739,973	681,386
	<u>\$ 3,625,824</u>	<u>\$ 3,886,744</u>

**6. INTERFUND TRANSFERS**

Funds of \$505,094 (2022 - \$485,094) were transferred from the Ministry Fund to the Maintenance Reserve Fund. These transfers provide funds for current and future major maintenance projects.

**SHERWOOD PARK ALLIANCE CHURCH SOCIETY**

**Notes to Financial Statements**

**Year Ended August 31, 2023**

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**7. RELATED PARTY TRANSACTIONS**

The following is a summary of the organization's related party transactions with Sherwood Park Alliance Church Property Company (SPACPC) and Strathcona Christian Academy Society (SCA):

	<u>2023</u>	<u>2022</u>
<b>SPACPC</b>		
Operating contribution revenue	\$ 677,232	\$ 593,976
Management fee revenue	20,000	20,000
Wage recovery	4,980	4,980
Capital contributions expense	(410,000)	(382,000)
Facility rental expense	(1,166,952)	(1,061,800)
Debt forgiveness	-	(575,083)
	<u>(874,740)</u>	<u>(1,399,927)</u>
<b>SCA</b>		
Operating contribution revenue	\$ 754,738	\$ 801,818
Facility capital contribution revenue	410,000	382,000
Contracts, salaries and benefits expense - administration	80,696	76,107
Management fee revenue	20,000	20,000
Computer services	1,620	1,620
Administration	637	3,760
Donations	(1,500)	(1,500)
Fee assistance	(16,589)	(47,223)
	<u>1,249,602</u>	<u>1,236,582</u>
	<u>\$ 374,862</u>	<u>\$ (163,345)</u>

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The shareholders of SPACPC are members of the Society.

The SCA Society is responsible for the Christian component of the public school alternative program. The SCA Society is related by its membership which consists of the Society's Board of Elders.

Accounts receivable includes \$8,298 (2022 - \$2,828) due from SCA Society.

These transactions have been recorded at their exchange amount, which is the amount of consideration established and agreed to by the related parties.

**8. 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 organization's risk exposure and concentration as of August 31, 2023. Risk exposure has not changed from the previous year.

The Board of Elders has overall responsibility for the establishment and oversight of the Society's risk management framework.

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**8. FINANCIAL INSTRUMENTS (continued)**

**Credit risk**

The Society is exposed to credit risks on facility recovery and capital contributions revenues, these revenues being from two entities. The Society has not incurred any significant bad debts in the past three years.

**Liquidity risk**

Liquidity risk is the risk that the Society will not be able to meet a demand for cash or fund its obligations as they come due. Liquidity risk also includes the risk of the Society not being able to liquidate assets in a timely manner.

The Society meets its liquidity requirements by preparing and monitoring cash flows from operations, anticipating investing and financing activities and holding assets that can be readily converted to cash.

**Interest rate risk**

Interest rate risk is the risk that the fair value of financial instruments will fluctuate due to changes in market interest rates is managed through compliance with the Church's investment policy.

Fluctuations in interest rates do not have a significant effect on cash, short-term investments or the loan investment program of the Church. The Church's callable debt is based on the prime rate.

**9. CONTINGENCIES AND COMMITMENTS**

The church has signed a Corporate guarantee in the amount of \$12,050,000 in favour of the Bank of Montreal for debt in Sherwood Park Alliance Church Property Company (SPACPC). This guarantee relates to the construction for the Campus expansion as recorded by SPACPC. The loan balance at August 31, 2023 was \$6,235,291.

On October 4, 2006, the Society signed a 25-year lease agreement with SPACPC with respect to existing and new property. The annual base rent for the year ending August 31, 2023 is approximately \$651,746 plus estimated operating costs of \$515,206, the capital portion of student fees charged by Strathcona Christian Academy Society and a small amount to reimburse SPACPC for administrative costs. The capital portion of student fees will be adjusted annually. The Society is responsible for all operating costs. The Society has a sub-lease with Elk Island Public School District on similar terms.

The Society will recover a portion of the costs through commitments from Strathcona Christian Academy Society totalling approximately \$867,092 in the upcoming year.

The Society has entered into the following contracts:

- a) Photocopier rental agreement effective in October 2021, rental payments of approximately \$3,395 per quarter, expiring in October 2025.
- b) Postage machine rental agreement, rental payments of approximately \$202 per quarter, expiring in October 2024.
- c) Elevator maintenance agreement, payments of approximately \$426 per month, expiring in August 2026.
- d) Custodial agreement, payments of approximately \$34,181 per month, expiring in July 2025.
- e) Mechanical maintenance agreement, payments of approximately \$6,200 per month, expiring in August 2025.

