

PRAYER BOOK SOCIETY OF CANADA

FINANCIAL STATEMENTS

(UNAUDITED)

JANUARY 31, 2023

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

TO THE MEMBERS OF THE PRAYER BOOK SOCIETY OF CANADA

I have reviewed the accompanying financial statements of Prayer Book Society of Canada which comprise the statement of financial position as at January 31, 2023 and January 31, 2022 and the statements of operations - operating fund and changes in fund balances and cash flows for for the years then ended, and a summary of significant accounting policies and other explanatory information.

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.

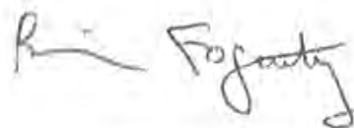
My responsibility is to express a conclusion on the accompanying financial statements based on my review. I conducted my review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

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.

In common with many not-for-profit organizations, Prayer Book Society of Canada derives revenue from the general public in the form of appeals and bequests, the completeness of which is not susceptible to me obtaining evidence I considered necessary for the purpose of the review. Accordingly, the evidence obtained of these revenues was limited to the amounts recorded in the records of Prayer Book Society of Canada. Therefore, I was not able to determine whether any adjustments might be necessary to revenues from appeals or bequests, excess of revenues over expenses, and cash flows from operations for the years ended January 31, 2023 and 2022, current assets as at January 31, 2023 and 2022, and net assets as at January 31, 2023. My review conclusion on the financial statements for the year ended January 31, 2023 was modified accordingly because of the possible effects of this limitation in scope.

Based on my review, except for the possible effects of the matter described in the preceding paragraph, nothing has come to my attention that causes me to believe that the financial statements do not present fairly, in all material respects, the financial position of Prayer Book Society of Canada as at January 31, 2023 and January 31, 2022, 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.




CHARTERED PROFESSIONAL ACCOUNTANT
CHARLOTTETOWN, P.E.I.
MAY 17, 2023

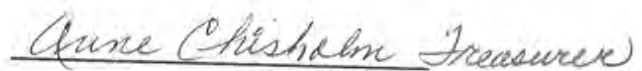
PRAYER BOOK SOCIETY OF CANADA
STATEMENT OF FINANCIAL POSITION
(UNAUDITED)
JANUARY 31, 2023 AND JANUARY 31, 2022

Assets	2023	2022
Current assets		
Cash - Note 6	\$ 52,715	\$ 66,949
GST and HST receivable	1,932	2,308
Accrued interest receivable	72	72
	54,719	69,329
Term investments - Note 4	30,226	30,119
Tangible capital assets	1	1
	\$ 84,946	\$ 99,449
 Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$ 2,500	\$ 2,500
Government remittance payable	26	26
	2,526	2,526
 Net assets		
Unrestricted	82,420	96,923
	\$ 84,946	\$ 99,449

APPROVED BY BOARD OF DIRECTORS:

 Director

(See accompanying notes to these financial statements)



PRAYER BOOK SOCIETY OF CANADA
STATEMENT OF OPERATIONS
(UNAUDITED)
FOR THE YEAR ENDED JANUARY 31, 2023 AND JANUARY 31, 2022

	Budget 2022 - 2023	Actual 2022 - 2023	Actual 2021 - 2022
Revenue			
Appeals			
Bequests	\$ 40,000	\$ 43,501	\$ 48,842
Contributions from branches - Note 3	2,000	-	19,500
Book sales	500	500	12,754
Interest income	100	117	168
	100	107	119
	<u>42,700</u>	<u>44,225</u>	<u>81,383</u>
Operating expenses			
Annual general meeting	200	385	-
Canada Post and mailings	1,500	1,814	1,356
National council meetings	500	217	230
Bookkeeping	3,600	3,600	2,600
Interest and bank charges	800	939	787
Professional fees	5,100	5,233	5,044
Office and printing	1,000	584	444
	<u>12,700</u>	<u>12,772</u>	<u>10,461</u>
Program expenses			
Newsletters and appeals	19,000	16,526	17,514
Bursaries	12,000	12,000	8,250
Conferences and projects - Note 7	10,000	4,400	12,707
Website - Note 7	3,500	3,820	3,350
Advertising and promotion	2,400	2,400	2,400
Donations	1,000	-	3,000
Meetings and travel	1,000	-	-
Honorarium - chair	7,000	6,810	6,753
	<u>55,900</u>	<u>45,956</u>	<u>53,974</u>
Total expenses	<u>68,600</u>	<u>58,728</u>	<u>64,435</u>
Excess revenues (expenses) for the year	<u>\$ (25,900)</u>	<u>(14,503)</u>	<u>16,948</u>
Net assets, beginning of year		<u>96,923</u>	<u>79,975</u>
Net assets, end of year		<u>\$ 82,420</u>	<u>\$ 96,923</u>

