

**The Incorporated Synod of the
Diocese of Ontario**

Financial Statements
For the year ended December 31, 2016

The Incorporated Synod of the Diocese of Ontario
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For the year ended December 31, 2016

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Independent Auditor's Report

To the Bishop of Ontario and the Members of Synod

We have audited the accompanying financial statements of The Incorporated Synod of the Diocese of Ontario which comprise the statements of financial position as at December 31, 2016 and December 31, 2015 and the statements of operations and changes in net assets and cash flows for the years ended December 31, 2016 and December 31, 2015 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Incorporated Synod of the Diocese of Ontario as at December 31, 2016 and December 31, 2015 and its financial performance for the years ended December 31, 2016 and December 31, 2015 in accordance with Canadian accounting standards for not-for-profit organizations.

Collins Barrow SEO LLP

Chartered Professional Accountants
Licensed Public Accountants

Kingston, Ontario
May 23, 2017

The Incorporated Synod of the Diocese of Ontario Statement of Financial Position

December 31	General Fund	Restricted Fund	Endowment Fund	2016 Total	2015 Total
Assets					
Cash	\$ 179,914	\$ 915,159	\$ -	\$ 1,095,073	\$ 606,444
Investments (Note 1)	-	18,375,058	441,735	18,816,793	17,766,606
Accounts receivable (Note 2)	508,461	191,795	-	700,256	526,833
Capital loans receivable (Note 3)	-	11,340	-	11,340	17,472
Inventories	262,816	-	-	262,816	318,681
Capital assets (Note 4)	57,902	-	-	57,902	83,456
Interfund balance	325,593	-	-	325,593	58,013
	\$ 1,334,686	\$ 19,493,352	\$ 441,735	\$ 21,269,773	\$ 19,377,505
Liabilities and Net Assets					
Bank indebtedness (Note 5)	\$ 1,197,184	\$ -	\$ -	\$ 1,197,184	\$ 738,648
Accounts payable and accrued liabilities (Note 6)	179,208	184,613	-	363,821	226,637
Funds deposited by parishes and cemeteries (Note 3)	-	14,263,615	-	14,263,615	13,415,429
Interfund balance	-	325,593	-	325,593	58,013
	1,376,392	14,773,821	-	16,150,213	14,438,727
Net Assets					
Invested in capital assets	57,902	-	-	57,902	83,456
Externally restricted	-	4,050,851	441,735	4,492,586	4,112,675
Internally restricted	-	668,680	-	668,680	863,659
Unrestricted	(99,608)	-	-	(99,608)	(121,012)
	(41,706)	4,719,531	441,735	5,119,560	4,938,778
Contingent liabilities (Note 7)					
	\$ 1,334,686	\$ 19,493,352	\$ 441,735	\$ 21,269,773	\$ 19,377,505

On behalf of the Board:

_____ Director

_____ Director

The Incorporated Synod of the Diocese of Ontario Statement of Operations and Changes in Net Assets

For the year ended December 31	General Fund	Restricted Fund	Endowment Fund	2016 Total	2015 Total
Revenues					
Parish common ministry and mission	\$ 1,269,576	\$ -	\$ -	\$ 1,269,576	\$ 1,580,628
Investment income	13,830	1,340,567	-	1,354,397	1,075,179
Donations and other	49,834	118,933	-	168,767	419,772
Bookroom sales	348,733	-	-	348,733	365,608
Camp Hyanto	46,919	-	-	46,919	61,292
	<u>1,728,892</u>	<u>1,459,500</u>	<u>-</u>	<u>3,188,392</u>	<u>3,502,479</u>
Expenditures					
Diocesan core expenses	780,433	11,911	-	792,344	679,997
Personnel	171,557	-	-	171,557	79,700
Clergy benefits	-	-	-	-	305,086
Programs	205,138	-	-	205,138	212,679
Outside Diocese	457,524	-	-	457,524	444,168
Amortization of capital assets	29,982	-	-	29,982	34,088
Bookroom cost of sales	223,648	-	-	223,648	218,600
Bookroom other	167,370	-	-	167,370	151,443
Camp Hyanto	180,872	-	-	180,872	198,644
Interest on funds deposited	-	653,210	-	653,210	612,676
Payments from investment funds	-	125,965	-	125,965	58,847
	<u>2,216,524</u>	<u>791,086</u>	<u>-</u>	<u>3,007,610</u>	<u>2,995,928</u>
Excess of revenues over expenditures (expenditures over revenues)	(487,632)	668,414	-	180,782	506,551
Net assets, beginning of year	(37,556)	4,534,599	441,735	4,938,778	4,432,227
Interfund transfers	483,482	(483,482)	-	-	-
Net assets, end of year	\$ (41,706)	\$ 4,719,531	\$ 441,735	\$ 5,119,560	\$ 4,938,778
Net assets are comprised of:					
Operating Fund	\$ 305,647	\$ -	\$ -	\$ 305,647	\$ 244,947
Book Room Fund	(108,835)	-	-	(108,835)	(50,069)
Camp Hyanto Fund	(238,518)	-	-	(238,518)	(232,434)
Investment Fund	-	4,307,153	441,735	4,748,888	4,563,956
Capital Loan Fund	-	412,378	-	412,378	412,378
	<u>\$ (41,706)</u>	<u>\$ 4,719,531</u>	<u>\$ 441,735</u>	<u>\$ 5,119,560</u>	<u>\$ 4,938,778</u>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