**SHERWOOD PARK ALLIANCE CHURCH SOCIETY**

**OFFERINGS (Schedule 1)**

**Year Ended August 31, 2023**

	<u>2023</u>	<u>2022</u>
<b>OFFERINGS</b>		
Ministry	\$ 2,921,669	\$ 2,815,107
Capital	379,490	439,000
Missions	332,298	349,490
Compassion	165,884	198,564
	<u>\$ 3,799,341</u>	<u>\$ 3,802,161</u>
<b>OTHER REVENUES</b>		
Operating contribution	1,431,970	1,395,794
Recovery for school facilities	1,166,952	1,061,800
Facility capital contribution	410,000	382,000
Management fees	64,000	40,000
Expense recoveries	59,808	132,549
Debt forgiveness (recovery)	-	1,346,277
	<u>\$ 3,132,730</u>	<u>\$ 4,358,420</u>

See notes to financial statements



**SHERWOOD PARK ALLIANCE CHURCH SOCIETY**  
**SALARIES AND BENEFITS EXPENDITURES (Schedule 2)**  
**Year Ended August 31, 2023**

	2023	2022
<b>SALARIES AND BENEFITS</b>		
Salaries and wages		
Pastors and ministerial assistants	\$ 1,325,534	\$ 1,361,541
Salaries and wages - Facility	274,002	266,498
Salaries and wages - Office	238,087	336,287
SCA Society and Tree House	142,304	126,641
	<u>1,979,927</u>	2,090,967
Employee benefits	272,934	270,081
Alliance retirement fund	83,885	90,108
	<u>356,819</u>	360,189
Recoveries	<u>(188,336)</u>	(306,015)
<b>SALARIES AND BENEFITS EXPENDITURES</b>	<u><b>\$ 2,148,410</b></u>	<u><b>\$ 2,145,141</b></u>

**SHERWOOD PARK ALLIANCE CHURCH SOCIETY**  
**FACILITY OPERATING EXPENDITURES (Schedule 3)**  
**Year Ended August 31, 2023**

	2023	2022
<b>FACILITY OPERATING - MINISTRY FUND</b>		
Janitorial and supplies	\$ 440,961	\$ 376,694
Light and power	209,052	191,159
Heat	103,958	95,319
Repairs and maintenance - grounds	97,033	92,830
Insurance	82,563	75,678
Repairs and maintenance - mechanical	59,682	122,522
Repairs and maintenance - building	50,611	54,838
Waste removal	33,362	30,777
Water	32,633	24,635
Repairs and Maintenance - Service calls	30,270	-
Repairs and maintenance - fire and elevator	14,986	14,406
Facility use	10,770	36,257
Repairs and maintenance - electrical	8,492	7,503
Communications	4,855	6,323
Repairs and maintenance - equipment	4,723	19,428
Car expense reimbursement	2,409	1,356
Contract staffing	7,954	-
Miscellaneous	350	655
<b>FACILITY OPERATING EXPENDITURES</b>	<b>\$ 1,194,664</b>	<b>\$ 1,150,380</b>

**SHERWOOD PARK ALLIANCE CHURCH SOCIETY**  
**MISSIONS FUND DISBURSEMENTS (Schedule 4)**  
**Year Ended August 31, 2023**

	2023	2022
Christian and Missionary Alliance		
Global Advance Fund	\$ 167,220	\$ 215,906
Specialized ministries	10,510	153,510
	<u>177,730</u>	<u>369,416</u>
Other home missions	46,412	127,634
Other foreign missions	17,640	5,759
Travel transportation	6,598	-
Outreach	164	-
Administrative	156	-
	<u>248,700</u>	<u>502,809</u>
<b>MISSIONS FUND DISBURSEMENTS</b>	<b>\$ 248,700</b>	<b>\$ 502,809</b>

See notes to financial statements

**SHERWOOD PARK ALLIANCE CHURCH SOCIETY**  
**ADMINISTRATIVE EXPENDITURES (Schedule 5)**  
**Year Ended August 31, 2023**

