

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

Statement of Revenues and Expenditures
For the year ended December 31, 2022



Independent auditor's report

To the Venerable General Assembly of The Presbyterian Church in Canada – Presbyterian World Service & Development

Our opinion

In our opinion, the accompanying statement of revenues and expenditures of The Presbyterian Church in Canada – Presbyterian World Service & Development (PWS&D or the Entity) (the financial statement) presents fairly, in all material respects, the statement of revenues and expenditures for the year ended December 31, 2022 in accordance with Canadian accounting standards for not-for-profit organizations.

What we have audited

The Entity's financial statement comprises:

- the statement of revenues and expenditures for the year ended December 31, 2022;
- the notes to the financial statement, which include significant accounting policies and other explanatory information.

Supplementary schedules

The accompanying schedules 1(a), 1(b), 1(c), 3, 4 and 5 of the Presbyterian World Service & Development and the schedule of Canadian Foodgrains Bank Association Inc. are presented as supplementary information only. These schedules have not been audited.

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 statement* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statement in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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Responsibilities of management and those charged with governance for the financial statement

Management is responsible for the preparation and fair presentation of the financial statement 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 a financial statement that is free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's responsibilities for the audit of the financial statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is 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 this financial statement.

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 statement, 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 Entity'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 Entity'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 statement 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 Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statement, including the disclosures, and whether the financial statement represents 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.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Oakville, Ontario
March 31, 2023

The Presbyterian Church in Canada – Presbyterian World Service & Development

Statement of Revenues and Expenditures

For the year ended December 31, 2022

	2022 \$	2021 \$
Revenues		
Undesignated contributions	1,229,858	1,205,570
Transferred from Loaves and Fishes fund (note 3)	1,313,612	1,063,692
Designated contributions (excluding relief projects)	212,641	278,654
Designated relief	1,306,196	413,541
Government funds		
Government of the Province of Manitoba	8,885	9,572
Income from Government (CEWS)	-	27,134
Other income – interest	2,121	2,692
Total Revenues	<u>4,073,313</u>	<u>3,000,855</u>
Expenditures		
Disaster, relief and rehabilitation (schedule 1a)	1,438,095	1,036,983
Overseas development projects (schedule 1b)	938,087	1,035,923
Relief and development program support (schedule 1c)	493,075	416,735
Memberships, partnerships and coalitions (schedule 3)	49,617	54,959
Resources, communication, promotion and advertising (schedule 4)	358,704	289,837
Administration (schedule 5)	365,471	309,346
Total Expenditures	<u>3,643,049</u>	<u>3,143,783</u>
Excess (deficiency) of revenues over expenditures for the year	<u>430,264</u>	<u>(142,928)</u>

The accompanying notes are an integral part of this statement of revenues and expenditures.

The Presbyterian Church in Canada – Presbyterian World Service & Development

Notes to Statement of Revenues and Expenditures

December 31, 2022

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

This financial statement has been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) as issued by the Canadian Accounting Standards Board.

Revenue recognition

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

Cash receipts

Cash receipts from congregations as at December 31, 2022, which were received by the treasurer of the Church within 11 business days after year-end, have been included in revenue for the year. The receipts, as described, amounted to \$291,678 (2021 – \$290,713).

Expenditures

Expenses are recorded in the period incurred on the accrual basis of accounting.

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 and Expenditures

December 31, 2022

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 as other income.

	2022 \$	2021 \$
Opening fund balance	5,198,603	5,306,796
Bequests and planned gifts	498,712	391,171
Interest and market revaluation	(679,487)	564,328
Transfer to PWS&D	(1,313,612)	(1,063,692)
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Closing fund balance	3,704,216	5,198,603

The Presbyterian Church in Canada – Presbyterian World Service & Development

Schedule 1(a)

Disaster, Relief and Rehabilitation Expenditures

(Unaudited)