The Incorporated Synod of the Diocese of Ontario Statement of Cash Flows

For the year ended December 31	General Fund	Restricted Fund	Endowment Fund	2016 Total	2015 Total
Cash flows from operating activities					
Excess of revenues over expenditures (expenditures over revenues)	\$ (487,632)	\$ 668,414	\$ -	\$ 180,782	\$ 506,551
Adjustments for items not involving cash					
Amortization of capital assets	29,982	-	-	29,982	34,088
Unrealized gains on investments	-	(791,202)	-	(791,202)	(92,690)
Interfund transfers	483,482	(483,482)	-	-	-
Changes in non-cash working capital balances					
Amounts receivable	(174,587)	6,938	-	(167,649)	52,275
Inventories	55,865	-	-	55,865	6,995
Accounts payable and accrued liabilities	123,121	8,289	-	131,410	46,956
	<u>30,231</u>	<u>(591,043)</u>	<u>-</u>	<u>(560,812)</u>	<u>554,175</u>
Cash flows from financing activities					
Bank indebtedness	458,536	-	-	458,536	(288,636)
Funds deposited by parishes and cemeteries	-	848,186	-	848,186	389,698
Interfund balance	(383,606)	383,606	-	-	-
	<u>74,930</u>	<u>1,231,792</u>	<u>-</u>	<u>1,306,722</u>	<u>101,062</u>
Cash flows from investing activities					
Purchase of capital assets	(4,428)	-	-	(4,428)	(10,291)
Net purchases of investments	-	(258,985)	-	(258,985)	(661,448)
Collection of capital loans	-	6,132	-	6,132	21,747
	<u>(4,428)</u>	<u>(252,853)</u>	<u>-</u>	<u>(257,281)</u>	<u>(649,992)</u>
Increase in cash and cash equivalents during the year	100,733	387,896	-	488,629	5,245
Cash, beginning of year	79,181	527,263	-	606,444	601,199
Cash, end of year	\$ 179,914	\$ 915,159	\$ -	\$ 1,095,073	\$ 606,444

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

The Incorporated Synod of the Diocese of Ontario Summary of Significant Accounting Policies

December 31, 2016

Nature of Business

The Incorporated Synod of the Diocese of Ontario (the "Diocese") is incorporated without share capital under the laws of Canada. Its principal activities include the administration of the Diocese and the holding of investments.

The organization is a registered charity for Canadian income tax purposes, exempt from income tax under the Income Tax Act.

These financial statements include only the operations of the Diocese and do not include other controlled entities. (Note 10)

Basis of Accounting

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Fund Accounting

The Diocese follows the restricted fund method of accounting for contributions.

The *General Fund* reports unrestricted resources. This fund accounts for the activities associated with the Diocese day-to-day activities, the Church Bookroom and Camp Hyanto.

The *Restricted Fund* reports restricted resources that are to be used for the Investment Fund, Capital Loan Fund or Endowment Fund.

Investment Fund represents the activities associated with the investment of funds for parishes, cemeteries and trusts made available to the Diocese under conditions specified by the donors.

Capital Loan Fund represents funds made available for development loans to the parishes.

The *Endowment Fund* represents resources contributed for endowment. Investment income earned on resources of the Endowment Fund is reported in the General or Restricted Fund depending on the nature of any restrictions imposed by contributors of funds for endowment.

