

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

Statements of Revenue and Expenditures
For the year ended December 31, 2023



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 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, 2023 in accordance with Canadian accounting standards for not-for-profit organizations.

What we have audited

The Entity's financial statements comprise:

- the statement of revenues and expenditures for the year ended December 31, 2023;
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

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 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 statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other matter – supplementary information

We draw attention to the fact that the supplementary information included in Schedule 1 to 4 of the Presbyterian World Service & Development and schedule of Canadian Foodgrains Bank Association Inc. does not form part of the financial statements. We have not audited or reviewed this supplementary information and, accordingly, we do not express an opinion, a review conclusion or any other form of assurance on this supplementary information.

PricewaterhouseCoopers LLP
PwC Tower, 18 York Street, Suite 2500, Toronto, Ontario, Canada M5J 0B2
T.: +1 416 863 1133, F.: +1 416 365 8215, Fax to mail: ca_toronto_18_york_fax@pwc.com

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



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.

In preparing the financial statements, 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 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 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 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 Entity 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.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario
May 30, 2024

The Presbyterian Church in Canada - Presbyterian World Service & Development

Statement of Revenues and Expenditures

For the year ended December 31, 2023

	2023	2022
	\$	\$
Revenues		
Undesignated Contributions	1,353,767	1,229,858
Transferred from Loaves and Fishes fund (note 3)	1,303,997	1,313,612
Designated contributions (excluding relief projects)	272,291	212,641
Designated relief	664,100	1,306,196
Canadian Foodgrains Bank	108,693	-
Government funds		
Government of the Province of Manitoba	-	8,885
Other income	27,836	2,121
Total Revenues	<u>3,730,684</u>	<u>4,073,313</u>
Expenditures		
Disaster relief and rehabilitation (schedule 1a)	1,423,769	1,438,095
Overseas development project (schedule 1b)	1,173,155	961,047
Relief and development program support (schedule 1c)	529,988	493,075
Memberships, partnerships and coalitions (schedule 2)	22,078	26,657
Resources, communication, promotion and advertising (schedule 3)	356,260	358,704
Administration (schedule 4)	391,695	365,471
Total Expenditures	<u>3,896,945</u>	<u>3,643,049</u>
(Deficiency)/Excess of revenues over expenditures for the year	<u>(166,261)</u>	<u>430,264</u>

The Presbyterian Church in Canada - Presbyterian World Service & Development

Notes to Statement of Revenues and Expenditures

December 31, 2023

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.

Expenditures

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

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 in the fund is subject to the same calculations as other revenues into the fund.

In 2023, \$350,000 in supplementary funds were transferred to PWS&D's operations from the fund as approved by the committee in October 2021 based on a revision of the fund and its application.

	2023	2022
	\$	\$
Opening fund balance	3,704,216	5,198,603
Bequests and planned gifts	2,716,167	498,712
Interest and market revaluation	564,379	(679,487)
Transfer to PWS&D	(1,303,997)	(1,313,612)
Closing fund balance	<u>5,680,765</u>	<u>3,704,216</u>

The Presbyterian Church in Canada - Presbyterian World Service & Development

Disaster Relief and Rehabilitation Expenditures
(Unaudited)

Schedule 1 (a)

