



Financial Statements

Community Bible Study Canada

June 30, 2019

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# Independent Practitioner's Review Engagement Report

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To the Members of  
Community Bible Study Canada

We have reviewed the accompanying financial statements of Community Bible Study Canada that comprise the statement of financial position as at June 30, 2019, 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, 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.

# Independent Practitioner's Review Engagement Report (continued)

## 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 Community Bible Study Canada as at June 30, 2019, 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.

*Grant Thornton LLP*

Markham, Canada  
November 16, 2019

Chartered Professional Accountants  
Licensed Public Accountants

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# Community Bible Study Canada

## Statement of Financial Position

June 30

2019

2018

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### Assets

#### Current

Cash and cash equivalents - unrestricted	\$ 117,930	\$ 105,047
Cash and cash equivalents - designated funds	8,226	9,216
Amounts receivable	2,892	3,147
Prepaid expenses	7,147	4,023
	<u>136,195</u>	<u>121,433</u>

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### Liabilities

#### Current

Accounts payable and accrued liabilities	\$ 16,719	\$ 15,954
Deferred revenue	5,900	6,635
	<u>22,619</u>	<u>22,589</u>

### Net assets

Ruth Barton Fund - internally restricted	7,089	7,052
National Teens Fund - externally restricted	1,137	2,164
Unrestricted	105,350	89,628
	<u>113,576</u>	<u>98,844</u>
	<u>\$ 136,195</u>	<u>\$ 121,433</u>

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On behalf of the Board of Directors

\_\_\_\_\_ Director

\_\_\_\_\_ Director

# Community Bible Study Canada

## Statement of Operations

Year ended June 30

	2019	2018
Revenue		
Donations	\$ 57,613	\$ 48,445
Classes	53,566	54,412
Church class fees	3,060	1,200
Interest	511	332
Interest - Ruth Barton Fund	84	35
Interest - National Teens Fund	26	11
	<u>114,860</u>	<u>104,435</u>
Expenses		
Training	14,883	11,157
Salaries	13,245	12,565
Community Bible Study International	11,300	21,800
Professional fees	10,961	10,884
Office	9,422	7,849
Office rent	7,985	7,984
National management	7,785	4,009
Facilities	7,367	7,144
Retreat and teaching directors' conference	5,096	10,259
Insurance	4,622	4,320
Lesson material	4,251	4,102
Licenses and fees	1,527	1,396
National Teens Fund programs	1,053	-
Promotion and development	569	329
Ruth Barton Fund programs	47	-
Classes	15	635
	<u>100,128</u>	<u>104,433</u>
Excess of revenue over expenses	<u>\$ 14,732</u>	<u>\$ 2</u>

## Community Bible Study Canada Statement of Changes in Net Assets

Year ended June 30

	Ruth Barton Fund	National Teens Fund	Unrestricted	Total 2019	Total 2018
Balance, beginning of year	\$ 7,052	\$ 2,164	\$ 89,628	\$ 98,844	\$ 98,842
Excess (deficiency) of revenue over expenses	<u>37</u>	<u>(1,027)</u>	<u>15,722</u>	<u>14,732</u>	<u>2</u>
Balance, end of year	<u>\$ 7,089</u>	<u>\$ 1,137</u>	<u>\$ 105,350</u>	<u>\$ 113,576</u>	<u>\$ 98,844</u>

See accompanying notes to the financial statements.

