

Rehoboth AGM - June 22, 2024

06.22.2024 10:30 AM - 12:00 PM

Purpose	
Presenters	Craig Poeter, Jeff Alliston, Marco van't Klooster, Rob Duker, RON BOS, Stephanie Bekkering, Wendy Benckhuysen
Note Taker	RON BOS
Attendees	DEBBIE DIETZ, EMMA GENOVEY, JANICE GERBRANDT, KAREN FAINT, RON BOS
Absences	Ed Kos, Jeff Alliston, Marco van't Klooster
Guests	Betty Geibelhaus, Craig Poeter, Richard Visser, Rob Duker, Stephanie Bekkering, Wendy Benckhuysen
Location	Zoom & Acheson
How to Attend Meeting	
Zoom Link	

DRAFT

1. WELCOME AND OPENING DEVOTIONS

Presenter(s): Rob Duker

Discussion

President Rob Duker opens the meeting with words of welcome, after which he reads from the Scriptures and leads in prayer.

2. ESTABLISH QUORUM

Presenter(s): Rob Duker

Description

"E) Twenty members in good standing shall constitute a quorum at any general (annual or special) meeting of the Association. If quorum is not achieved within the first half hour, the chairperson shall adjourn the meeting, and then open a new meeting in which quorum will consist of those members present."

Discussion

Quorum is not reached. As per Rehoboth Bylaws, the meeting is paused for 30 minutes to allow for additional society members to join.

After the allotted half hour expires with quorum not reached, Rob Duker adjourns the meeting and opens a new meeting with quorum reached as those members currently present. This is the process mandated by the Rehoboth Bylaws.

3. PRESENTATION OF CET ACCREDITATION CERTIFICATE

Presenter(s): Rob Duker

Description

Clova Lehr from the Alberta Council of Disability Services (ACDS) to present certificates to Rob Duker as President of Rehoboth.

Discussion

Ms. Clova Lehr, Director of Accreditation and Services with the Alberta Council of Disability Services, is a special guest at the AGM. In presenting Rehoboth with a certificate for achieving Creating Excellence Together Accreditation Level 2 for Adults with Disabilities, Ms. Lehr offers warm words of congratulations and thanks for Rehoboth's excellent work. A photo op with Ms. Lehr and Rob Duker ensues.

4. APPROVED 2023 AGM MINUTES

Presenter(s): Marco van't Klooster

Decision


Rob Duker moves that the minutes of the June 17, 2023 Rehoboth AGM be approved. Jason Bossert seconds the motion, and it carries unanimously.

5. PRESENTATION OF 2023-24 AUDITED FINANCIAL STATEMENTS

Presenter(s): Craig Poeter, Jeff Alliston, Stephanie Bekkering

Description

Presented by Metrix Group LLP.

-  Rehoboth, Association 2024 - Financial statements DRAFTS.pdf
-  Rehoboth, Foundation 2024 - DRAFT - Financial Statements.pdf
-  Statement of Financial Position - Association.pdf
-  Statement of Financial Position - Foundation.pdf

Discussion

Craig Poeter, Senior Manager with the Metrix Group LLP presents the 2023024 Audited Financial Statements for the Rehoboth Association and Foundation.

Rehoboth's finances are in good order, and the audit brought forward no concerns over Rehoboth's policies, processes, procedures, and oversight.

No questions arise from meeting attendees.

Decision

Stephanie Bekkering moves that the Audited Financial Statements be accepted. Richard Visser seconds the motion and it is carried unanimously.

6. APPOINT AUDITOR FOR 2024-25 AUDIT

Presenter(s): Stephanie Bekkering

Decision

Stephanie Bekkering moves that Metrix Group LLP be appointed as Auditor for the 2024-25 audit of Association and Foundation financials.

Jason Bossert seconds the motion and it is carried unanimously.

7. PRESENTATION OF 2024-25 OPERATIONAL BUDGET

Presenter(s): Stephanie Bekkering

-  Association Budget Fiscal 24-25.pdf
-  Foundation Budget for Fiscal 24-25.pdf

Discussion

Board Treasurer, Stephanie Bekkering presents the 2024-25 Budgets for Rehoboth Association and Foundation, highlighting certain line items with additional narrative.

Decision

Stephanie Bekkering moves that the Association Budget for 2024-25 be accepted as presented. Jason Bossert seconds the motion and it is carried unanimously.

8. PRESENTATION OF 2023-24 OPERATIONAL HIGHLIGHTS

Presenter(s): RON BOS

Description

Brief verbal overviews of program highlights this past fiscal year from Karen Faint, Janice Gerbrandt, Debbie Dietz, and Ron Bos.

Discussion

Rehoboth's Provincial Executive presents operational highlights from the 2023-24 fiscal year, with commentary from:

- Karen Faint, Director of Client Services
- Debbie Dietz, Director of Asset Management
- Janice Gerbrandt, Director of Corporate Services
- Ron Bos, Executive Director

9. QUESTION PERIOD

Presenter(s): Rob Duker

Discussion

No questions arise during Question Period.

10. CLOSING PRAYER

Presenter(s): Wendy Benckhuysen

Discussion

Wendy Benckhuysen leads in closing prayer and a verse from the Scriptures.

11. ADJOURNMENT

Presenter(s): Rob Duker

Decision

Rob Duker adjourns the meeting.

REHOBOTH CHRISTIAN MINISTRIES ASSOCIATION

Non-Consolidated Financial Statements

For The Year Ended March 31, 2024

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibility for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained to provide reliable information for the preparation of the financial statements.

The Board of Directors of Rehoboth Christian Ministries Association are composed entirely of individuals who are neither management nor employees of the Association. The Board of Directors have the responsibility of meeting with management and the external auditors to discuss the internal controls over the financial reporting process, auditing matters, and financial reporting issues. The Board of Directors are also responsible for the appointment of the Associations's external auditors.

Metrix Group LLP, an independent firm of Chartered Professional Accountants, is appointed by the Board of Directors to audit the financial statements and to report directly to them. The external auditors have full and free access to and meet periodically and separately with the Board of Directors and management to discuss their audit findings.