For the year ended December 31, 2023

	2023	2022
	\$	\$
Presbyterian Constituency Funded Projects		
Disaster, relief and rehabilitation expenditures		
Africa/Middle East		
Africa Cyclone Freddy - CARD	13,923	-
Ethiopia/Sudan Tigray Crisis Response - ACT	-	100,002
Jordan Humanitarian Crisis - ACT	24,999	-
Gaza Conflict Response - ACT	75,000	-
Sudan Crisis Response - ACT	50,000	-
Syria Crisis Response - CFGB	140,000	41,000
Syria -Turkey Earthquake Relief - ACT	80,999	-
Yemen Relief - CFGB	-	175,000
Total Africa and Middle East	384,921	316,002
Asia		
Afghanistan - Food Assistance - CFGB	50,000	-
Bajura Earthquake Response -INF	25,000	-
Myanmar Emergency Response - ACT	24,999	-
Pakistan Emergency Response - ACT	-	50,002
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	99,999	215,002
Latin America/Caribbean/South America/Europe		
British Columbia Flood Response - St Andrew's Chalmers	9,650	40,000
British Columbia Flood Response - Presbytery of Westminster	-	27,860
Nicaragua COVID19 Relief - CEPAD	-	20,130
Ukraine Conflict Response - ACT	119,974	350,880
Ukraine Conflict Response - CFGB	133,342	235,000
Ukraine Transcarpathian Relief - ALF	50,000	-
Venezuela Food Assistance - CFGB	-	50,000
Total Latin America/Caribbean/South America/Europe	312,966	723,870

The Presbyterian Church in Canada - Presbyterian World Service & Development

Disaster Relief and Rehabilitation Expenditures
(Unaudited)

Schedule 1 (a)

For the year ended December 31, 2023

Disaster Relief and Rehabilitation Expenditures (continued)

Global/CFGB Designated

ACT Alliance Rapid Response Fund	100,000	100,001
CFGB Designated Transfer	515,083	69,364
Danforth Grow Hope Project Transfer*	10,800	13,856

Total Global/CFGB Designated

625,883 183,221

Total Disaster, relief and rehabilitation expenditures

1,423,769 1,438,095

*In 2023 participating Toronto churches contributed as follows: Westminster and Riverdale Presbyterian Churches (\$1,200), Church of the Resurrection (Anglican) (\$3,600), East End United Regional Ministries (United Church) in Toronto (\$4,200), Danforth Mennonite church (\$600) and the Meeting House (East) (\$1,200). Together they contributed \$10,800 which was used to sponsor 18 acres. This was done in collaboration with the York Growing Project in Stouffville (Mennonite). The proceeds from the harvest totaled \$15,083 and was transferred to the Canadian Foodgrains Bank.

The Presbyterian Church in Canada - Presbyterian World Service & Development

Overseas Development Project Expenditures

Schedule 1 (b)

(Unaudited)

For the year ended December 31, 2023

	2023	2022
	\$	\$
Overseas Initiatives		
Africa and Middle East		
Ghana		
Gambaga Go Home - PCG	8,735	40,707
Garu Community Base Rehabilitation - PCG	52,969	62,683
Malawi		
Neno School Girls Mission Scholarships - CCAP	-	24,667
Ekwendeni Hospital Integrated Development - EHAP	137,337	125,073
Embangweni Hospital - Adolescent Health - SLHD	64,144	-
Livingstonia Synod AIDS Program - LISAP	98,406	94,349
Mulanje Hospital Orphan Care - MMH	78,681	70,158
Strengthening Maternal, Newborn and Child Health - MMH	70,068	57,972
Agriculture and Livelihood transfers - CFGB	50,000	-
Total Africa and Middle East	560,340	475,609
Asia		
Nepal		
Green Pastures Hospital - INF	-	12,150
Banke Health Project - INF	60,942	57,474
Climate Change and DRR - INF	47,728	-
India		
Karuna Project - Duncan Hospital	23,586	-
SBSS Food Security in Jharkhand - CNI	6,043	-
Pakistan		
Digital Learning Centre - CWSA	19,837	39,634
Girls' Education - CWSA	69,431	-
Agriculture & Livelihood Transfers - CFGB	25,000	-
Total Asia	252,567	109,258
Latin America and Caribbean		
Guatemala		
Comprehensive Education Program - Francisco Coll School	47,699	44,241
Gender Equality Women's Program - AMMID	73,999	31,888
Food Security through Agroecology - FPM	-	62,091
Adolescent Girls Violence Prevention - CEDEPCA	36,000	-
Haiti		
Children Malnutrition Treatment Program - ZL - CFGB	-	50,000
Food Security through Agroecology - PDL - CFGB	-	50,000
Maternal Health Project - C-NEW-C	35,015	-