Brian Fogarty Chartered Professional Accountant

PRAYER BOOK SOCIETY OF CANADA
STATEMENT OF CASH FLOWS
(UNAUDITED)
FOR THE YEAR ENDED JANUARY 31, 2023 AND JANUARY 31, 2022

	2022 - 2023	2021 - 2022
Cash Flows From Operating Activities		
Excess revenue (expenses) for the year	\$ (14,503)	\$ 16,948
Net change in non-cash working capital items		
(Increase) decrease in GST and HST accounts receivable	376	(102)
Increase in accrued interest receivable	(91)	-
	<u>(14,218)</u>	<u>16,846</u>
Cash Flows From Investing Activity		
Increase in term investments	(16)	(119)
Increase (decrease) in cash	<u>(14,234)</u>	<u>16,727</u>
Cash - Beginning of year	<u>66,949</u>	<u>50,222</u>
Cash - End of year	<u>\$ 52,715</u>	<u>\$ 66,949</u>

**PRAYER BOOK SOCIETY OF CANADA
NOTES TO THE FINANCIAL STATEMENTS
(UNAUDITED)
JANUARY 31, 2023 AND JANUARY 31, 2022**

1. Nature and Purpose of the Organization

The objective and purpose of The Prayer Book Society of Canada, is retention of the classical Anglican Doctrine and Theology as embodied in the Book of Common Prayer (Canada) 1959 - 1962, within the Anglican Church of Canada,

Branches are organized with consistent aims and objectives as contained in the Constitution of the Society. The individual branches are independent of The Prayer Book Society of Canada and accordingly the financial results of these branches are not included in these financial statements.

The organization is a non-profit organization and a registered charity under the Income Tax Act of Canada and is therefore tax exempt under Section 149(1)(1) of the Canadian Income Tax Act.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations and include the following significant accounting policies:

Cash and cash equivalents

The organization maintains cash and cash equivalents with its financial institution in excess of federally insured levels and is therefore exposed to the credit risk from this concentration of cash and equivalents.

Cash and cash equivalents consist of cash in the bank.

Term investments

Short term investments are valued at the lower of cost and market value.

Investments classified as long term are recorded at amortized cost on a straight-line basis.

Revenue recognition

The Society follows the deferral method of accounting for contributions including bequests. Donations through appeals are recognized as revenue in the year received or receivable, if the amount to be received can be reasonably estimated and ultimate collection is reasonably assured. Unrestricted contributions are recognized as revenue in the current period and restricted contributions are deferred until the related expenses are incurred and the restrictions complied with by the Society.

Interest on term investments is recorded as income when earned.

**PRAYER BOOK SOCIETY OF CANADA
NOTES TO THE FINANCIAL STATEMENTS
(UNAUDITED)
JANUARY 31, 2023 AND JANUARY 31, 2022**

2. Summary of significant accounting policies (cont'd)

Tangible capital assets

The Society expenses tangible capital assets in the year of acquisition and carried at a nominal sum on the balance sheet. During the year, the organization expensed \$nil (2022 - nil) in tangible capital asset additions.

Service contributions

Volunteers contribute a significant amount of time each year to assist the Society in carrying out its programs and services. Because of the difficulty of determining their fair value, contributed services are not recognized in these financial statements.

Use of estimates

The presentation 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 and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Significant items subject to estimates and assumptions include valuation of accounts receivable and inventory. Actual results could differ from those reported.