Ron Bos
Executive Director

Candace Gitzel, CPA, CMA
Finance Manager

Acheson, Alberta
June 22, 2024

INDEPENDENT AUDITORS' REPORT

To the Members of Rehoboth Christian Ministries Association

Qualified Opinion

We have audited the non-consolidated financial statements of Rehoboth Christian Ministries Association (the Association), which comprise the non-consolidated statement of financial position as at March 31, 2024, and the non-consolidated statements of operations, changes in net assets and cash flows for the year then ended, and notes to the non-consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying non-consolidated financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2024, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Association derives revenue from donations and fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Association. Therefore, we were not able to determine whether any adjustments might be necessary to donations and fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2024, current assets and net assets as at March 31, 2024. Our audit opinion on the non-consolidated financial statements for the year ended March 31, 2023 was modified accordingly because of the possible effects of this limitation of scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Non-consolidated Financial Statements* section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the non-consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Responsibilities of Management and Those Charged with Governance for the Non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the non-consolidated 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 non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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Independent Auditors' Report to the Members of Rehoboth Christian Ministries Association (continued)

In preparing the non-consolidated financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Non-consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 non-consolidated 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 non-consolidated 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 Association'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 Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the non-consolidated 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 auditors' report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated 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.

Chartered Professional Accountants

Edmonton, Alberta
June 22, 2024

REHOBOTH CHRISTIAN MINISTRIES ASSOCIATION
Non-Consolidated Statement of Financial Position
As at March 31, 2024

	2024	2023
ASSETS		
CURRENT		
Cash	\$ 2,590,526	\$ 2,457,722
Marketable securities	57,143	17,915
Accounts receivable (Note 2)	2,694,004	2,309,446
Prepaid expenses and refundable deposits	546,083	434,630
	5,887,756	5,219,713
TANGIBLE CAPITAL ASSETS (Note 3)	336,084	424,891
	\$ 6,223,840	\$ 5,644,604
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 4)	\$ 2,827,352	\$ 2,702,083
Deferred contributions - operating (Note 5)	88,270	88,270
Current portion of obligations under capital lease (Note 6)	7,362	-
	2,922,984	2,790,353
OBLIGATIONS UNDER CAPITAL LEASE (Note 6)	9,886	-
DEFERRED CONTRIBUTIONS - TANGIBLE CAPITAL ASSETS (Note 7)	37,911	52,573
	2,970,781	2,842,926
NET ASSETS		
Invested in tangible capital asset - internally restricted	280,924	372,318
Reserves - internally restricted (Note 8)	717,878	624,066
Unrestricted	2,254,257	1,805,294
	3,253,059	2,801,678
	\$ 6,223,840	\$ 5,644,604

LEASE COMMITMENTS (Note 9)

ON BEHALF OF THE BOARD:

Director

Director

REHOBOTH CHRISTIAN MINISTRIES ASSOCIATION**Non-Consolidated Statement of Operations****For The Year Ended March 31, 2024**

	2024	2023
REVENUE		
Government of Alberta - PDD contracts	\$ 24,687,146	\$ 23,534,717
Premiums - ASO	950,742	876,867
Individual donations	446,157	195,904
Vocational sales	438,357	351,735
Client occupancy	239,203	250,920
Church collections	182,843	153,908
Estate bequests	155,812	72,780
Corporate donations	124,806	281,696
Other	119,929	2,807
Group donations	92,857	59,317
Camp programs	81,392	36,840
Fundraising	57,644	36,867
Interest	29,748	5,162
Amortization of deferred contributions - tangible capital asset (Note 7)	14,662	18,962
Government grants and subsidies	7,998	14,800
Memberships	6,060	17,710
Rehoboth Gull Lake	-	250
	27,635,356	25,911,242
EXPENSES		
Salaries, wages and benefits	24,377,616	23,225,674
Occupancy costs	764,371	750,889
Computer related costs	579,830	539,217
Telephone and utilities	192,352	226,828
Automotive and travel	161,022	140,991
Amortization	147,310	134,145
Advertising and promotion	136,275	82,532
Vocational	131,583	140,679
Administration	127,979	199,819
Food and household	124,251	108,759
Insurance	99,384	80,724
Professional fees	87,480	62,478
Camp Rehoboth	83,902	39,866
Repairs and maintenance	75,235	62,039
Transfer to Rehoboth Foundation (Note 10)	62,000	153,000
Memberships and dues	17,008	9,331
Interest and bank charges	16,264	11,985
Business taxes, licenses and memberships	113	-
Rehoboth Gull Lake	-	1,114
	27,183,975	25,970,070
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 451,381	\$ (58,828)

REHOBOTH CHRISTIAN MINISTRIES ASSOCIATION
Non-Consolidated Statement of Changes in Net Assets
For The Year Ended March 31, 2024

	Invested in tangible capital asset - internally restricted	Reserves - internally restricted (Note 8)	Unrestricted	2024	2023
NET ASSETS - BEGINNING OF YEAR	\$ 372,318	\$ 624,066	\$ 1,805,294	\$ 2,801,678	\$ 2,860,506
Excess (deficiency) of revenue over expenses	-	-	451,381	451,381	(58,828)
Net transfers to (from) reserves	-	93,812	(93,812)	-	-
Amortization of deferred contributions - tangible capital assets	14,662	-	(14,662)	-	-
Amortization of tangible capital assets	(147,310)	-	147,310	-	-
Purchase of tangible capital assets	58,502	-	(58,502)	-	-
Proceeds from obligations under capital lease	(22,086)	-	22,086	-	-
Repayment of obligations under capital lease	4,838	-	(4,838)	-	-
NET ASSETS - END OF YEAR	\$ 280,924	\$ 717,878	\$ 2,254,257	\$ 3,253,059	\$ 2,801,678

REHOBOTH CHRISTIAN MINISTRIES ASSOCIATION**Non-Consolidated Statement of Cash Flows****For The Year Ended March 31, 2024**