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## Community Bible Study Canada

### Statement of Cash Flows

Year ended June 30

2019

2018

Increase (decrease) in cash and cash equivalents

**Operating**

Excess of revenue over expenses	\$ 14,732	\$ 2
Change in non-cash working capital items		
Amounts receivable	255	824
Prepaid expenses	(3,124)	(1,078)
Accounts payable and accrued liabilities	765	544
Deferred revenue	(735)	(895)
	<u>11,893</u>	<u>(603)</u>
Increase in cash and cash equivalents		
Cash and cash equivalents		
Beginning of year	<u>114,263</u>	<u>114,866</u>
End of year	<u>\$ 126,156</u>	<u>\$ 114,263</u>

**Cash and cash equivalents consists of:**

Cash and cash equivalents - unrestricted	\$ 117,930	\$ 105,047
Cash and cash equivalents - designated funds	<u>8,226</u>	<u>9,216</u>
	<u>\$ 126,156</u>	<u>\$ 114,263</u>

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# Community Bible Study Canada

## Notes to the Financial Statements

June 30, 2019

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### 1. Nature of operations

Community Bible Study Canada (the "Organization") is organized for religious and educational purposes. These purposes are achieved through the establishment of Bible study classes including the provision of study and devotional materials. The Organization is affiliated with Community Bible Study International and Community Bible Study organizations in various parts of the world.

The Organization is incorporated under the Canada Not-for-Profit Corporations Act and is exempt from income taxes as a registered charity under the Income Tax Act (Canada).

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### 2. Summary of significant accounting policies

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). The significant accounting policies used are as follows:

#### Use of estimates

Management reviews the carrying amounts of items in the financial statements at each statement of financial position date to assess the need for revision or any possibility of impairment. Certain items in the preparation of these financial statements require management's best estimate. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action.

These estimates are reviewed periodically and adjustments are made to excess of revenue over expenses as appropriate in the fiscal year they become known.

#### Fund accounting

Separate funds are maintained to account for and to report on the separate activities or objectives as determined by donors or by resolution of the Board of Directors.

#### Ruth Barton Fund

The Ruth Barton Fund is designated by the Board of Directors ("Board") in memory of Mrs. Ruth Barton to be used in the support of children's ministries in Canada.

#### National Teens Fund

The National Teens Fund is designated by donors to support the teen ministry in Canada.

#### Revenue recognition

Class fees are recognized as revenue in the period during which the course is held and collection is reasonably assured. Class fees received in advance are recognized as deferred revenue. Individual classes also collect funds to offset their expenses for child-care and their children's ministry, and these transactions are not included in the revenue and expenses of the Organization.

The Organization follows the restricted fund method of accounting for donations. Unrestricted donations are recorded as revenue when received or receivable and collection is reasonably assured. Designated donations are recorded as revenue in the appropriate designated fund when received or receivable. The Organization does not solicit or receive pledges.

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# Community Bible Study Canada

## Notes to the Financial Statements

June 30, 2019

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### 2. Summary of significant accounting policies (continued)

#### Contributed goods and services

Contributed goods, property donations and contributed services are not recorded in the accounts because of the difficulty in determining their fair market value.

#### Property and equipment

Property and equipment purchased during the fiscal year are charged to operations in the fiscal year. No office equipment was purchased in fiscal 2019 and 2018.

#### Financial instruments

The Church considers any contract creating a financial asset, liability or equity instrument as a financial instrument. The Church's financial instruments consists of cash and cash equivalents, amounts receivable and accounts payable.

Financial assets and financial liabilities are initially recognized at their fair value. Subsequent measurement is at amortized cost.

The allowance for doubtful accounts on amounts receivable is \$Nil (2018 - \$Nil). Government remittances payable included in accounts payable and accrued liabilities is \$Nil (2018 - \$Nil).

Cash equivalents consist of cashable Guaranteed Investment Certificates (GICs) for a total of \$52,631 (2018 - \$52,028) at interest rates from 1.50% to 2.10% (2018 - 0.40% to 2.00%) maturing between February 2020 and June 2020 (2018 - February 2019 to April 2019). The GICs are cashable without penalty.

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### 3. Financial instruments

Transactions in financial instruments may result in the Organization assuming or transferring to another party one or more financial risks. The Organization is not currently exposed to any significant credit risk, interest rate risk, liquidity risk or currency risk.

There have been no changes in management's assessment of its financial instrument risks over the prior year.