Investments

Investments in bonds and fixed yield income are recorded at amortized cost. Investments in equities are recorded at fair market value.

The Incorporated Synod of the Diocese of Ontario Summary of Significant Accounting Policies

December 31, 2016

Bookroom Inventory

The bookroom inventory is valued at the lower of cost and replacement cost.

Capital Assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expenditures. Betterments which extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to the Diocese ability to provide services, its carrying amount is written down to its residual value.

Capital assets are amortized on a straight-line basis using the following annual rates:

Furniture and equipment	- 20%
Building renovations	- 10%
Camp Hyanto cabins	- 10%

Revenue Recognition

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributions for endowment are recognized as revenue of the Endowment Fund.

Camp fees are recognized upon registration. Any discounts, or refunds of camp fees for withdrawal from the camp sessions are recognized when such discounts or refunds are processed.

Book store revenues are recognized at the time of sale.

Investment income earned on the Endowment Fund resources that must be spent on externally restricted activities is recognized as revenue of the Restricted Fund. Unrestricted investment income earned on the Endowment Fund resources is recognized as revenue of the General Fund. Investment income earned on externally restricted funds is recognized as revenue of the Restricted Fund. Other investment income is recognized as revenue of the General Fund when earned.

The Incorporated Synod of the Diocese of Ontario Summary of Significant Accounting Policies

December 31, 2016

Parish Activities

Parish revenues, expenses, assets and liabilities are accounted for at the parish level and do not form part of these financial statements.

Use of Estimates

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 reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. Estimates are used when accounting for a number of items including, but not limited to, impairment of assets, amortization and financial instruments.

Estimates have been made by management within these financial statements primarily in relation to accounts receivable, inventory, capital assets and accounts payable and accrued liabilities.

These estimates and assumptions are reviewed periodically and as adjustments become necessary they are reported in the periods in which they become known.

Cash and Cash Equivalents

Cash and cash equivalents consist of deposits at Canadian chartered banks and cash balances in investment portfolios.

The Incorporated Synod of the Diocese of Ontario Notes to Financial Statements

December 31, 2016

1. Investments

	2016	2015
Bonds and short-term investments, measured at amortized cost	\$ 12,094,027	\$ 13,083,843
Equity securities, measured at fair value	6,722,766	4,682,763
	\$ 18,816,793	\$ 17,766,606

The bonds and short-term investments have an effective interest rate of 2.20% to 8.80% (2015 - 2.20% to 9.98%) and mature between 2017 and 2032.

The above amounts include \$1,362,651 held in US dollars.

2. Accounts Receivable

	2016	2015
Parish receivables	\$ 598,382	\$ 457,456
Other receivables	259,382	233,649
	857,764	691,105
Less: Allowance for doubtful accounts	157,508	164,272
	\$ 700,256	\$ 526,833

3. Related Entities

Kingston Rectory Committee

The Diocese exercises significant influence over the Kingston Rectory Committee of the Incorporated Synod of the Diocese of Ontario (the "Committee").

The Committee derives its legal status and authority from Canon B18 of The Incorporated Synod of the Diocese of Ontario. The principal activities of the Committee involve the management of the assets of a specific rectory lands fund. The investment assets of the fund result from proceeds of disposition of certain land received by way of Crown grants prior to 1867.

The net assets and results from operations of the Committee are not included in the financial statements of the Diocese.

There have been no related party transactions during the year between the Committee and the Diocese.

The Incorporated Synod of the Diocese of Ontario Notes to Financial Statements

December 31, 2016

3. Related Entities (continued)

Parishes

	2016	2015
Accounts receivable (net of allowance)	\$ 440,874	\$ 293,184
Capital loans receivable	\$ 11,340	\$ 17,472
Funds deposited by parishes and cemeteries	\$ 14,263,615	\$ 13,415,429

Parish common ministry and mission of \$1,269,576 (2015 - \$1,580,628) for general Diocesan purposes were received from the parishes. These amounts are determined by allocating the diocesan budget to the parishes on a pro rata basis using certain parish revenues.

The Diocese also receives contributions from parishes for the Primate's World Relief and Development Fund. The amount received and contributed to the National Office for 2016 was \$26,367 (2015 - \$41,335).