	2024	2023
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	\$ 451,381	\$ (58,828)
Items not affecting cash:		
Amortization of tangible capital assets	147,310	134,145
Amortization of deferred contributions - tangible capital assets	(14,662)	(18,962)
	<u>584,029</u>	<u>56,355</u>
Changes in non-cash working capital:		
Accounts receivable	(384,558)	(6,448)
Prepaid expenses	(111,453)	(69,697)
Accounts payable and accrued liabilities	125,268	(104,509)
Deferred contributions - operating	-	(37,893)
	<u>(370,743)</u>	<u>(218,547)</u>
	<u>213,286</u>	<u>(162,192)</u>
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(58,502)	-
Purchase of marketable securities	(39,228)	(17,915)
	<u>(97,730)</u>	<u>(17,915)</u>
FINANCING ACTIVITIES		
Proceeds from obligations under capital lease	22,086	-
Repayment of obligations under capital lease	(4,838)	-
Repayment of long term debt	-	(17,847)
	<u>17,248</u>	<u>(17,847)</u>
INCREASE (DECREASE) IN CASH FLOWS	132,804	(197,954)
CASH - BEGINNING OF YEAR	<u>2,457,722</u>	<u>2,655,676</u>
CASH - END OF YEAR	\$ 2,590,526	\$ 2,457,722

REHOBOTH CHRISTIAN MINISTRIES ASSOCIATION

Notes to Non-Consolidated Financial Statements

Year Ended March 31, 2024

PURPOSE OF THE ASSOCIATION

Rehoboth Christian Ministries Association (the "Association") is a not-for-profit organization incorporated under the Societies Act of the Province of Alberta. The principal operation consists of providing Christian community residences and vocation programs for individuals with developmental disabilities. The Association received registered charity status effective September 1, 1976. As a registered charity the Association is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) *Basis of Presentation*

The non-consolidated financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations.

(b) *Basis of Consolidation*

As the parent Association, Rehoboth Christian Ministries Association manages Rehoboth Christian Ministries Foundation (the "Foundation"). The purpose of the Foundation is to hold in trust gifts of cash and property for use by the Foundation at the discretion of the officers and directors of the Foundation for the sole purpose of supporting the programs and services of the Association. The Foundation is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

The Foundation has not been consolidated into the Association's financial statements. Financial summaries of the Foundation as at March 31, 2024 and 2023 are presented in Note 13.

There are no differences in accounting policies followed by the Association and the Foundation.

(c) *Revenue Recognition*

The Association follows the deferral method of accounting for contributions, which include donations and government grants. Restricted contributions are recognized as revenue during the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted contributions for the purchase of tangible capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related tangible capital assets.

Rental revenue is recognized when earned and collection is reasonably assured.

Interest income is recognized as revenue as earned.

(d) *Contributed Goods and Services*

The operations of the Association depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

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REHOBOTH CHRISTIAN MINISTRIES ASSOCIATION

Notes to Non-Consolidated Financial Statements

Year Ended March 31, 2024

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

(e) Tangible Capital Assets

Tangible capital assets are recorded at cost less less accumulated amortization. Contributed tangible capital assets are recorded at fair value at the date of contribution.

Tangible capital assets are amortized over their estimated useful lives at the following rates and methods:

Buildings	40 years straight-line method
Computer hardware and software	10 years straight-line method
Machinery and equipment	5 years straight-line method
Automotive equipment	5 years straight-line method
Leasehold improvements	term of the lease straight-line method

The Association regularly reviews its tangible capital assets to eliminate obsolete items.

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

(f) Net Assets

Unrestricted net assets are established at the discretion of the Board to set aside funds for future operating and capital expenditures. Transfers to and/or from reserves are reflected as an adjustment to the respective fund.

Reserves consists of funds restricted by the Board that have been restricted for future purposes.

Invested in tangible capital assets consists of the net investment in total tangible capital assets after deducting the portion financed by third parties.

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REHOBOTH CHRISTIAN MINISTRIES ASSOCIATION

Notes to Non-Consolidated Financial Statements

Year Ended March 31, 2024

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

(g) Financial Instruments

Measurement of financial instruments

The Association initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instruments.

The Association subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, and long term debt.

The Association has marketable securities that are measured at fair value.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in excess of revenue over expenses. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess of revenue over expenses.

Transaction costs

The Association recognizes its transaction costs in excess of revenue over expenses in the period incurred. However, the carrying amount of the financial instruments that will not be subsequently measured at fair value is reflected in the transaction costs that are directly attributable to their organization, issuance or assumption.

(h) Measurement Uncertainty

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the recorded amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management's estimates include the useful lives of tangible capital assets and the corresponding rates of amortization, recoverability of accounts receivable and the amount of accrued liabilities. All estimates are reviewed periodically and adjustments are made to the statements of operations as appropriate in the year they become known.

REHOBOTH CHRISTIAN MINISTRIES ASSOCIATION**Notes to Non-Consolidated Financial Statements****Year Ended March 31, 2024****2. ACCOUNTS RECEIVABLE**

	2024	2023
Contracts for services receivable	\$ 2,087,813	\$ 1,934,714
Due from Rehoboth Foundation	594,564	358,153
Goods and Services Tax recoverable	11,627	16,579
	<u>\$ 2,694,004</u>	<u>\$ 2,309,446</u>

3. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Land	\$ 15,000	\$ -	\$ 15,000	\$ 15,000
Buildings	181,509	100,903	80,606	85,144
Computer hardware and software	546,365	417,595	128,770	183,406
Machinery and equipment	22,770	22,770	-	-
Automotive equipment	271,269	221,763	49,506	36,153
Leasehold improvements	282,187	219,985	62,202	105,188
	<u>\$ 1,319,100</u>	<u>\$ 983,016</u>	<u>\$ 336,084</u>	<u>\$ 424,891</u>

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2024	2023
Salaries and wages payable	\$ 1,475,285	\$ 1,366,420
Vacation payable	939,153	998,572
Trade payables	245,732	128,805
Government remittances payable	90,139	125,460
Employee future benefits	77,043	82,826
	<u>\$ 2,827,352</u>	<u>\$ 2,702,083</u>