	2023	2022
<b>ADMINISTRATIVE - MINISTRY FUND</b>		
District operating fee - C and MA	\$ 85,664	\$ 83,301
Contact and consulting	82,734	68,418
Bank charges	61,797	63,079
Computer services	51,314	53,351
Telephone	30,278	24,571
Professional fees	29,450	35,339
Photocopier lease and printing	28,129	22,843
Repairs & maintenance - audio visual	6,876	9,051
Office	3,111	3,569
Gifts	1,171	-
Miscellaneous	785	-
Recruitment and moving	89	4,289
	<b>381,398</b>	367,811
Recoveries	<b>(8,199)</b>	<b>(7,327)</b>
<b>ADMINISTRATIVE EXPENDITURES</b>	<b>\$ 373,199</b>	<b>\$ 360,484</b>

**SHERWOOD PARK ALLIANCE CHURCH SOCIETY**

**MINISTERIAL EXPENDITURES (Schedule 6)**

**Year Ended August 31, 2023**

	2023	2022
<b>MINISTERIAL</b>		
Supplies and materials	\$ 86,875	\$ 49,062
Contract and consulting	54,427	156,988
Special events	32,946	19,071
Travel transportation	14,592	1,433
Conference and retreats	14,179	23,291
Receptions and dinners	13,221	13,184
Retreats	13,005	8,015
Expense allowance	12,572	19,351
Outreach	11,601	7,563
Communications	10,933	12,773
Dues and fees	10,549	6,142
Curriculum and literature	10,059	16,957
Gifts	8,078	4,525
Lay leader training	7,984	775
Computer services	7,776	5,662
Repairs and maintenance - equipment	7,760	1,369
Printing	5,977	5,973
Activities	5,971	8,529
Education	4,682	855
Professional development	4,476	4,474
Car expense reimbursement	3,012	4,812
Meetings	1,905	2,741
Miscellaneous	1,779	2,040
Honorariums	1,450	400
Advertising	724	696
<b>MINISTERIAL - SUBTOTAL</b>	<b>346,533</b>	<b>376,681</b>
Tree House registration fees	(57,298)	(76,989)
Ministry recoveries	(124,169)	(110,627)
<b>MINISTERIAL EXPENDITURES - NET OF RECOVERIES</b>	<b>\$ 165,066</b>	<b>\$ 189,065</b>

**STRATHCONA CHRISTIAN ACADEMY**

**Financial Statements**


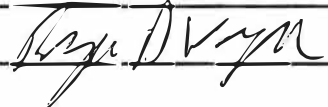
**Year Ended August 31, 2023**

*Complete Financial Statements with notes  
available upon request*

**STRATHCONA CHRISTIAN ACADEMY**  
**Statement of Financial Position**  
**August 31, 2023**

	Total 2023	Total 2022	Operating Fund 2023	Operating Fund 2022	Endowment Fund 2023	Endowment Fund 2022
<b>ASSETS</b>						
<b>CURRENT</b>						
Cash (Note 4)	\$ 582,947	\$ 444,979	\$ 582,947	\$ 444,979	\$ -	\$ -
Accounts receivable	1,981	113	1,981	113	-	-
Prepaid expenses	23,039	32,594	23,039	32,594	-	-
Interfund balances	24,684	29,744	-	-	24,684	29,744
Goods and services tax recoverable	911	1,407	911	1,407	-	-
	<u>\$ 633,562</u>	<u>\$ 508,837</u>	<u>\$ 608,878</u>	<u>\$ 479,093</u>	<u>\$ 24,684</u>	<u>\$ 29,744</u>
<b>LIABILITIES</b>						
<b>CURRENT</b>						
Accounts payable (Note 5)	\$ 79,335	\$ 49,976	\$ 75,835	\$ 43,476	\$ 3,500	\$ 6,500
Deferred income	103,763	106,584	103,763	106,584	-	-
Interfund balances	24,684	29,744	24,684	29,744	-	-
	207,782	186,304	204,282	179,804	3,500	6,500
<b>NET ASSETS</b>						
Net assets	425,780	322,533	404,596	299,289	21,184	23,244
	<u>\$ 633,562</u>	<u>\$ 508,837</u>	<u>\$ 608,878</u>	<u>\$ 479,093</u>	<u>\$ 24,684</u>	<u>\$ 29,744</u>

ON BEHALF OF THE BOARD

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

**STRATHCONA CHRISTIAN ACADEMY**  
**Statement of Operations and Changes in Net Assets**  
**Year Ended August 31, 2023**