Related party transactions are recorded at the exchange amount, being the consideration agreed to between the parties.

4. Capital Assets

	2016		2015	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
General Fund				
Furniture and equipment	\$ 69,782	\$ 58,699	\$ 11,083	\$ 14,316
Building renovations	105,420	84,863	20,557	29,533
Bookroom equipment	6,694	6,140	554	1,472
Camp Hyanto equipment	27,353	22,738	4,615	7,332
Camp Hyanto cabins	208,849	187,756	21,093	30,803
	\$ 418,098	\$ 360,196	\$ 57,902	\$ 83,456

During the year, capital assets were acquired with cash at an aggregate cost of \$4,428 (2015 - \$10,291).

The Incorporated Synod of the Diocese of Ontario Notes to Financial Statements

December 31, 2016

5. Bank Indebtedness

	2016	2015
Bank of Montreal line of credit - bank prime rate plus 1%, repayable in monthly interest payments	\$ 1,197,184	\$ 738,648

The Diocese's overdraft has a maximum limit of \$1,250,000. The unused portion of the credit facilities at December 31, 2016 is \$52,816.

6. Accounts Payable and Accrued Liabilities

	2016	2015
Trade accounts payable	\$ 177,848	\$ 50,313
Owing to Anglican Diocese of Ontario Foundation	184,613	176,324
HST payable (recoverable)	1,360	-
	\$ 363,821	\$ 226,637

Included in trade accounts payable is \$272 for credit card balances payable. These credit cards, combined, carry a maximum credit limit of \$50,000.

Also included in trade accounts payable is \$107,856 representing the final quarter of the pre-determined 2016 proportional gift to General Synod. The last quarter's payment had been held back awaiting the determination of the final results of Synod operations for the year. Subsequent to the year end the Diocese remitted the full amount for payment.

7. Contingent Liabilities

The Diocese is contingently liable as guarantor of loans from the Anglican Foundation of Canada to local parishes in the amount of \$12,192 (2015 - \$16,383).

The Diocese has been named as a defendant in two outstanding claims for total damages \$2,650,000 in damages. In the opinion of management and legal counsel, the outcome of the lawsuits, now pending, is not determinable. Should any loss result from the resolution of these claims, such loss will be charged to operations in the year of resolution. Accordingly no liability has been recorded in the financial statements.

8. Comparative Figures

In some instances, comparative figures have been reclassified in order to comply with the current year's presentation.

The Incorporated Synod of the Diocese of Ontario Notes to Financial Statements

December 31, 2016

9. Commitments

In September of 2016, the Diocese entered into a 10-year contract to lease office space from Landont Limited effective January 1, 2017. Under the terms of the lease, the Diocese agrees to pay \$82,505 per year until December 31, 2022, and \$86,125 until the lease expires December 2026. In the lease agreement, there are two renewal options for terms of five years each. Should the lease agreement be renewed, the gross rental amount will be determined between the two parties based upon comparable lease rates at the time of renewal.

The minimum annual lease payments for the next five years are as follows:

2017	82,505
2018	82,505
2019	82,505
2020	82,505
2021	82,505
	\$ 412,525

10. Consolidated Financial Statements Not Prepared

The financial statements do not include the financial activities of the Anglican Diocese of Ontario Holding Corporation (the "Holding Corporation"), which the Diocese controls. The Holding Corporation uses the deferral method of accounting for contributions.

The Holding Corporation is incorporated without share capital under the laws of Ontario. Its sole activity is to hold title to the Diocesan Centre property.

The Holding Corporation is controlled by membership of the Council of The Incorporated Synod of the Diocese of Ontario.

Condensed financial statements of the Holding Corporation are set out as follows:

	2016	2015
<u>Statement of Financial Position</u>		
Total assets	\$ 288,140	\$ 302,320
 <u>Statement of Financial Position</u>		
Total revenues	\$ 69,909	\$ 66,263
Total expenditures	84,089	80,443
Excess of expenditures over revenues	\$ (14,180)	\$ (14,180)

The Incorporated Synod of the Diocese of Ontario Notes to Financial Statements

December 31, 2016

10. Consolidated Financial Statements Not Prepared (continued)

The premises used as the office of the Diocese are provided by the Holding Corporation rent free. The Diocese pays the annual cost of operating the building to the Holding Corporation.