REHOBOTH CHRISTIAN MINISTRIES ASSOCIATION**Notes to Non-Consolidated Financial Statements****Year Ended March 31, 2024****5. DEFERRED CONTRIBUTIONS - OPERATING**

Deferred contributions - operating represents unspent externally restricted contributions that are related to a subsequent year. These funds were contributed for future expenses that are not capital in nature. Changes in the deferred contributions - operating balance is as follows:

	2023	Funds received	Revenue recognized	2024
Government of Alberta surplus funding - Mallard park	\$ 33,565	\$ -	\$ -	\$ 33,565
Donations - Calgary golf tournament	20,427	-	-	20,427
Alberta Social Housing Corporation surplus	19,063	-	-	19,063
Rexall/Pharma Plus Pharmacies Grant	15,215	-	-	15,215
	<u>\$ 88,270</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 88,270</u>

6. OBLIGATIONS UNDER CAPITAL LEASE

Jim Pattison interest free lease that matures on August 9, 2026. The cost of the assets under capital lease is \$39,287; the accumulated amortization is \$7,857 and the resulting net book value included in automotive equipment is \$31,430.

Amounts payable within one year

2024	2023
\$ 17,248	\$ -
<u>(7,362)</u>	<u>-</u>
<u>\$ 9,886</u>	<u>\$ -</u>

The current portion of the capital lease amounts to \$7,362 (2023 - \$NIL).

Principal repayment terms are approximately:

2025	\$ 7,362
2026	7,362
2027	<u>2,524</u>
	<u>\$ 17,248</u>

REHOBOTH CHRISTIAN MINISTRIES ASSOCIATION

Notes to Non-Consolidated Financial Statements

Year Ended March 31, 2024

7. DEFERRED CONTRIBUTIONS - TANGIBLE CAPITAL ASSETS

Deferred contributions - tangible capital assets represent restricted contributions with which some of the Association's tangible capital assets were purchased. The changes in these contributions are as follows:

	2024	2023
Balance, Beginning of Year	\$ 52,573	\$ 71,535
Less:		
Amortization of deferred contributions - tangible capital assets	(14,662)	(18,962)
Balance, End of Year	\$ 37,911	\$ 52,573

8. RESERVES

	2024	2023
Estate bequests reserve	\$ 717,878	\$ 624,066

The purpose of the estate bequests reserve has yet to be determined by the Board of Directors.

The purpose of the Joyful Noise Legacy reserve is to fund future initiatives.

9. LEASE COMMITMENTS

The Association has entered into long-term leases for residential and commercial office premises throughout Alberta with expiration dates ranging from November 2024 to May 2026. Future minimum lease payments as at year end are as follows:

2025	\$ 288,005
2026	22,159
2027	6,048

The Association has committed to various long-term operating leases for office equipment, automotive equipment and service agreements with expiration dates ranging from April 2025 to July 2026. Future minimum lease payments as at year end are as follows:

2025	\$ 31,114
2026	22,159
2027	6,606

10. RELATED PARTY TRANSACTIONS

The Association is leasing residential and commercial property from a related party, the Foundation. Included in occupancy costs on the statement of operations is \$576,345 (2023 - \$563,265) paid to the Foundation for the 2024 fiscal year. The annual leasing charges are adjusted annually as required. The Association had no accrued payable owing to the Foundation in 2024 (2023 - \$NIL). The Association has a receivable balance of \$594,564 owing from the Foundation in 2024 (2023 - \$358,153). These transactions are valued at their exchange amounts as agreed to by the related parties based on standard lease terms.

The Association provides administrative services to the Foundation at no charge.

REHOBOTH CHRISTIAN MINISTRIES ASSOCIATION

Notes to Non-Consolidated Financial Statements

Year Ended March 31, 2024

11. EMPLOYEE FUTURE BENEFITS

Employees of the Association participate in a registered retirement savings plan administered by Canada Life.

The Association offers full-time employees and part-time employees, who work 20 hours or more per week, a "matching contribution plan" where the employer will match the employee's contribution, based on regular salary, up to a maximum limit.

Total contributions made by the Association to the registered retirement savings plan in the 2024 fiscal year was \$433,221 (2023 - \$389,608).

12. FINANCIAL INSTRUMENTS

The Association is not exposed to significant market, currency or other price risk through its financial instruments. The following analysis provides information about the Association's risk exposure and concentration as of March 31, 2024.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Association is exposed to credit risk from grant funding providers.

In order to reduce its credit risk, the Association assesses, on a continuous basis, amounts receivable on the basis of amounts it believes are virtually certain to be collected based on their estimated realizable value.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Association is exposed to this risk mainly in respect of its receipt of funds from the Government of Alberta and other related sources, and accounts payable and accrued liabilities.

The Association mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and maintaining investments that may be converted to cash in the near-term if unexpected cash outflows arise.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Association manages exposure through its normal operating and financing activities. The Association is exposed to interest rate risk primarily through its long term debt.

REHOBOTH CHRISTIAN MINISTRIES ASSOCIATION
Notes to Non-Consolidated Financial Statements
Year Ended March 31, 2024

13. NON-CONSOLIDATED CONTROLLED ENTITY

REHOBOTH CHRISTIAN MINISTRIES FOUNDATION

	<u>2024</u>	<u>2023</u>
STATEMENT OF FINANCIAL POSITION		
Assets	<u>\$ 13,915,210</u>	<u>\$ 13,936,566</u>
Liabilities	<u>\$ 7,056,258</u>	<u>\$ 7,020,524</u>
Net Assets	<u>6,858,952</u>	<u>6,916,042</u>
	<u>\$ 13,915,210</u>	<u>\$ 13,936,566</u>
STATEMENT OF OPERATIONS		
Revenue	<u>\$ 1,277,341</u>	<u>\$ 1,494,210</u>
Expenses	<u>1,334,431</u>	<u>1,332,057</u>
	<u>\$ (57,090)</u>	<u>\$ 162,153</u>
STATEMENT OF CASH FLOWS		
Operating activities	<u>\$ 379,549</u>	<u>\$ 368,294</u>
Investing activities	<u>\$ (345,443)</u>	<u>\$ 410,171</u>
Financing activities	<u>\$ (52,726)</u>	<u>\$ (24,256)</u>

THE REHOBOTH CHRISTIAN MINISTRIES FOUNDATION

Financial Statements

For the Year Ended March 31, 2024

DRAFT



MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibility for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained to provide reliable information for the preparation of the financial statements.

