

**ST. PAUL'S UNITED CHURCH**  
**Financial Statements**  
**Year Ended December 31, 2023**

**ST. PAUL'S UNITED CHURCH**  
**Index to Financial Statements**  
**Year Ended December 31, 2023**

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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

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To the Members of St. Paul's United Church

We have reviewed the accompanying financial statements of St. Paul's United Church (the Church) that comprise the statement of financial position as at December 31, 2023, and the statements of operations, changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO), 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.

### *Practitioner's Responsibility*

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our 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.

### *Basis for Qualified Conclusion*

Based on our review, except for the possible effects of the matter described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of St. Paul's United Church as at December 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 (ASNPO).

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Independent Practitioner's Review Engagement Report to the Members of St. Paul's United Church  
(continued)

*Qualified Conclusion*

Based on our review, except for the possible effects of the matter described in the *Basis for Qualified Conclusion* paragraph, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of St. Paul's United Church as at December 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 (ASNPO).

*Daye Kelly & Associates*

Fredericton, New Brunswick  
April 4, 2024

CHARTERED PROFESSIONAL ACCOUNTANTS

**ST. PAUL'S UNITED CHURCH**  
**Statement of Operations**  
**Year Ended December 31, 2023**

	Operating Budget	Operating	Housing	Capital Foundation	Trust Funds	2023 Total	2022 Total
<b>INCOME</b>							
Collections (Note 6)	\$ 211,500	\$ 219,872	\$ -	\$ 6,250	\$ -	\$ 226,122	\$ 249,297
Facility and property income (Note 5)	25,000	26,845	85,714	-	-	112,559	105,447
Management fees	44,000	51,002	-	-	-	51,002	30,756
Other givings (Note 7)	14,000	21,854	-	-	-	21,854	21,527
Investment income (loss)	100	(435)	-	17,999	3,129	20,693	(19,391)
Interest on loan to other fund	-	-	-	-	6,500	6,500	6,500
Canada Summer Jobs grant (Note 5)	-	8,877	-	-	-	8,877	-
	294,600	328,015	85,714	24,249	9,629	447,607	394,136
M&S givings received	5,000	4,945	-	-	-	4,945	6,778
M&S givings disbursed	(5,000)	(4,945)	-	-	-	(4,945)	(6,778)
	294,600	328,015	85,714	24,249	9,629	447,607	394,136
<b>EXPENDITURES</b>							
Salaries and benefits	167,023	178,299	-	-	-	178,299	155,466
Church and hall buildings (Note 8)	99,000	84,558	-	-	-	84,558	84,968
Other operating (Note 9)	16,600	28,216	-	-	-	28,216	31,840
Appropriations (Note 10)	40,641	27,396	-	-	-	27,396	29,241
Professional fees	6,000	7,189	2,000	2,000	-	11,189	28,220
Rental property expenses	-	-	19,110	-	-	19,110	32,672
Management fees	-	-	51,002	-	-	51,002	30,756
Interest on loan from other fund	-	-	6,500	-	-	6,500	6,500
Interest on long term debt	-	-	7,102	2,995	-	10,097	9,249
Expenditures (Schedule 2) (Note 11)	-	-	-	9,275	8,106	17,381	10,297
	329,264	325,658	85,714	14,270	8,106	433,748	419,209
<b>EXCESS (DEFICIENCY) OF INCOME OVER EXPENDITURES FROM OPERATIONS</b>	(34,664)	2,357	-	9,979	1,523	13,859	(25,073)

(continues)

**ST. PAUL'S UNITED CHURCH**  
**Statement of Operations** *(continued)*  
**Year Ended December 31, 2023**

	Operating Budget	Operating	Housing	Capital Foundation	Trust Funds	<b>2023 Total</b>	2022 Total
<b>OTHER INCOME</b>							
Bequests	-	25,000	-	-	-	<b>25,000</b>	-
Downtown United revenue	-	-	-	-	-	-	50,933
Downtown United expenses	-	(23,805)	-	-	-	<b>(23,805)</b>	(4,750)
	-	1,195	-	-	-	<b>1,195</b>	46,183
<b>EXCESS (DEFICIENCY) OF INCOME OVER EXPENDITURES</b>	\$ (34,664)	\$ 3,552	\$ -	\$ 9,979	\$ 1,523	<b>\$ 15,054</b>	\$ 21,110