For the year ended December 31, 2022

	2022 \$	2021 \$
Presbyterian Constituency Funded Projects		
Disaster, relief and rehabilitation expenditures		
Africa/Middle East		
Beirut/Lebanon Relief – ACT	-	50,000
Ethiopia/Sudan Tigray Crisis Response – ACT	100,002	50,000
Israel/Palestine COVID19 Relief ACT	-	25,000
Syria Crisis – CFGB	41,000	-
Yemen Relief – CFGB	175,000	-
Total Africa and Middle East	316,002	125,000
Asia		
Afghanistan – Food Assistance – CFGB	-	68,613
India COVID19 Response – CFGB	-	25,000
India COVID19 Support for Hospitals – CMAI	-	40,000
India COVID 19 Relief – ACT	-	50,000
Myanmar Emergency Response – ACT	-	20,000
Nepal COVID19 Relief – ACT	-	25,000
Pakistan Emergency Response – ACT	50,002	25,000
Pakistan Flood Response – ACT	50,000	-
Pakistan Flood Response – CFGB	50,000	-
Pakistan Staff Support – CWSA	15,000	-
Philippines Typhoon Response – ACT	50,000	-
Total Asia	215,002	253,613
Latin America/Caribbean/South America/Europe		
British Columbia Flood Response – St. Andrew's Chalmers	40,000	2,000
British Columbia Flood Response – Presbytery of Westminster	27,860	-
Guatemala Relief Project – CEDEPCA	-	30,000
Guatemala Migrant Humanitarian Relief – AMMID	-	5,000
Haiti Humanitarian Response – ACT	-	158,000
Nicaragua COVID19 Relief – CEPAD	20,130	40,200
Nicaragua COVID19 and Hurricanes Eta & Iota Relief – SOYNICA	-	3,200
Ukraine Conflict Response – ACT	350,880	-
Ukraine Conflict Response – CFGB	235,000	-
Venezuela Food Assistance – CFGB	50,000	-
Total Latin America/Caribbean/South America/Europe	723,870	238,400
Global/CFGB Designated		
ACT Alliance Rapid Response Fund	100,001	50,000
CFGB Designated Transfer	69,364	360,970
Danforth Grow Hope Project Transfer*	13,856	9,000
Total Global/CFGB Designated	183,221	419,970
Total Disaster, relief and rehabilitation expenditures	1,438,095	1,036,983

The Presbyterian Church in Canada – Presbyterian World Service & Development

Statement of.../Schedule of... *...continued*

For the year ended December 31, 2022

* In 2022 participating Toronto churches contributed as follows: Westminster and Riverdale Presbyterian Churches \$1,000, Church of the Resurrection (Anglican) \$500 and the East End United Regional Ministries (United Church of Canada) \$3500. These funds, totalling \$5,000, were used to sponsor 10 acres, and were transferred to Reesor Seeds and Grains. This was done in collaboration with the York Growing Project in Stouffville (Mennonite). The proceeds from the harvest totalled \$8,856 and were transferred to Canadian Foodgrains Bank.

The Presbyterian Church in Canada – Presbyterian World Service & Development

Schedule 1(b)

Overseas Development Projects Expenditures

(Unaudited)

For the year ended December 31, 2022

	2022 \$	2021 \$
Overseas initiatives		
Africa and Middle East		
Ghana		
Gambaga Go Home – PCG	40,707	33,881
Garu Community Base Rehabilitation – PCG	62,683	120,919
Malawi		
Neno School Girls Mission Scholarship – CCAP	24,667	29,332
Ekwendeni Hospital Integrated Development – EHAP	125,073	116,922
Livingstonia Synod AIDS Program – LISAP	94,349	68,669
Mulanje Hospital Orphan Care – MMH	70,158	58,343
Strengthening Maternal, Newborn and Child Health – MMH	57,972	49,610
Agriculture and Livelihood transfers – CFGB	-	72,619
Total Africa and Middle East	475,609	550,295
Asia		
Afghanistan		
Girls' Education – CWSA	-	20,025
Nepal		
Green Pastures Hospital – INF	12,150	4,500
Banke Health Project – INF	57,474	53,716
Pakistan		
Digital Learning Centre – CWSA	39,634	-
Agriculture & Livelihood Transfers – CFGB	-	34,001
Total Asia	109,258	112,242
Latin America and Caribbean		
Guatemala		
Comprehensive Education Program – Francisco Coll School	44,241	33,472
Gender Equality Women's Program – AMMID	31,888	30,412
Food Security through Agroecology – FPM	62,091	-
Haiti		
Children Malnutrition Treatment Program – ZL – CFGB	50,000	-
Food Security through Agroecology – PDL – CFGB	50,000	-
Nicaragua		
Peer to Peer Youth Training and Prevention – INPRHU	-	44,415
Infant Nutritional and Developmental Program – SOYNICA	-	21,256
Agriculture & Livelihood Transfers – CFGB	-	178,563
Total Latin America and Caribbean	238,220	308,118
Global		
Africa Climate Fund – ACT	50,000	-
Women of Courage – KAIROS	65,000	65,000
Total Global	115,000	65,000
Refugee Initiatives		
Refugee Ministry	-	268
Total Refugee Initiatives	-	268
Total Overseas Development Projects expenditures	938,087	1,035,923