The Board of Directors of Rehoboth Christian Ministries Foundation are composed entirely of individuals who are neither management nor employees of the Foundation. The Board of Directors have the responsibility of meeting with management and the external auditors to discuss the internal controls over the financial reporting process, auditing matters, and financial reporting issues. The Board of Directors are also responsible for the appointment of the Foundation's external auditors.

Metrix Group LLP, an independent firm of Chartered Professional Accountants, is appointed by the Board of Directors to audit the financial statements and to report directly to them. The external auditors have full and free access to and meet periodically and separately with the Board of Directors and management to discuss their audit findings.

Mr. Ron Bos, Executive Director

Ms. Candace Gitzel, CPA, CMA
Finance Manager

Acheson, Alberta
June 22, 2024

INDEPENDENT AUDITORS' REPORT

To the Members of The Rehoboth Christian Ministries Foundation

Qualified Opinion

We have audited the financial statements of The Rehoboth Christian Ministries Foundation (the Foundation), which comprise the statement of financial position as at March 31, 2024, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2024, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Foundation derives revenue from donations the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Foundation and we were not able to determine whether any adjustments might be necessary to donation revenue, excess of revenue over expenses, and cash flows from operations for the year ended March 31, 2024, current assets and net assets as at March 31, 2024. Our audit opinion on the financial statements for the year ended March 31, 2023 was modified accordingly because of the possible effects of this limitation of scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Foundation in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

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 Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

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

(continues)

Auditors' 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 auditors' 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 Foundation'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 Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Foundation 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.

Chartered Professional Accountants

Edmonton, Alberta
June 22, 2024

THE REHOBOTH CHRISTIAN MINISTRIES FOUNDATION

Statement of Financial Position

As at March 31, 2024

	2024	2023
ASSETS		
CURRENT		
Cash	\$ 1,450,998	\$ 1,469,618
Short term investments (Note 2)	86,692	86,013
Accounts receivable (Note 3)	7,167	1,874
Prepaid expenses	17,630	8,182
	1,562,487	1,565,687
LONG TERM INVESTMENTS (Note 4)	30,000	17,784
TANGIBLE CAPITAL ASSETS (Note 5)	12,322,723	12,353,095
	\$ 13,915,210	\$ 13,936,566
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 6)	\$ 664,051	\$ 405,659
Deferred contributions (Note 7)	178,503	270,292
Current portion of long term debt (Note 8)	129,668	122,392
Current portion of obligations under capital lease (Note 9)	7,812	7,812
	980,034	806,155
LONG TERM DEBT (Note 8)	4,048,792	4,283,473
OBLIGATIONS UNDER CAPITAL LEASE (Note 9)	5,367	12,143
DEFERRED CONTRIBUTIONS - TANGIBLE CAPITAL ASSETS (Note 10)	2,022,065	1,918,753
	7,056,258	7,020,524
NET ASSETS		
Unrestricted	323,939	481,523
Invested in tangible capital assets - internally restricted	6,109,020	6,008,526
Reserves - internally restricted (Note 11)	425,993	425,993
	6,858,952	6,916,042
	\$ 13,915,210	\$ 13,936,566

ON BEHALF OF THE BOARD

Chairperson

Director

THE REHOBOTH CHRISTIAN MINISTRIES FOUNDATION

Statement of Operations

For the Year Ended March 31, 2024

	2024	2023
REVENUE		
Rent (Note 12)	\$ 984,264	\$ 935,927
Amortization of deferred contributions - tangible capital assets (Note 10)	78,143	67,319
Donations	70,775	82,265
Transfer from Rehoboth Association (Note 12)	47,270	-
Interest and sundry	22,091	10,883
	<u>1,202,543</u>	<u>1,096,394</u>
EXPENSES		
Amortization of tangible assets	437,721	433,923
Salaries, wages and benefits	211,297	195,441
Repairs and maintenance	177,427	148,366
Interest on long term debt	158,795	169,386
Utilities	139,930	131,438
Insurance	94,219	79,673
Administration	40,106	57,322
Travel	27,880	36,641
Professional fees	27,168	46,065
Property taxes	11,431	11,359
Supplies	8,040	16,237
Interest and bank charges	417	992
Condominium fees	-	5,214
	<u>1,334,431</u>	<u>1,332,057</u>
DEFICIENCY OF REVENUE OVER EXPENSES FROM OPERATIONS	(131,888)	(235,663)
OTHER INCOME		
Gain on disposal of tangible capital assets	74,798	397,816
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (57,090)	\$ 162,153

THE REHOBOTH CHRISTIAN MINISTRIES FOUNDATION

Statement of Changes in Net Assets

For the Year Ended March 31, 2024

	Unrestricted	Invested in tangible capital assets - internally restricted	Reserves - internally restricted (Note 11)	2024	2023
NET ASSETS - BEGINNING OF YEAR	\$ 481,523	\$ 6,008,526	\$ 425,993	\$ 6,916,042	\$ 6,753,889
Excess (deficiency) of revenue over expenses	(57,090)	-	-	(57,090)	162,153
Amortization of tangible capital assets	437,721	(437,721)	-	-	-
Purchase of tangible capital assets	(540,268)	540,268	-	-	-
Gain on disposal of tangible capital assets	(74,798)	74,798	-	-	-
Proceeds on disposal of tangible capital assets	207,720	(207,720)	-	-	-
Repayment of long term debt	(227,405)	227,405	-	-	-
Amortization of deferred capital contributions - tangible capital assets (Note 10)	(78,143)	78,143	-	-	-
Deferred contributions - tangible capital assets (Note 10)	181,455	(181,455)	-	-	-
Repayment of capital lease obligations	(6,776)	6,776	-	-	-
NET ASSETS - END OF YEAR	\$ 323,939	\$ 6,109,020	\$ 425,993	\$ 6,858,952	\$ 6,916,042