**ST. PAUL'S UNITED CHURCH**  
**Statement of Changes in Fund Balances**  
**Year Ended December 31, 2023**

	Operating	Housing	Capital Foundation	Trust Funds	<b>2023</b>	2022
<b>FUND BALANCES - BEGINNING OF YEAR</b>	\$ 109,936	\$ 279,875	\$ 3,157,565	\$ 209,366	<b>\$ 3,756,742</b>	\$ 3,735,632
Excess of income over expenditures	3,552	-	9,979	1,523	<b>15,054</b>	21,110
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ 113,488</b>	<b>\$ 279,875</b>	<b>\$ 3,167,544</b>	<b>\$ 210,889</b>	<b>\$ 3,771,796</b>	<b>\$ 3,756,742</b>

**ST. PAUL'S UNITED CHURCH**  
**Statement of Financial Position**  
**December 31, 2023**

	Operating	Housing	Capital Foundation	Trust Funds	2023 Total	2022 Total
<b>ASSETS</b>						
<b>CURRENT</b>						
Cash	\$ 128,856	\$ 61,540	\$ 747	\$ -	\$ 191,143	\$ 200,804
Investments (Note 12)	3,344	-	244,900	63,719	311,963	293,840
HST recoverable	2,311	267	647	96	3,321	8,787
Prepaid expenses	22,701	7,332	-	-	30,033	-
Due from other funds (Note 13)	32,059	-	1,336	-	33,395	-
Loan due from other fund (Note 14)	-	-	-	147,074	147,074	140,574
	189,271	69,139	247,630	210,889	716,929	644,005
PROPERTY (Note 15)	-	517,744	2,986,000	-	3,503,744	3,503,744
	\$ 189,271	\$ 586,883	\$ 3,233,630	\$ 210,889	\$ 4,220,673	\$ 4,147,749
<b>LIABILITIES</b>						
<b>CURRENT</b>						
Accounts payable	\$ 38,963	\$ 9,447	\$ 2,000	\$ -	\$ 50,410	\$ 30,291
Deferred contributions (Note 16)	32,632	-	-	-	32,632	11,419
Deferred revenue	180	5,794	-	-	5,974	5,262
Wages payable	4,008	-	-	-	4,008	6,634
Due to other funds (Note 13)	-	33,395	-	-	33,395	-
Loan due to other fund (Note 14)	-	147,074	-	-	147,074	140,574
Current portion of long term debt (Note 17)	-	7,640	13,112	-	20,752	132,659
	75,783	203,350	15,112	-	294,245	326,839
LONG TERM DEBT (Note 17)	-	103,658	50,974	-	154,632	64,168
	75,783	307,008	66,086	-	448,877	391,007
<b>FUND BALANCES (Schedule 1)</b>	113,488	279,875	3,167,544	210,889	3,771,796	3,756,742
	\$ 189,271	\$ 586,883	\$ 3,233,630	\$ 210,889	\$ 4,220,673	\$ 4,147,749

CONTINGENCY (Note 18)

**Approved**

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 Congregational Board

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 Finance Committee



ST. PAUL'S UNITED CHURCH

Statement of Cash Flows  
Year Ended December 31, 2023

	Operating	Housing	Capital Foundation	Trust Funds	2023 Total	2022 Total
<b>OPERATING ACTIVITIES</b>						
Cash received from donors	\$ 352,377	\$ 87,961	\$ 25,128	\$ 9,532	\$ 474,998	\$ 439,538
Cash paid to suppliers and employees	(363,090)	(73,025)	(9,275)	(8,106)	(453,496)	(388,599)
Interest paid on long-term debt	-	(13,602)	(2,995)	-	(16,597)	(15,749)
Bequests	25,000	-	-	-	25,000	-
Cash flow from operating activities	14,287	1,334	12,858	1,426	29,905	35,190
<b>INVESTING ACTIVITY</b>						
Investments	(198)	-	(22,999)	5,074	(18,123)	55,111
<b>FINANCING ACTIVITIES</b>						
Increase in loan payable to other fund	-	6,500	-	-	6,500	6,500
Increase in loan receivable from other fund	-	-	-	(6,500)	(6,500)	(6,500)
Increase (decrease) in amounts from other funds	(16,663)	17,713	(1,050)	-	-	-
Repayment of long term debt	-	(8,805)	(12,638)	-	(21,443)	(19,650)
Cash flow from (used by) financing activities	(16,663)	15,408	(13,688)	(6,500)	(21,443)	(19,650)
<b>INCREASE (DECREASE) IN CASH FLOW</b>	(2,574)	16,742	(23,829)	-	(9,661)	70,651
<b>CASH - BEGINNING OF YEAR</b>	131,430	44,798	24,576	-	200,804	130,154
<b>CASH - END OF YEAR</b>	\$ 128,856	\$ 61,540	\$ 747	\$ -	\$ 191,143	\$ 200,805