The Presbyterian Church in Canada - Presbyterian World Service & Development

Overseas Development Project Expenditures

Schedule 1 (b)

(Unaudited)

For the year ended December 31, 2023

Overseas Development Project Expenditures (continued)

Nicaragua

Peer to Peer Youth Training and Prevention - INPRHU

54,131 -

Agriculture & Livelihood Transfers - CFGB

25,000 -

Total Latin America and Caribbean

271,844 238,220

Global

Locally Led Climate Fund - ACT

- 50,000

Health and Healing Initiatives - WCC

7,500 7,960

Human Rights Initiatives - WCC

15,000 15,000

Women of Courage - KAIROS

65,000 65,000

Total Global

87,500 137,960

Refugee Initiatives

Refugee Ministry

904 -

Total Refugee Initiatives

904 -

Total Overseas Development Project Expenditures

1,173,155 961,047

The Presbyterian Church in Canada - Presbyterian World Service & Development

Relief and Development Program Support Expenditures

Schedule 1 (c)

(Unaudited)

For the year ended December 31, 2023

	2023	2022
	\$	\$
Relief and Development Program Support Expenditures		
Program staff costs		
Salaries and benefits	433,947	399,112
Contract employment	-	5,275
Overseas contract employment	1,695	3,729
Staff support	15,677	10,878
Total Program staff costs expenditures	<u>451,319</u>	<u>418,994</u>
General program costs		
Translation	165	32
Development travel / monitoring	18,147	13,213
Emergency appeal administration/travel	11,585	11,390
Total General program costs expenditures	<u>29,897</u>	<u>24,635</u>
Program evaluations	<u>16,304</u>	<u>30,748</u>
Capacity building for Global partners		
Training for Partners	-	11,233
Global Partner Representation	16,060	7,465
Capacity building for disaster preparedness	16,408	-
Total Capacity building for Global partners expenditures	<u>32,468</u>	<u>18,698</u>
	<u>529,988</u>	<u>493,075</u>
Total Presbyterian constituency funded projects	<u>3,126,912</u>	<u>2,892,217</u>

The Presbyterian Church in Canada - Presbyterian World Service & Development

Memberships, Partnerships and Coalitions Expenditures
(Unaudited)

Schedule 2

For the year ended December 31, 2023

	2023	2022
	\$	\$
Memberships, Partnerships and Coalitions Expenditures		
Ecumenical		
Canadian Foodgrains Bank	6,000	6,000
ACT Alliance	1,360	1,282
Total ecumenical expenditures	<u>7,360</u>	<u>7,282</u>
Councils		
Canadian Council for International Cooperation	4,200	8,616
Ontario Council for International Cooperation	721	721
Manitoba Council for International Cooperation	200	1,089
Total Councils expenditures	<u>5,121</u>	<u>10,426</u>
Coalitions		
Coalition representation	7,597	5,589
Canadian Council for Refugees	1,500	1,500
Americas Policy Group	-	1,210
Canadian Partnership for Women and Children's Health	500	500
Refugee Sponsorship Agreement Holder Association	-	150
Total coalitions expenditures	<u>9,597</u>	<u>8,949</u>
Total Memberships, Partnerships and Coalitions Expenditures	<u>22,078</u>	<u>26,657</u>

The Presbyterian Church in Canada - Presbyterian World Service & Development

Resources, Communication, Promotion and Advertising Expenditures
(Unaudited)