THE REHOBOTH CHRISTIAN MINISTRIES FOUNDATION

Statement of Cash Flows

For The Year Ended March 31, 2024

	2024	2023
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	\$ (57,090)	\$ 162,153
Items not affecting cash:		
Amortization of tangible capital assets	437,721	433,923
Amortization of deferred contributions - tangible capital assets	(78,143)	(67,319)
Gain on disposal of tangible capital assets	(74,798)	(397,816)
	<u>227,690</u>	<u>130,941</u>
Changes in non-cash working capital:		
Accounts receivable	(5,293)	23,913
Prepaid expenses	(9,448)	(817)
Accounts payable and accrued liabilities	258,389	(432)
Deferred contributions	(91,789)	214,689
	<u>151,859</u>	<u>237,353</u>
	<u>379,549</u>	<u>368,294</u>
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(540,268)	(178,551)
Proceeds on disposal of tangible capital assets	207,720	597,956
Purchase of short term investments	(86,692)	86,013
Proceeds from disposal of short term investments	86,013	(87,463)
Proceeds on long term investments	(12,216)	(7,784)
	<u>(345,443)</u>	<u>410,171</u>
FINANCING ACTIVITIES		
Proceeds from long term debt	-	4,602,495
Repayment of long term debt	(227,405)	(4,816,611)
Deferred contributions - tangible capital assets	181,455	169,905
Capital lease obligations obtained	-	19,955
Repayment of obligations under capital lease	(6,776)	-
	<u>(52,726)</u>	<u>(24,256)</u>
INCREASE (DECREASE) IN CASH FLOWS	<u>(18,620)</u>	<u>754,209</u>
CASH - BEGINNING OF YEAR	<u>1,469,618</u>	<u>715,409</u>
CASH - END OF YEAR	<u>\$ 1,450,998</u>	<u>\$ 1,469,618</u>

THE REHOBOTH CHRISTIAN MINISTRIES FOUNDATION

Notes to Financial Statements

Year Ended March 31, 2024

PURPOSE OF THE FOUNDATION

The purpose the Rehoboth Christian Ministries Foundation (the "Foundation") is to hold, in trust, gifts of cash and property for use by the Foundation at the discretion of the officers and directors of the Foundation for the sole purpose of supporting the programs and services of Rehoboth Christian Ministries Association.

As a registered charity the Foundation is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Revenue recognition

The Foundation follows the deferral method of accounting for contributions, which include donations. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted contributions are recognized as revenue during the year in which the related expenses are incurred.

Restricted contributions for the purchase of tangible capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related tangible capital assets.

Rental revenue is recognized when earned and collection is reasonably assured.

Interest income is recognized as revenue as earned.

Short term investments

Short term investments have a maturity beyond three months and less than twelve months at acquisition, are held for the purpose of meeting short-term cash commitments rather than for investing, and are carried at amortized cost.

Contributed goods and services

The operations of the organization depends on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

Measurement uncertainty

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the recorded amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditure during the period. Significant areas requiring the use of management's estimates include the useful lives of tangible capital assets and the corresponding rates of amortization and the amount of accrued liabilities. All estimates are reviewed periodically and adjustments are made to the statement of operations as appropriate in the year they become know.

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THE REHOBOTH CHRISTIAN MINISTRIES FOUNDATION

Notes to Financial Statements

Year Ended March 31, 2024

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

Tangible capital assets

Tangible capital assets are recorded at cost less accumulated amortization. Contributed tangible capital assets are recorded at fair value at the date of contribution. When a tangible capital asset no longer contributes to the Foundation's ability to provide services or the value of future economic benefits associated with the tangible capital asset is less than its net book value, the carrying value of the tangible capital asset is reduced to reflect the decline in the asset's value.

Tangible capital assets are amortized over their estimated useful lives at the following rates and methods:

Furniture and fixtures	5 years	straight-line method
Buildings	40 years	straight-line method
Equipment	5 years	straight-line method
Land improvements	10 years	straight-line method
Motor vehicles	5 years	straight-line method

Foundation regularly reviews its tangible capital assets to eliminate obsolete items.

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Financial instruments

Measurement of financial instruments

The Foundation initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instruments.

The Foundation subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash, short term investments, accounts receivable, and long-term investments.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, and long term debt.

The Foundation has no financial assets measured at fair value.

(continues)

THE REHOBOTH CHRISTIAN MINISTRIES FOUNDATION

Notes to Financial Statements

Year Ended March 31, 2024

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

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the excess of revenue over expenses. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess of revenue over expenses.

Transaction costs

The Foundation recognizes its transaction costs in the excess of revenue over expenses in the period incurred. The carrying amount of the financial instruments that will not be subsequently measured at fair value is reflected in the transaction costs that are directly attributable to their organization, issuance or assumption.

Net assets

Unrestricted net assets are established at the discretion of the Board to set aside funds for future operating and capital expenditures. Transfers to and/or from reserves are reflected as an adjustment to the respective fund.

Invested in tangible capital assets consists of the net investment in total tangible capital assets after deducting the portion financed by third parties.

2. SHORT TERM INVESTMENTS

	2024	2023
Term deposits	\$ 86,692	\$ 86,013

Term deposits bear interest at fixed rates of 0.15% to 4.90% (2023 - 0.15% to 2.60%) and mature between August 17, 2024 and September 10, 2024 (2023 - August 18, 2023 and September 11, 2023).