**ST. PAUL'S UNITED CHURCH**  
**Notes to Financial Statements**  
**Year Ended December 31, 2023**

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**1. PURPOSE OF THE CHURCH**

St. Paul's United Church (the "Church") is a not-for-profit organization of New Brunswick. As a registered charity the Church is exempt from the payment of income tax under Subsection 149(1) of the Income Tax Act.

St. Paul's United Church is an historic church located in downtown Fredericton, New Brunswick. The Church's mission is to glorify God through worship, the proclamation of the Gospel of Jesus Christ, and to serve others in Christ's name.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) and, in management's opinion, with consideration of materiality and within the framework of the following accounting policies:

Revenue Recognition

St. Paul's United Church follows the restricted fund method of accounting for contributions, in order to ensure the observance of limitations and restrictions placed on the use of Church resources. This results in revenue and expenditures being recorded in funds according to the activities or objectives for which they are specifically intended. Restrictions imposed by the donor on the use of donated funds are external restrictions. The congregation may also impose internal restrictions on donations or fund balances which are not otherwise externally restricted.

The Operating Fund includes offerings, other givings and income, and administrative expenditures of the Church.

The Housing Fund includes revenues and expenses related to rental premises.

The Capital Foundation Fund includes all receipts specified for the acquisition of capital assets and corresponding expenditures. This Fund also includes capital renovations to existing properties which are financed by appropriations from the Operating Fund when necessary. Investment income earned from the temporary investment of designated contributions is included in this Fund.

Restricted Trust Funds include receipts for a specific purpose. Contributions are recorded as received and outlays are recorded as paid. Investment income is pro-rated according to an approved formula.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks and short term deposits with original maturities of three months or less. Bank borrowings are considered to be financing activities.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

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**ST. PAUL'S UNITED CHURCH**  
**Notes to Financial Statements**  
**Year Ended December 31, 2023**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Capital assets

The Church building and Fraser Memorial Hall are recorded at their 1990 appraised values which were based on building costs as of November 1990. Rental properties are recorded at the total of their 1990 appraisal values and the costs incurred to convert the original single-family residences into multi-unit rental properties. Other capital assets are expensed at the time of purchase. No provision for depreciation or amortization is recorded in the financial statements. No gain or loss will be recorded in the statement of operations on disposition of any capital assets.

This policy is not in accordance with Canadian accounting standards for not-for-profit organizations, which require not-for-profit organizations to capitalize and amortize tangible capital assets if the average of annual revenues recognized on the statement of operations for the current or preceding period is greater than \$500,000. Once the requirement to capitalize and amortize tangible capital assets is met, based on average annual revenues, an entity it expected to continue to follow this requirement, even if average revenues subsequently fall below \$500,000.

Fund balances

- a) Fund balances invested in capital assets represents the Church's net investment in capital assets, as described above.
- b) Internally restricted fund balances are funds which have been designated for a specific purpose by the congregation.
- c) Externally restricted fund balances are funds which have been designated for a specific purpose by the donor.
- d) Unrestricted fund balances comprise the excess of revenue over expenditures accumulated by the Church each year, net of transfers, and are available for general purposes.

Government grants

Government grants are recorded when there is a reasonable assurance that the Church has complied with, and will continue to comply with, all the necessary conditions to obtain the grants.

Contributed services

A substantial number of volunteers contribute to a significant amount of time to the Church each year. Because of the difficulty of determining fair value, contributed services are not recognized in the financial statements.

Donated goods

The Church also occasionally receives donations in kind. Donated goods are recorded at their fair market value at the time of the donation, and presented as Other Givings in the Operating Fund, or included in Contributions (Restricted Funds), and the related expenses are recorded in various expense accounts, as appropriate.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)**

Measurement uncertainty

The preparation 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, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Comparative figures

Certain comparative amounts have been reclassified to conform to the current year's presentation.

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**3. FINANCIAL INSTRUMENTS**

The Church is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Church's risk exposure and concentration as of December 31, 2023.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk.

