

PRAYER BOOK SOCIETY OF CANADA
FINANCIAL STATEMENTS
(UNAUDITED)
JANUARY 31, 2024

Brian Fogarty Chartered Professional Accountant

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Brian E. Fogarty Professional Corporation
Brian Fogarty Chartered Professional Accountant
Office location: 11 Queen Street, Charlottetown, PE
Mailing address: PO Box 293, Charlottetown, PE C1A 7K4
Phone: (902)-368-8106 Fax: (902) 370-8106 Email: bfogarty@brianfogarty.ca

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, 2024 and January 31, 2023 and the statements of operations - operating fund and changes in fund balances and cash flows 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, 2024 and 2023, current assets as at January 31, 2024 and 2023, and net assets as at January 31, 2024. My review conclusion on the financial statements for the year ended January 31, 2024 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, 2024 and January 31, 2023, 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.
APRIL 23, 2024

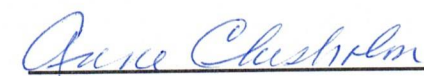

**PRAYER BOOK SOCIETY OF CANADA
STATEMENT OF FINANCIAL POSITION
(UNAUDITED)
JANUARY 31, 2024 AND JANUARY 31, 2023**

	2024	2023
Assets		
Current assets		
Cash - Note 6	\$ 77,564	\$ 52,715
GST and HST receivable	1,954	1,932
Accrued interest receivable	510	72
	<u>80,028</u>	<u>54,719</u>
Term investments - Note 4	30,435	30,226
Tangible capital assets	1	1
	<u>\$ 110,464</u>	<u>\$ 84,946</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$ 4,738	\$ 2,500
Government remittance payable	26	26
	<u>4,764</u>	<u>2,526</u>
Net assets		
Unrestricted	<u>105,700</u>	<u>82,420</u>
	<u>\$ 110,464</u>	<u>\$ 84,946</u>

APPROVED BY BOARD OF DIRECTORS:

 Director

(See accompanying notes to these financial statements)

 Director
 Treasurer

Brian Fogarty Chartered Professional Accountant

**PRAYER BOOK SOCIETY OF CANADA
STATEMENT OF OPERATIONS
(UNAUDITED)
FOR THE YEAR ENDED JANUARY 31, 2024 AND JANUARY 31, 2023**

	Budget 2023 - 2024	Actual 2023 - 2024	Actual 2022 - 2023
Revenue			
Appeals	\$ 40,000	\$ 45,666	\$ 43,501
Bequests	2,000	4,000	-
Contributions from branches - Note 3	500	32,537	500
Other	100	477	117
Interest income	100	647	107
	42,700	83,327	44,225
 Operating expenses			
Annual general meeting	300	-	385
Canada Post and mailings	1,900	1,577	1,814
National council meetings	300	247	217
Bookkeeping	3,600	3,600	3,600
Interest and bank charges	1,000	837	939
Professional fees	5,300	6,180	5,233
Office and printing	800	500	584
	13,200	12,941	12,772
 Program expenses			
Newsletters and appeals	17,000	16,131	16,526
Bursaries	12,000	12,000	12,000
Conferences and projects - Note 7	10,000	5,400	4,400
General Synod	5,000	50	-
Website - Note 7	3,900	3,995	3,820
Advertising and promotion	2,400	2,400	2,400
Donations	500	-	-
Meetings and travel	500	343	-
Honorarium - chair	7,000	6,787	6,810
	58,300	47,106	45,956
 Total expenses	71,500	60,047	58,728
 Excess revenues (expenses) for the year	\$ (28,800)	23,280	(14,503)
 Net assets, beginning of year		82,420	96,923
 Net assets, end of year		\$ 105,700	\$ 82,420

Brian Fogarty Chartered Professional Accountant

PRAYER BOOK SOCIETY OF CANADA
STATEMENT OF CASH FLOWS
(UNAUDITED)
FOR THE YEAR ENDED JANUARY 31, 2024 AND JANUARY 31, 2023

	2023 - 2024	2022 - 2023
Cash Flows From Operating Activities		
Excess revenue (expenses) for the year	\$ 23,280	\$ (14,503)
Net change in non-cash working capital items		
(Increase) decrease in GST and HST accounts receivable	(22)	376
Increase in accrued interest receivable	(438)	(91)
	<u>25,058</u>	<u>(14,218)</u>
Cash Flows From Investing Activity		
Increase in term investments	(209)	(16)
Increase (decrease) in cash	<u>24,849</u>	<u>(14,234)</u>
Cash - Beginning of year	<u>52,715</u>	<u>66,949</u>
Cash - End of year	<u><u>\$ 77,564</u></u>	<u><u>\$ 52,715</u></u>

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**PRAYER BOOK SOCIETY OF CANADA
NOTES TO THE FINANCIAL STATEMENTS
(UNAUDITED)
JANUARY 31, 2024 AND JANUARY 31, 2023**

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
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JANUARY 31, 2024 AND JANUARY 31, 2023**

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 (2023 - 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 \$32,537 (2023 - \$500) in contributions from Branches.

Included in the fiscal 2024 contributions is \$32,037 received when the Vancouver branch closed and disbursed its remaining funds on hand to the Society. These funds are allocated to general operations of the Society.

**PRAYER BOOK SOCIETY OF CANADA
NOTES TO THE FINANCIAL STATEMENTS
(UNAUDITED)
JANUARY 31, 2024 AND JANUARY 31, 2023**

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:

	2024	2023
Guaranteed investment certificate anniversary date July 11, 2023, redeemed during the year	\$ -	\$ 30,135
Guaranteed investment certificate, redeemable early without interest penalty after 30 days, anniversary date July 9, 2024, bearing interest at 3.0%, interest paid annually	30,435	-
	<u>\$ 30,435</u>	<u>\$ 30,135</u>

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 2023-2024 fiscal year.

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**PRAYER BOOK SOCIETY OF CANADA
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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.