Fair value

The Society initially measures its financial assets and financial liabilities at fair value, except for certain related party transactions that are measured at the carrying amount or exchange amount, as appropriate. The organization subsequently measures all its financial assets and financial liabilities at cost or amortized cost. Changes in fair value of these financial instruments are recognized in excess revenue (expenses) for the year. Financial assets measured at amortized cost on a straight-line basis include cash, marketable securities, accounts receivable, accrued interest receivable and investments. Financial liabilities measured at amortized cost on a straight-line basis include accounts payable and accrued liabilities.

3. Related party transactions

During the year, the Society received nil (2022 - \$12,754) in contributions from Branches. Included in the 2022 contributions is \$12,255 received from the Manitoba Branch which is designated to support the bursary program.

**PRAYER BOOK SOCIETY OF CANADA
NOTES TO THE FINANCIAL STATEMENTS
(UNAUDITED)
JANUARY 31, 2023 AND JANUARY 31, 2022**

4. Term investments

Term investments consist of a one-year Guaranteed Investment Certificate held by a chartered bank.

The details of the Guaranteed Investment Certificate are as follows:

	2023	2022
Guaranteed investment certificate, redeemable early without interest penalty after 30 days, anniversary date July 11, 2023, bearing interest at 1.0%, interest paid annually	30,135	30,119

During the year, the Society had net redemptions of \$nil (2022 - nil) of the investments to provide funds to be used in operations.

5. Financial instruments

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The organization is exposed to interest rate risk on its fixed interest rate investments.

Liquidity risk

Liquidity risk is the risk that the organization will encounter difficulty in meeting obligations associated with financial instruments. The organization is exposed to liquidity risk arising primarily from the collection of receivables, purchasing commitments, obligations or raising funds to meet commitments and sustain operations.

Credit risk

Credit risk is the risk that a customer will cause a financial loss to the organization by failing to discharge an obligation. The organization is exposed to credit risk in the event of non-performance by counterparties in connection with its receivables. The organization does not obtain collateral or other security to support the accounts receivable subject to credit risk but mitigates this risk by dealing only with what management believes to be financially sound counterparties and, accordingly, does not anticipate a significant loss.

6. Restricted cash

The Society has an agreement with its financial institution which required that \$35,000 be maintained in the current bank account in order for banking fees to be waived. The Society has budgeted to maintain the minimum balance for the 2022-2023 fiscal year.

**PRAYER BOOK SOCIETY OF CANADA
NOTES TO THE FINANCIAL STATEMENTS
(UNAUDITED)
JANUARY 31, 2023 AND JANUARY 31, 2022**

7. Commitments

The Society has made investments in the Common Prayer Canada Mobile App, a technology which enables access to content using mobile devices. In addition to the initial development of the App and enhancements by a contractor based in the United States, the Society has entered into service contracts for monthly website maintenance and Facebook design and updates at monthly rates of \$300 and \$200 respectively.

The costs for these commitments are included in website and conferences and projects expenses.

Prayer Book Society of Canada

	Proposed Budget 2023-2024	Actual 2022-2023	Actual 2021-2022
REVENUE			
Appeals	\$40,000	\$43,501	\$48,842
Bequests	2,000	0	19,500
Contributions from branches	500	500	12,754
Other	100	117	168
Interest	100	107	119
TOTAL REVENUE	\$42,700	\$44,225	\$81,383
EXPENSES			
Operating Expenses			
Annual general meeting	300	385	0
Postage	1,900	1,814	1,357
National Council meetings	300	217	230
Bank charges & credit card	1,000	939	786
Office & printing	800	584	444
Bookkeeping	3,600	3,600	2,600
Professional fees	5,300	5,233	5,044
Total Operating Expense	13,200	12,772	10,461
Program Expenses			
Newsletters and appeals	17,000	16,526	17,514
Advertising & Promotion	2,400	2,400	2,400
Bursaries	12,000	12,000	8,250
Conferences, projects, Synod	15,000	4,400	12,707
Website	3,900	3,820	3,350
Donations	500		3,000
Meetings & travel	500		0
Honorarium - Chair	7,000	6,810	6,753
Total Programme Expenses	58,300	45,956	53,974
TOTAL EXPENSE	\$71,500	\$58,728	\$64,435
NET (EXPENDITURES OVER REVENUES)	-\$28,800	-\$14,503	\$16,948