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**4. CAPITAL MANAGEMENT**

The Church considers its capital to be the restricted and unrestricted fund balances. The Church's objective when managing capital is to safeguard the entity's ability to continue as a going concern in order to continue providing services to its congregation.

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**5. GOVERNMENT ASSISTANCE**

The Church owns two rental properties which provide accommodations at rates scaled to tenants' income. In relation to these properties, the Church has entered into two agreements with the Province of New Brunswick, whereby the Province subsidizes rents charged to tenants, up to market rents specified in the agreements. The agreements expire in 2029 and 2033. Property income reported for the Housing Fund on the Statement of Operations includes Provincial subsidies of \$66,873 (2022 - \$60,964).

During the year, the Church received wage subsidies of \$8,877 from the federal government, which funded the placement of two summer students.

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**ST. PAUL'S UNITED CHURCH**  
**Notes to Financial Statements**  
**Year Ended December 31, 2023**

**6. COLLECTIONS/CONTRIBUTIONS**

	2023	2022
<u>Operating Fund</u>		
Envelopes	\$ 175,499	\$ 176,655
Donated securities	24,693	19,811
Other donations	5,598	20,733
On-line donations	5,726	4,415
Easter	758	664
Thanksgiving	482	2,257
Anniversary	987	6,725
Christmas	4,898	4,369
Loose	1,155	1,013
Initial offerings	76	-
	\$ 219,872	\$ 236,642

**7. OTHER GIVINGS**

	2023	2022
<u>Operating Fund</u>		
Pantry Fund	\$ 11,539	\$ 7,605
United Church Women	463	9,052
Benevolent Fund	3,078	2,453
Fundraising events	5,336	1,461
Miscellaneous	1,438	956
	\$ 21,854	\$ 21,527

**8. CHURCH AND HALL BUILDINGS EXPENDITURES**

	2023	2022
<u>Operating Fund</u>		
Fuel	\$ 22,532	\$ 25,610
Insurance	19,998	22,886
Electricity	12,143	14,057
Building repairs and maintenance	7,427	10,721
Snow and garbage removal	10,097	8,658
Boiler repairs and maintenance	12,361	3,036
	\$ 84,558	\$ 84,968

**ST. PAUL'S UNITED CHURCH**  
**Notes to Financial Statements**  
**Year Ended December 31, 2023**

**9. OTHER OPERATING EXPENDITURES**

	2023	2022
<u>Operating Fund</u>		
Pantry fund	\$ 11,539	\$ 7,605
United Church Women	463	5,052
Bank charges	3,599	4,682
Office supplies	3,846	4,362
Telephone and internet	3,178	3,456
Benevolent fund	3,078	2,453
Licenses and subscriptions	1,655	1,865
Miscellaneous	342	1,727
Computer support	-	369
Fundraising	365	269
Organ and piano maintenance	151	-
	\$ 28,216	\$ 31,840

**10. APPROPRIATIONS**

	2023	2022
<u>Operating Fund</u>		
St. Paul's Worship Committee	\$ 7,161	\$ 14,573
Annual assessment	17,121	12,117
St. Paul's Christian Education Committee	2,197	1,684
St. Paul's Partnership Committee	917	783
St. Paul's Community Committee	-	84
	\$ 27,396	\$ 29,241

**11. CAPITAL FOUNDATION FUND EXPENDITURES**

	2023	2022
Projects	\$ 9,268	\$ 3,094
Bank service charges	7	3
	\$ 9,275	\$ 3,097

**ST. PAUL'S UNITED CHURCH**  
**Notes to Financial Statements**  
**Year Ended December 31, 2023**

**12. INVESTMENTS**

The Church has a managed investment portfolio with BMO Nesbitt Burns. As described in Note 3 above, the fair value of the Church's short-term investments will fluctuate due to changes in market prices. The allocation of the investments and the unrealized gains (losses) are as follows:

	Investments at Cost	Unrealized Gains (Losses)	<b>2023</b>	2022
Capital Foundation Fund	\$ 202,602	\$ 42,298	\$ <b>244,900</b>	\$ 221,901
Trust Funds	52,714	11,005	<b>63,719</b>	68,793
Operating Fund	2,657	687	<b>3,344</b>	3,146
	<u>\$ 257,973</u>	<u>\$ 53,990</u>	<u>\$ <b>311,963</b></u>	<u>\$ 293,840</u>

