

**The Presbyterian Church in Canada -
Presbyterian World Service &
Development**

Statement of Revenues, Transfers and Expenditures
For the year ended December 31, 2017

**The Presbyterian Church in Canada -
Presbyterian World Service & Development**

Statement of Revenues, Transfers and Expenditures

For the year ended December 31, 2017

	2017 \$	2016 \$
Revenues		
Undesignated contributions	1,340,959	1,308,620
Designated bequests	326	259
Designated contributions (excluding relief projects)	488,004	387,366
Designated relief (note 4)	486,040	823,472
Government funds from		
Global Affairs Canada (GAC)	1,155,739	1,015,454
Government of the Province of Saskatchewan	-	1,058
Government of the Province of Manitoba	11,911	10,716
Other income - interest	35,906	39,574
Total revenues	3,518,885	3,586,819
Transfers from Loaves and Fishes Fund (note 3)	405,268	357,080
Total revenues and transfers	3,924,153	3,943,599
Expenditures		
Disaster, relief and rehabilitation (schedule 1a)	905,370	1,141,688
Overseas development projects (schedule 1b)	859,009	781,106
Relief and development programs support (schedule 1c)	325,698	494,017
GAC - PWS&D overseas program (schedule 2)	1,255,362	1,161,087
Memberships, partnerships and coalitions (schedule 3)	153,477	143,608
Resources, communication, promotion and grants (schedule 4)	249,408	107,366
Administration (schedule 5)	116,126	244,867
	3,864,450	4,073,739
Excess (deficiency) of revenues over expenditures for the year	59,703	(130,140)

The Presbyterian Church in Canada - Presbyterian World Service & Development

Notes to Statement of Revenues, Transfers and Expenditures
For the year ended December 31, 2017

1 Nature of organization

The Presbyterian Church in Canada - Presbyterian World Service & Development (PWS&D) is an organization established by the General Assembly to raise funds and support relief, development and refugee work around the world. It is part of The Presbyterian Church in Canada (the Church), which is a registered charity within the meaning of the Income Tax Act (Canada) and is exempt from income taxes.

2 Summary of significant accounting policies

Basis of accounting

This statement has been prepared in accordance with the significant accounting policies set out below to assist PWS&D to comply with the financial reporting requirements of the 2012 - 2017 Building Sustainable Livelihoods Project and the 2016 - 2020 Maternal, Newborn and Child Health Project contribution agreements effective on July 18, 2012 and March 10, 2016, respectively, between Global Affairs Canada (GAC) and PWS&D.

Revenue recognition

All contributions and other income are recognized as revenue of the appropriate fund in the year received or receivable.

Transfers

Transfers from other funds are recorded in the year received or receivable.

Expenditures

Expenses are recorded in the period incurred.

Estimates

In preparation of the statement, management is required to make estimates and assumptions that affect the reported amounts of revenues and expenditures during the reporting year. Actual results could differ from those estimates.

**The Presbyterian Church in Canada -
 Presbyterian World Service & Development**
 Notes to Statement of Revenues, Transfers and Expenditures
 For the year ended December 31, 2017

3 Loaves and Fishes Fund

In 2007, the Church created a restricted fund from undesignated bequests and undesignated planned gifts for PWS&D. Each year, one-seventh of all amounts received in the year and one-seventh of the opening balance will be transferred to PWS&D as an undesignated contribution. The remaining balance of the fund is invested in the consolidated portfolio of the Church. Interest earned on the fund balance during the year will also be transferred to PWS&D.

	2017	2016
	\$	\$
Opening fund balance	2,279,093	1,923,477
Bequests and planned gifts	558,691	576,852
Interest and market revaluation	163,229	135,844
Transfer to PWS&D	(405,268)	(357,080)
Closing fund balance	<u>2,595,745</u>	<u>2,279,093</u>

4 Designated relief

In 2017, PWS&D received funds matched by the Canadian Government. East Africa Famine funds of \$18,244 were matched as were Rohingya Crisis funds of \$30,873. PWS&D also received non-matching funds for both crisis and for B.C fire relief initiatives, Hurricane Irma, and Syria relief initiatives.

5 Contingencies

During the year, Global Affairs Canada has conducted an audit of the Maternal, Neonatal and Child Health Program administered by PWS&D for the period from December 13, 2011 to May 31, 2015. The preliminary results of the audit indicated that \$280,000 of the expenditures claimed require further documentation. The office of PWS&D has since submitted the additional supporting documentation. The final outcome of the audit is not determinable at this stage. No amounts have been recognized in this statement. Any amounts disallowed will be recognized in the period the issue is resolved.