	Total 2023	Total 2022	Operating Fund 2023	Operating Fund 2022	Endowment Fund 2023	Endowment Fund 2022
<b>REVENUES</b>						
Society fees and registration	\$ 1,745,413	\$ 1,651,296	\$ 1,745,413	\$ 1,651,296	\$ -	\$ -
Missions	14,148	11,815	14,148	11,815	-	-
Donations - general	7,089	33,964	1,899	26,464	5,190	7,500
Fundraising	223,922	-	223,922	-	-	-
Interest income	31,301	5,091	31,301	5,091	-	-
	2,021,873	1,702,166	2,016,683	1,694,666	5,190	7,500
<b>EXPENSES</b>						
Facility contribution	1,164,738	1,183,818	1,164,738	1,183,818	-	-
Programming (Schedule 1)	356,673	331,990	356,673	331,990	-	-
Administrative (Schedule 2)	177,747	224,659	177,747	224,659	-	-
Donations	-	25,000	-	25,000	-	-
Missions	212,218	13,142	212,218	13,142	-	-
Scholarships	7,250	11,650	-	-	7,250	11,650
	1,918,626	1,790,259	1,911,376	1,778,609	7,250	11,650
<b>INCREASE (DECREASE) IN NET ASSETS</b>	103,247	(88,093)	105,307	(83,943)	(2,060)	(4,150)
<b>NET ASSETS - BEGINNING OF YEAR</b>	322,533	410,626	299,289	383,232	23,244	27,394
<b>NET ASSETS - END OF YEAR</b>	\$ 425,780	\$ 322,533	\$ 404,596	\$ 299,289	\$ 21,184	\$ 23,244



**STRATHCONA CHRISTIAN ACADEMY**  
**Statement of Cash Flows**  
**Year Ended August 31, 2023**

	Total 2023	Total 2022
<b>OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets	\$ 103,247	\$ (88,093)
Changes in non-cash working capital:		
Accounts receivable	(1,868)	61,768
Accounts payable	29,359	16,464
Deferred income	(2,821)	48,346
Prepaid expenses	9,555	3,011
Goods and services tax recoverable	496	(416)
	<b>34,721</b>	<b>129,173</b>
<b>INCREASE IN CASH FLOW</b>	<b>137,968</b>	<b>41,080</b>
Cash - beginning of year	444,979	403,899
<b>CASH - END OF YEAR</b>	<b>\$ 582,947</b>	<b>\$ 444,979</b>
<b>CASH CONSISTS OF:</b>		
Cash - General	\$ 576,117	\$ 438,330
Cash - Legacy	6,830	6,649
	<b>\$ 582,947</b>	<b>\$ 444,979</b>

**STRATHCONA CHRISTIAN ACADEMY**  
**Programming (Schedule 1)**  
**Year Ended August 31, 2023**

	2023	2022
Spiritual leadership	\$ 196,812	\$ 196,395
Staff and board	54,518	51,399
Spiritual emphasis	27,938	16,310
Bible curriculum	27,913	20,253
Community connection and pastoral care	18,086	23,354
Memberships	13,979	6,675
Other expenses	11,953	3,275
Chapel programs	5,387	14,329
	<u>\$ 356,586</u>	<u>\$ 331,990</u>

**Administrative (Schedule 2)**  
**Year Ended August 31, 2023**

	2023	2022
Contracts, salaries and wages	\$ 80,783	\$ 76,107
Professional fees	24,604	22,794
Management fees	20,000	20,000
Bad debts	18,658	72,378
Computer services	11,769	10,249
Insurance	10,877	10,797
Society costs	6,746	5,255
Interest and bank charges	3,226	2,983
Telephone	600	600
Supplies	442	3,329
Photocopies and printing	129	167
	<u>\$ 177,834</u>	<u>\$ 224,659</u>

**SHERWOOD PARK ALLIANCE CHURCH PROPERTY COMPANY**

**Financial Statements**

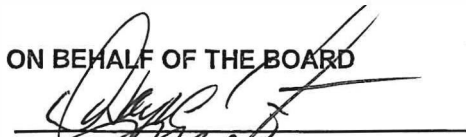
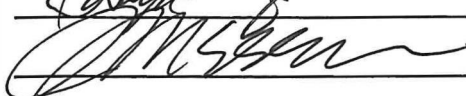
**Year Ended August 31, 2023**

*Complete Financial Statements with notes  
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**SHERWOOD PARK ALLIANCE CHURCH PROPERTY COMPANY**  
**Statement of Financial Position**  
**August 31, 2023**