**13. DUE FROM (TO) OTHER FUNDS**

	<u>2023</u>	<u>2022</u>
<b><i>Operating Fund</i></b>		
Housing	\$ 33,395	\$ 15,682
Capital Foundation	(1,336)	(286)
	<u>\$ 32,059</u>	<u>\$ 15,396</u>
<b><i>Housing Fund</i></b>		
Operating	<u>\$ (33,395)</u>	<u>\$ (15,682)</u>
<b><i>Capital Foundation Fund</i></b>		
Operating	<u>\$ 1,336</u>	<u>\$ 286</u>

**14. INTERFUND LOAN**

Interest of \$6,500 is accrued each year and paid when possible.

	<u>2023</u>	<u>2022</u>
<i>Loan Receivable</i>		
<b><i>Trust Funds</i></b>		
Gough Family Trust loan	\$ 100,000	\$ 100,000
Accrued interest	47,074	40,574
	<u>\$ 147,074</u>	<u>\$ 140,574</u>
<i>Loan Payable</i>		
<b><i>Housing Fund</i></b>		
Loan from Gough Family Trust	<u>\$ 147,074</u>	<u>\$ 140,574</u>
	<u>\$ 147,074</u>	<u>\$ 140,574</u>

**ST. PAUL'S UNITED CHURCH**  
**Notes to Financial Statements**  
**Year Ended December 31, 2023**

**15. PROPERTY**

	2023	2022
<u>Capital Foundation Fund</u>		
Church and Fraser Memorial Hall	\$ 2,925,000	\$ 2,925,000
Land - 427 Charlotte Street	31,000	31,000
Land - 429 Charlotte Street	30,000	30,000
	<b>2,986,000</b>	2,986,000
<u>Housing Fund</u>		
Land & Building - 242 York Street	431,094	431,094
Land & Building - 230 York Street	339,260	339,260
Furniture and fixtures - 242 York St	10,402	10,402
Furniture and fixtures - 230 York St	8,519	8,519
Paving	8,469	8,469
	<b>797,744</b>	797,744
<u>Forgivable Debt Contributions</u>		
PNB Contribution - 242 York Street	(160,000)	(160,000)
PNB Contribution - 230 York Street	(120,000)	(120,000)
	<b>(280,000)</b>	(280,000)
	<b>\$ 3,503,744</b>	\$ 3,503,744

The Church's accounting policy for capital assets is described in Note 2 above.

**16. DEFERRED CONTRIBUTIONS**

	2023	2022
<b><i>Benevolent Fund</i></b>		
Balance, beginning of year	\$ 8,241	\$ 6,815
Contributions	1,488	3,140
Grant	500	-
Gifts-in-kind	503	739
Expenditures	(3,078)	(2,453)
	<b>7,654</b>	8,241
Transfer to Pantry Fund	(4,000)	-
	<b>\$ 3,654</b>	\$ 8,241

*(continues)*



**ST. PAUL'S UNITED CHURCH**  
**Notes to Financial Statements**  
**Year Ended December 31, 2023**

**16. DEFERRED CONTRIBUTIONS (continued)**

***Pantry Fund***

Balance, beginning of year	\$	776	\$	4,861
Contributions		5,279		600
Grant		3,100		-
Gifts-in-kind		4,097		2,920
Expenditures		(11,539)		(7,605)
		1,713		776
Transfer from Benevolent Fund		4,000		-
		5,713		776
Balance, end of year	\$		\$	

***United Church Women***

Balance, beginning of year	\$	2,288	\$	-
Contributions		6,250		7,340
Gifts-in-kind		76		-
Expenditures		(463)		(5,052)
		8,151		2,288
Balance, end of year	\$		\$	

***Refugee Fund***

Balance, beginning of year	\$	114	\$	114
Contributions		27,000		-
Gifts-in-kind		1,853		-
Expenditures		(13,853)		-
		15,114		114
Balance, end of year	\$		\$	
		32,632		11,419