The Presbyterian Church in Canada – Presbyterian World Service & Development

Schedule 1(c)

Relief and Development Program Support Expenditures

(Unaudited)

For the year ended December 31, 2022

	2022 \$	2021 \$
Relief and Development Program Support expenditures		
Program staff costs		
Salaries and benefits	399,112	404,066
Contract employment	5,275	1,243
Overseas contract employment	3,729	9,092
Staff support	10,878	1,845
Total Program staff costs expenditures	<u>418,994</u>	<u>416,246</u>
General program costs		
Translation	32	455
Development travel / monitoring	13,213	34
Emergency appeal administration/travel	11,390	-
Total General program costs expenditures	<u>24,635</u>	<u>489</u>
Program evaluations	<u>30,748</u>	<u>-</u>
Capacity building for southern partners		
Training for Partners	11,233	-
Partner representation	7,465	-
Total Capacity building for southern partners expenditures	<u>18,698</u>	<u>-</u>
	493,075	416,735
Total Presbyterian constituency funded projects	<u>2,869,257</u>	<u>2,489,641</u>

The Presbyterian Church in Canada – Presbyterian World Service & Development

Schedule 3

Memberships, Partnerships and Coalitions Expenditures

(Unaudited)

For the year ended December 31, 2022

	2022 \$	2021 \$
Memberships, Partnerships and Coalitions expenditures		
Ecumenical		
Canadian Foodgrains Bank	6,000	6,000
World Council of Churches	7,960	5,000
ACT Alliance	1,282	16,201
Ecumenical Advocacy Alliance	15,000	15,000
Total ecumenical expenditures	<u>30,242</u>	<u>42,201</u>
Councils		
Canadian Council for International Co-operation	8,616	8,000
Ontario Council for International Co-operation	721	721
Manitoba Council for International Co-operation	1,089	1,157
Total Councils expenditures	<u>10,426</u>	<u>9,878</u>
Coalitions		
Coalition representation	5,589	20
Canadian Council for Refugees	1,500	1,500
Americas Policy Group	1,210	1,210
Canadian Partnership for Women and Children's Health	500	-
Refugee Sponsorship Agreement Holder Association	150	150
Total coalitions expenditures	<u>8,949</u>	<u>2,880</u>
Total Memberships, Partnerships and Coalitions expenditures	<u>49,617</u>	<u>54,959</u>

The Presbyterian Church in Canada – Presbyterian World Service & Development

Schedule 4 and 5

Resources, Communication, Promotion and Advertising Expenditures

(Unaudited)