3. ACCOUNTS RECEIVABLE

	2024	2023
Goods and Services Tax recoverable	\$ 4,972	\$ 1,874
Accrued interest receivable	2,195	-
	\$ 7,167	\$ 1,874

4. LONG TERM INVESTMENTS

	2024	2023
Christian Credit Union Common Shares	\$ 30,000	\$ 17,784

THE REHOBOTH CHRISTIAN MINISTRIES FOUNDATION

Notes to Financial Statements

Year Ended March 31, 2024

5. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Land	\$ 2,294,100	\$ -	\$ 2,294,100	\$ 2,359,100
Furniture and fixtures	128,150	63,759	64,391	53,196
Buildings	15,389,290	5,502,107	9,887,183	9,825,226
Equipment	114,739	85,327	29,412	52,359
Land improvements	13,761	4,127	9,634	11,010
Motor vehicles	83,474	45,471	38,003	52,204
	<u>\$ 18,023,514</u>	<u>\$ 5,700,791</u>	<u>\$ 12,322,723</u>	<u>\$ 12,353,095</u>

The Foundation has construction in process relating to buildings in the amount of \$361,408 (2023 - \$NIL) as at March 31, 2024.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2024	2023
Due to Rehoboth Association (Note 12)	\$ 594,564	\$ 358,153
Trade payables	56,392	34,741
Accrued interest payable on long term debt	13,095	12,765
	<u>\$ 664,051</u>	<u>\$ 405,659</u>

7. DEFERRED CONTRIBUTIONS

Deferred contributions represents unspent externally restricted contributions that are related to a subsequent year. These funds were contributed for future expenses that are not capital in nature. Changes in the deferred contributions balance are as follows:

	2023	Contributions received	Revenue recognized	2024
Camp cabin expansion	\$ 137,978	\$ -	\$ (57,300)	\$ 80,678
Provincial golf tournament - picnic shelter	79,211	-	(34,489)	44,722
Sensory playground	39,970	-	-	39,970
Provincial golf tournament	13,133	-	-	13,133
	<u>\$ 270,292</u>	<u>\$ -</u>	<u>\$ (91,789)</u>	<u>\$ 178,503</u>

THE REHOBOTH CHRISTIAN MINISTRIES FOUNDATION

Notes to Financial Statements

Year Ended March 31, 2024

8. LONG TERM DEBT

Christian Credit Union mortgage bearing interest at 3.7% per annum, repayable in monthly blended payments of \$23,510. The mortgage matures on June 1, 2027 and is secured by the land and buildings with a carrying value of \$12,181,283. Amounts payable within one year

2024	2023
\$ 4,178,460	\$ 4,405,865
(129,668)	(122,392)
\$ 4,048,792	\$ 4,283,473

Principal repayment terms are approximately:

2025	\$ 129,668
2026	134,548
2027	139,611
2028	144,866
2029	150,317
Thereafter	3,479,450
	\$ 4,178,460

9. OBLIGATIONS UNDER CAPITAL LEASE

Vehicle under capital lease, replayable in \$651 blended monthly payments; expires December 2025; with a bargain purchase option of \$13,872, secured by the specific leased asset with net book value of \$14,004 (2023 - \$16,805). Amounts payable within one year

2024	2023
\$ 13,179	\$ 19,955
(7,812)	(7,812)
\$ 5,367	\$ 12,143

Future minimum capital lease payments are approximately:

2025	\$ 7,812
2026	6,510
Total minimum payments	14,322
Less interest amount at 7.25%	(1,143)
	\$ 13,179

10. DEFERRED CONTRIBUTIONS - TANGIBLE CAPITAL ASSETS

Deferred contributions - tangible capital assets represent restricted contributions with which some of the Foundation's tangible capital assets was purchased. The changes in these contributions are as follows:

	2023	Contributions received	Revenue recognized	2024
Contributions	\$ 1,918,753	\$ 181,455	\$ (78,143)	\$ 2,022,065

THE REHOBOTH CHRISTIAN MINISTRIES FOUNDATION

Notes to Financial Statements

Year Ended March 31, 2024

11. RESERVES

	2024	2023
Camp cabin reserve	\$ 425,993	\$ 425,993

The purpose of the Camp cabin reserve is to fund future capital expenditures related to the camp cabin expansion.

12. RELATED PARTY TRANSACTIONS

The Foundation leases residential and commercial property to a related party, Rehoboth Christian Ministries Association (the "Association"). The Foundation has charged rent in the amount of \$576,345 (2023 - \$563,265) for the residential and commercial use of buildings owned by the Foundation for the 2023 fiscal year. The annual leasing charges are adjusted annually as required. The Foundation received \$47,270 (2023 - \$NIL) from the Association that was unrestricted and recognized on the Statement of Operations. The Foundation had no receivable balance owing from the Association in 2023 (2023 - \$NIL). The Foundation had an accrued payable balance owing to the Association of \$594,564 (2023 - \$358,153). Included in the deferred contributions - tangible capital asset balance includes \$981,995 (2023 - \$1,006,277) of contributions from the Association. These transactions are valued at their exchange amounts as agreed to by the related parties based on standard lease terms.

The Foundation receives administrative services from the Association at no charge.

The Association transferred tangible capital assets and the related deferred capital contributions to the Foundation at the assets net book value. The total non cash transfer totaled \$NIL (2023 - \$NIL). The Association also transferred \$NIL (2023 - \$NIL) from its estate bequests reserve to the Foundation. The cash transfered totaled \$NIL (2023 - \$NIL).

13. FINANCIAL INSTRUMENTS

The Foundation is not exposed to significant interest, credit, market, currency or other price risk through its financial instruments. The following analysis provides information about Foundation's risk exposure and concentration as of March 31, 2024.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Foundation is exposed to this risk mainly in respect of its receipt of funds from the Rehoboth Christian Ministries Association, Government of Alberta, and other related sources, and accounts payable and accrued liabilities.

The Foundation mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and maintaining investments that may be converted to cash in the near-term if unexpected cash outflows arise.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Foundation manages exposure through its normal operating and financing activities. The Foundation is exposed to interest rate risk primarily through its long term debt.