**ST. PAUL'S UNITED CHURCH**  
**Notes to Financial Statements**  
**Year Ended December 31, 2023**

**17. LONG TERM DEBT**

	2023	2022
BMO Mortgage bearing interest at 7.94% per annum, repayable in monthly blended payments of \$1,420. The loan matures on February 28, 2027 and is secured by 230 York Street.	<b>\$ 111,298</b>	\$ 120,103
BMO Mortgage bearing interest at 4.34% per annum, repayable in monthly blended payments of \$1,303. The loan matures on June 1, 2026 and is secured by 242 York Street.	<b>64,086</b>	76,724
	<b>175,384</b>	196,827
Amounts payable within one year	<b>(20,752)</b>	(132,659)
	<b>\$ 154,632</b>	\$ 64,168
Yearly principal repayments are approximately:		
2024	\$ 20,752	
2025	22,832	
2026	47,182	
2027	84,618	
	<b>\$ 175,384</b>	

**18. CONTINGENCY**

On February 9, 2009, the Church entered into an agreement with the Province of New Brunswick, whereby the Church received funding in the amount of \$120,000 under the Affordable Rental Housing Program. The funds were provided to offset construction costs related to the conversion of the property at 230 York Street into affordable housing rental units. The funding was comprised of a forgivable loan, the terms and conditions of which state that the loan will be forgiven after twenty (20) years if specified conditions are met. If these conditions are not met, the loan becomes payable, with interest at a rate of 4.6%.

On November 9, 2012, the Church entered into a second agreement with the Province of New Brunswick whereby the Church received funding of \$160,000 under the same program. The funds were provided to offset construction costs related to the conversion of the property at 242 York Street into affordable housing rental units. The terms and conditions of the second agreement are essentially the same as the first agreement. The application interest rate is 2.9%.

As of the date of these financial statements, the Church is in compliance with the terms of the agreements. As a result, the loans are presented in the financial statements as a reduction of the cost of the capital assets to which the funding pertains and are recorded at face value without accrued interest (see Note 15).

**ST. PAUL'S UNITED CHURCH**  
**Schedule of Fund Balances (Schedule 1)**  
**Year Ended December 31, 2023**

	Operating	Housing	Capital Foundation	Trust Funds	2023	2022
Invested in Capital Assets	\$ -	\$ 259,372	\$ 2,986,000	\$ -	\$ <b>3,245,372</b>	\$ 3,243,067
Externally Restricted	-	-	-	210,889	<b>210,889</b>	209,366
Internally Restricted	-	55,000	181,544	-	<b>236,544</b>	226,566
Unrestricted	113,488	(34,497)	-	-	<b>78,991</b>	77,743
	<b>\$ 113,488</b>	<b>\$ 279,875</b>	<b>\$ 3,167,544</b>	<b>\$ 210,889</b>	<b>\$ 3,771,796</b>	<b>\$ 3,756,742</b>

**ST. PAUL'S UNITED CHURCH**  
**Schedule of Restricted Trust Funds (Schedule 2)**  
**Year Ended December 31, 2023**

	St. Paul's Scholarship Fund	Theological Scholarship Fund	Nellie MacKay Memorial Trust	Organ/Chimes Fund	Hilder/Wright Memorial Fund	Gough Family Trust	2023	2022
<b>Balance, beginning</b>	\$ 15,058	\$ 11,013	\$ 6,159	\$ 1,954	\$ 4,789	\$ 170,393	\$ 209,366	\$ 213,606
<b>Income</b>								
Investment income (loss)	1,209	884	494	157	385	-	3,129	(3,540)
Interest on loan to other fund	-	-	-	-	-	6,500	6,500	6,500
	1,209	884	494	157	385	6,500	9,629	2,960
<b>Expenditures</b>								
Disbursements	1,200	5,000	-	1,379	527	-	8,106	7,200
<b>Balance, ending</b>	\$ 15,067	\$ 6,897	\$ 6,653	\$ 732	\$ 4,647	\$ 176,893	\$ 210,889	\$ 209,366

*St. Paul's Scholarship Fund*

Capital and interest may be used to award bursaries to students attending post-secondary educational institutions, as approved by the Scholarship Committee

*Theological Scholarship Fund*

Capital and interest may be used to award bursaries to members attending religious studies programs, as approved by the Christian Education Committee

*Nellie MacKay Memorial Trust*

Capital and interest may be used for Sunday School purposes, as approved by the Christian Education Committee

*Organ/Chimes Fund*

Capital and interest may be used for maintaining and enhancing the church organ and chimes, as approved by the Board of Trustees

*Hilder / Wright Memorial Fund*

Capital and interest may be used for musical purposes, as approved by the Music Director

*Gough Family Trust*

Capital is to be retained in the fund; interest may be used for general purposes, as approved by the Board of Trustees