For the year ended December 31, 2022

	2022 \$	2021 \$
Resources, Communication, Promotion and Advertising expenditures		
Resources		
Worship resources	16,492	4,999
Educational resources	300	22
Resource distribution	4,800	9,327
Total Resources expenditures	21,592	14,348
Communication		
Speaking engagements	2,382	442
Equipment	-	60
Network development	643	1,509
Public engagement contract	-	46,528
Salaries and benefits – communications	215,106	164,840
Total Communication expenditures	218,131	213,379
Promotion and Advertising		
Advertising	27,107	25,030
Promotional resources	64,455	32,208
Fundraising	5,980	4,872
Audiovisual resources	21,439	-
Total Promotion and Advertising expenditures	118,981	62,110
Total Resources, Communication, Promotion and Advertising expenditures	358,704	289,837
Administration expenditures		
Audit fees	17,487	11,424
Committee	14,775	1,145
Office equipment	-	637
Office expenses	17,615	12,916
Salaries and benefits	290,503	283,009
Administrative Contract Employment	25,091	-
Administrative staff support	-	215
Total Administration expenditures	365,471	309,346

The Presbyterian Church in Canada – Presbyterian World Service & Development

Schedule of PWS&D Member Activities

(Unaudited)

For the year ended December 31, 2022

The Canadian Foodgrains Bank Association Inc. (the Association) is a not-for-profit organization without share capital, incorporated under the laws of Canada, and is registered with the Canada Customs Revenue Agency as a charitable organization under registration number 11883 1106 RR0001. The Association's principal activity is providing resources for relief and development activities in developing countries. PWS&D is a member of the Association and as such, it initiates and implements projects that are funded by the equity in its account along with funds from the Association, including funds from the Government of Canada, from the General Account of the Association, and from contributions from other members of the Association. PWS&D transfers funds to its account at the CFGB through cash member transfers and receives donations into its account directly.

	2022 \$	2021 \$
Member's equity – Opening balance	658,415	282,327
Revenue		
Government funds		
Global Affairs Canada	1,973,842	415,415
Material and food resources		
Donations	406,414	348,326
Cash member transfers	720,364	739,765
Interest and other revenue	322	-
	3,100,942	1,503,506
Expenditures	2,597,697	869,588
Excess of revenues over expenditures for the year	503,245	633,918
Net transfers	942	(257,830)
Member's equity – Closing balance	1,162,602	658,415

The Presbyterian Church in Canada – Presbyterian World Service & Development

Schedule of PWS&D Member Activities...*continued*

(Unaudited)

For the year ended December 31, 2022

	2022 \$	2021 \$
(CFGB and PWS&D – led activity expenditures)		
Agriculture & livelihood		
Guatemala – Comiteca Food Security (AMMID)	-	12,300
Guatemala – Quetzaltenango Pre Project (FPM)	51,010	9,102
Malawi – Mpata Drought Mitigation Project (CCAP Livingstonia)	6,347	26,565
Malawi – Strengthening Production Capacity in Balaka (CARD)	114,030	67,582
Malawi – Pre Project in Lupembe (SOLDEV)	7,634	4,233
Pakistan – Umerkot HERD Program (CWSA)	153,993	
Total Agriculture & livelihood	333,014	119,782
Food assistance		
Afghanistan – COVID-19 Response in Bamyán (CWSA)	-	403,149
Malawi – Tropical Storm Anna Flood Response (CARD)	228,442	-
Pakistan – Flood Assistance (CWSA)	1,100,588	-
Pakistan – Umerkot HERD Program (CWSA)	725,842	-
Total Food assistance	2,054,872	403,149
Nutrition		
Haiti – Child Nutrition (PIH)	172,800	328,066
Total Nutrition	172,800	328,066
Other member expenditures (support to PWS&D)	37,011	18,586
Total expenditures	2,597,697	869,583

In 2022, CFGB members contributed their resources to PWS&D-led programs in Afghanistan, Guatemala, Haiti, Malawi, and Pakistan. Members who shared their equity at CFGB with PWS&D are the United Church of Canada (UCC), Canadian Baptist Ministries (CBM), Tearfund Canada (TFCA), Primate's World Relief and Development Fund (PWRDF), Adventist Development and Relief Agency (ADRA), Development and Peace (D&P), Evangelical Missionary Church of Canada (EMCC), Emergency Relief & Development Overseas (ERDO), Mennonite Central Committee Canada (MCC), Nazarene Compassionate Ministries Canada (NCM), and World Renew (Christian Reform). PWS&D is grateful to these member agencies at CFGB for generously contributing to these initiatives.