Schedule 3 and 4

For the year ended December 31, 2023

	2023	2022
	\$	\$
Resources, Communication, Promotion and Advertising Expenditures		
Resources		
Worship resources	23,393	16,492
Educational resources	-	300
Resources distribution	2,228	4,800
Total Resources expenditures	<u>25,621</u>	<u>21,592</u>
Communication		
Speaking engagements	4,652	2,382
Equipment	46	-
Network development	1,985	643
Salaries and benefits - communications	231,306	215,106
Total Communication expenditures	<u>237,989</u>	<u>218,131</u>
Promotion and Advertising		
Advertising	25,063	27,107
Promotional resources	37,055	64,455
Fundraising	11,705	5,980
Audiovisual resources	18,827	21,439
Total Promotion and Advertising expenditures	<u>92,650</u>	<u>118,981</u>
Total Resources, Communication, Promotion and Advertising Expenditures	<u>356,260</u>	<u>358,704</u>
Administration Expenditures		
Audit fees	21,084	17,487
Committee	50,247	14,775
Office equipment	2,260	-
Office expenses	7,220	17,615
Salaries and benefits	308,102	290,503
Administrative Contract Employment	202	25,091
Administrative staff support	2,090	-
Administrative travel expenses	490	-
Total Administration expenditures	<u>391,695</u>	<u>365,471</u>

The Presbyterian Church in Canada - Presbyterian World Service & Development

Schedule of Canadian Foodgrains Bank related to PWS&D Member Activities

(Unaudited)

For the year ended December 31, 2023

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.

	2023	2022
	\$	\$
PWS&D's equity - Opening balance	<u>1,162,602</u>	<u>658,415</u>
Revenue		
Government funds		
Global Affairs Canada	3,321,071	1,973,842
Material and food resources		
Donations	369,242	406,414
Cash member transfers	790,000	720,364
Interest and other revenue	-	322
	<u>4,480,313</u>	<u>3,100,942</u>
Expenditures	<u>5,400,862</u>	<u>2,597,697</u>
(Deficiency) Excess of revenues over expenditures of the year	<u>(920,549)</u>	<u>503,245</u>
Net transfers	<u>482,934</u>	<u>942</u>
PWS&D's equity - Closing balance	<u>724,987</u>	<u>1,162,602</u>

The Presbyterian Church in Canada - Presbyterian World Service & Development

Schedule of Canadian Foodgrains Bank related to PWS&D Member Activities

(Unaudited)

For the year ended December 31, 2023

(CFGB and PWS&D - led activity expenditures)

Agriculture & livelihood

Guatemala - Quetzaltenango Food Security (FPM)	77,520	51,010
Malawi - Mpata Drought Mitigation Project (CCAP Livingstonia)	-	6,347
Malawi - Enhancing Climate Resilience in Balaka (CARD)	13,048	-
Malawi - Strengthening Production Capacity in Balaka (CARD)	53,300	114,030
Malawi - Pre Project in Lupembe (SOLDEV)	70,000	7,634
Malawi - Cyclone Freddy Response (CARD)	241,757	-
Pakistan - Umerkot HERD Program (CWSA)	329,447	153,993
Total Agriculture & livelihood	785,072	333,014

Food assistance

Afghanistan - Food Assistance in Bamyan Province (CWSA)	413,000	228,442
Malawi - Tropical Storm Anna Flood Response (CARD)	512,948	-
Malawi - Cyclone Freddy Response (CARD)	407,700	-
Pakistan - Sindh Flood Assistance (CWSA)	2,116,593	1,100,588
Pakistan - Umerkot Food Assistance Program (CWSA)	534,729	-
Pakistan - Umerkot HERD Program (CWSA)	35,906	725,842
Total Food assistance	4,020,876	2,054,872

Nutrition

Haiti - Child Nutrition (Zamni Lasante)	482,564	172,800
Total Nutrition	482,564	172,800

Other member expenditures

	112,349	37,011
Total expenditures	5,400,861	2,597,697

In 2023, 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), The Salvation Army (TSA), Christian and Missionary Alliance (C&MA), Canadian Lutheran World Relief (CLWR) and World Renew (Christian Reform). PWS&D is grateful to these member agencies at CFGB for generously contributing to these initiatives.