	2023	2022
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 407,253	\$ 347,470
Term deposits	-	200,000
Interest receivable	2,118	1,632
Prepaid expenses	1,110	1,058
	410,481	550,160
<b>LONG TERM</b>		
Tangible capital assets <i>(Note 2)</i>	13,353,050	14,004,240
	\$ 13,763,531	\$ 14,554,400
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 11,044	\$ 190,181
Interest payable	26,213	28,250
Current portion of long term debt <i>(Note 3)</i>	519,755	495,492
	557,012	713,923
<b>LONG TERM</b>		
Long term debt <i>(Note 3)</i>	5,715,537	6,235,292
	6,272,549	6,949,215
<b>CONTINGENCIES <i>(Note 7)</i></b>		
<b>NET ASSETS</b>		
Share capital <i>(Note 6)</i>	5	5
	7,490,977	7,605,180
	7,490,982	7,605,185
	\$ 13,763,531	\$ 14,554,400

ON BEHALF OF THE BOARD

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

**SHERWOOD PARK ALLIANCE CHURCH PROPERTY COMPANY**  
**Statement of Revenues and Expenditures**  
**Year Ended August 31, 2023**

	2023	2022
<b>REVENUE</b>		
Base and operating (Note 5)	\$ 1,166,952	\$ 1,061,800
Capital contributions (Note 5)	410,000	382,000
Interest income	21,108	6,223
Donations (Note 5)	-	28,969
	<u>1,598,060</u>	<u>1,478,992</u>
<b>EXPENSES</b>		
Contribution for operating costs (Note 5)	677,232	593,976
Depreciation	631,621	615,006
Interest on long term debt	325,804	350,198
Mangement and administration fees expense (Note 5)	24,980	24,980
Donations	15,000	-
Professional fees	13,416	12,240
Interest and bank charges	3,500	2,579
Insurance	1,613	1,706
Fence rental	368	1,892
	<u>1,693,534</u>	<u>1,602,577</u>
<b>EXCESS EXPENDITURES FOR THE YEAR</b>	<u>(95,474)</u>	<u>(123,585)</u>
<b>OTHER INCOME</b>		
Loss on disposal of tangible capital assets	(18,729)	-
Debt forgiveness (Note 4)	-	(575,083)
	<u>(18,729)</u>	<u>(575,083)</u>
<b>EXCESS EXPENDITURES FOR THE YEAR</b>	<u>\$ (114,203)</u>	<u>\$ (698,668)</u>

**SHERWOOD PARK ALLIANCE CHURCH PROPERTY COMPANY**  
**Statement of Changes in Net Assets**  
**Year Ended August 31, 2023**

	2023	2022
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>\$ 7,605,180</b>	<b>\$ 8,303,848</b>
<b>DEFICIENCY OF REVENUE OVER EXPENSES</b>	<b>(114,203)</b>	<b>(698,668)</b>
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 7,490,977</b>	<b>\$ 7,605,180</b>

**SHERWOOD PARK ALLIANCE CHURCH PROPERTY COMPANY**

**Statement of Cash Flows  
Year Ended August 31, 2023**

	2023	2022
<b>OPERATING ACTIVITIES</b>		
Excess expenditures for the year	\$ (114,203)	\$ (698,668)
Items not affecting cash:		
Depreciation	631,621	615,006
Loss on disposal of tangible capital assets	18,729	-
Debt forgiveness	-	575,083
	<b>536,147</b>	<b>491,421</b>
Changes in non-cash working capital:		
Accounts receivable	-	294
Interest receivable	(486)	(1,632)
Prepaid expenses	(52)	119
Accounts payable and accrued liabilities	(179,137)	(26,113)
Interest payable	(2,037)	(32,426)
	<b>(181,712)</b>	<b>(59,758)</b>
Cash flow from operating activities	<b>354,435</b>	<b>431,663</b>
<b>INVESTING ACTIVITY</b>		
Building additions	<b>840</b>	<b>(220,108)</b>
<b>FINANCING ACTIVITY</b>		
Repayment of long term debt	<b>(495,492)</b>	<b>(472,363)</b>
<b>DECREASE IN CASH FLOW</b>	<b>(140,217)</b>	<b>(260,808)</b>
<b>CASH - BEGINNING OF YEAR</b>	<b>547,470</b>	<b>808,278</b>
<b>CASH - END OF YEAR</b>	<b>\$ 407,253</b>	<b>\$ 547,470</b>
<b>CASH CONSISTS OF:</b>		
Cash	\$ 407,253	\$ 347,470
Term deposits	-	200,000
	<b>\$ 407,253</b>	<b>\$ 547,470</b>