REHOBOTH CHRISTIAN MINISTRIES ASSOCIATION
Non-Consolidated Statement of Financial Position
As at March 31, 2024

	2024	2023
ASSETS		
CURRENT		
Cash	\$ 2,590,526	\$ 2,457,722
Marketable securities	57,143	17,915
Accounts receivable (Note 2)	2,694,004	2,309,446
Prepaid expenses and refundable deposits	546,083	434,630
	<u>5,887,756</u>	<u>5,219,713</u>
TANGIBLE CAPITAL ASSETS (Note 3)	<u>336,084</u>	<u>424,891</u>
	<u>\$ 6,223,840</u>	<u>\$ 5,644,604</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 4)	\$ 2,827,352	\$ 2,702,083
Deferred contributions - operating (Note 5)	88,270	88,270
Current portion of obligations under capital lease (Note 6)	7,362	-
	<u>2,922,984</u>	<u>2,790,353</u>
OBLIGATIONS UNDER CAPITAL LEASE (Note 6)	<u>9,886</u>	<u>-</u>
DEFERRED CONTRIBUTIONS - TANGIBLE CAPITAL ASSETS (Note 7)	<u>37,911</u>	<u>52,573</u>
	<u>2,970,781</u>	<u>2,842,926</u>
NET ASSETS		
Invested in tangible capital asset - internally restricted	280,924	372,318
Reserves - internally restricted (Note 8)	717,878	624,066
Unrestricted	2,254,257	1,805,294
	<u>3,253,059</u>	<u>2,801,678</u>
	<u>\$ 6,223,840</u>	<u>\$ 5,644,604</u>

LEASE COMMITMENTS (Note 9)

ON BEHALF OF THE BOARD:

Director

Director

THE REHOBOTH CHRISTIAN MINISTRIES FOUNDATION

Statement of Financial Position

As at March 31, 2024

	2024	2023
ASSETS		
CURRENT		
Cash	\$ 1,450,998	\$ 1,469,618
Short term investments (Note 2)	86,692	86,013
Accounts receivable (Note 3)	7,167	1,874
Prepaid expenses	17,630	8,182
	1,562,487	1,565,687
LONG TERM INVESTMENTS (Note 4)	30,000	17,784
TANGIBLE CAPITAL ASSETS (Note 5)	12,322,723	12,353,095
	\$ 13,915,210	\$ 13,936,566
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 6)	\$ 664,051	\$ 405,659
Deferred contributions (Note 7)	178,503	270,292
Current portion of long term debt (Note 8)	129,668	122,392
Current portion of obligations under capital lease (Note 9)	7,812	7,812
	980,034	806,155
LONG TERM DEBT (Note 8)	4,048,792	4,283,473
OBLIGATIONS UNDER CAPITAL LEASE (Note 9)	5,367	12,143
DEFERRED CONTRIBUTIONS - TANGIBLE CAPITAL ASSETS (Note 10)	2,022,065	1,918,753
	7,056,258	7,020,524
NET ASSETS		
Unrestricted	323,939	481,523
Invested in tangible capital assets - internally restricted	6,109,020	6,008,526
Reserves - internally restricted (Note 11)	425,993	425,993
	6,858,952	6,916,042
	\$ 13,915,210	\$ 13,936,566

ON BEHALF OF THE BOARD

Chairperson

Director

Rehoboth Christian Ministries Fiscal 2025 Budget (April 2024-March 2025)										
	Operations	Client Transportation	Social Enterprises	General Donations	Camp Ministries	Client Camp	ASO Group Benefits Plan	Fiscal 2025 Budget	Fiscal 2024 Budget	Fiscal 2023 Budget
Revenue										
Government	24,917,230							24,917,230	24,880,728	23,001,274
Client Revenue	100,346	115,032						215,378	197,064	235,236
Donations			156,051	127,634				283,685	140,000	120,000
Sales			549,936					549,936	504,434	306,125
Camp Program					52,500	36,000		88,500	88,265	82,300
ASO Health & Dental Premiums							916,700	916,700	878,999	875,491
Total Revenue	25,017,576	115,032	705,986	127,634	52,500	36,000	916,700	26,971,428	26,689,490	24,620,426
Expenses										
Costs of Goods Sold			134,202					134,202	134,895	42,383
Staff Earnings & Benefits	23,181,116		412,248					23,593,365	23,346,251	21,365,515
Staff & Mgmt	158,153	5,600	1,362	62,350				227,465	173,992	234,283
Auto	22,608	61,907	15,652					100,167	72,553	64,517
Facility	851,413		134,198					985,611	1,001,373	995,093
Information Technology	485,423		1,230					486,653	503,028	515,251
Administration	340,323		28,130	21,175				389,628	298,087	280,788
Camp Program					52,500	41,105		93,605	81,321	76,319
Client Expenses / Activities / Events				44,109				44,109	43,020	40,500
ASO Health/Dental Premiums & Fees							880,153	880,153	787,040	835,538
Total Expenses	25,039,036	67,507	727,023	127,634	52,500	41,105	880,153	26,934,958	26,441,560	24,450,187
Subtotal before NET Amortization	- 21,460	47,525	- 21,036	-	-	- 5,105	36,547	36,471	247,930	170,239
Net Amortization Expense	107,232	17,716	12,729					137,678	159,481	144,060
NET Surplus (Deficit)	- 128,692	29,809	- 33,766	-	-	- 5,105	36,547	- 101,207	88,449	26,179

*Using donations in Social Enterprises to cover wages of Greenhouse co-ordinator and Head Cook \$76,982.70 & \$79,068 respectively

The RCM Foundation (April 2024-March 2025)	Fiscal 2025 Budget	Fiscal 2024 Budget
Revenue		
Residential Leases	550,140	558,660
Commercial Leases	401,297	401,297
Facility Rentals	47,000	33,000
Total Revenue	998,437	992,957
Expenses		
Staff Earnings & Benefits	214,044	208,536
Staff & Mgmt	4,645	4,800
Auto	27,180	37,928
Facility	497,475	467,260
Information Technology	12,588	50,880
Administration	18,212	19,037
Total Expenses	774,144	788,441
Subtotal before NET Amortization	224,293	204,516
Net Amortization Expense	385,756	389,418
NET Surplus (Deficit)	- 161,462	- 184,902