During the year, the Holding Corporation entered into an agreement to sell the Diocesan Centre for \$1,295,000. The assets remain on the Holding Corporation's financial statements until the formal transfer of ownership occurs in January 2017.

11. Pension Agreements

The Diocese makes contributions to the Anglican Church of Canada - General Synod Pension Plan, which is a multi-employer plan, on behalf of its clergy and employees. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the clergy and employees based on the length of service and rates of pay.

The amount contributed by the Diocese to the pension plan for 2016 was \$67,977 (2015 - \$276,009) for current service and is included in expenditures on the Statement of Operations.

12. Financial Risks and Concentration of Credit Risk

Financial instruments are financial assets or liabilities of the Diocese where, in general, the Diocese has the right to receive cash or another financial asset from another party or the Diocese has the obligation to pay another party cash or other financial assets.

Financial instruments consist of cash, bank indebtedness, accounts receivable, capital loans receivable, investments, accounts payable and accrued liabilities, and funds deposited by parishes and cemeteries.

The Diocese initially recognized its financial instruments at fair value and subsequently measure them at amortized cost, except for short-term and long-term investments which continue to be measured at fair value.

Financial assets measured at cost or amortized cost are tested for impairment at the end of each year and the amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement and the amount of the reversal is recognized in net income. The reversal may be recorded provided it is no greater than the amount that had been previously reported as a reduction in the asset and it does not exceed original cost.

The Incorporated Synod of the Diocese of Ontario Notes to Financial Statements

December 31, 2016

12. Financial Risks and Concentration of Credit Risk (continued)

Currency Risk

The Diocese is exposed to financial risks as a result of exchange rate fluctuations and the volatility of these rates. In the normal course of business, the Diocese purchases investments denominated in foreign currencies. The Diocese does not currently enter into forward contracts to mitigate this risk.

Credit Risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Diocese is exposed to credit risk with respect to the accounts receivable, capital loans receivable and investments.

The Diocese assesses, on a continuous basis, accounts receivable and capital loans receivable and provides for any amounts that are not collectible in the allowance for doubtful amounts.

The Diocese deals with creditworthy counterparties to mitigate the risk of financial loss from defaults related to the investments.

There have been no significant changes to the credit risk exposure from 2015.

Interest Rate Risk

The Diocese is exposed to interest rate risk on its fixed interest rate investments. Further details about the fixed rate investments are included in Note 1.

Market Risk

Market risk is the risk of financial loss to the Diocese arising from fluctuations in the market price of its investments. To manage these risks, the Diocese has established a target mix of investment types designed to achieve acceptable returns within reasonable risk tolerances.

13. Economic Dependence

The Diocese is dependent on mandated Common Ministry and Mission contributions from member parishes. Common Ministry and Mission contributions represent approximately 73% of the Diocese total operating revenues.

The Incorporated Synod of the Diocese of Ontario Notes to Financial Statements

December 31, 2016

14. Transition and Restructuring

During the year Synod completed deliberations with respect to Camp Hyanto and the Diocesan Centre. It was decided to sell the Synod Office at 90 Johnson Street and relocate to a leased premises at 165 Ontario Street. Camp Hyanto operations were suspended for the 2017 camping season allowing time for future planning and discernment. The costs relating to these decisions were as follows:

External consultation and legal advice	\$	8,237
Disposal of Hyanto inventory		9,933
Hyanto staff severance costs		23,880
Administrative salary costs		14,804
		<hr/>
	\$	56,854

15. Confidential Personnel Matters

During the year certain sensitive personnel matters were experienced by Synod, one of which was subject to a legally binding confidentiality agreement. The costs relating to these situations in total amounted to \$90,601.

The Incorporated Synod of the Diocese of Ontario Schedule of Operating Fund Operations and Fund Balance

For the year ended December 31	2016	2015
Revenues		
Parish common ministry and mission contributions	\$ 1,269,576	\$ 1,580,628
Investment fund interest, funds for general purposes	13,830	13,830
Fees, administration and sundry	15,674	18,590
Donations and recoveries	34,160	224
	<u>1,333,240</u>	<u>1,613,272</u>
Expenditures		
Diocesan core expenses		
Bishop's office	173,055	162,620
Synod office	438,247	405,730
Diocesan Centre	69,910	66,263
Interest	42,367	34,655
Amortization of capital assets	15,077	18,180
Transition and restructuring (Note 14)	56,854	-
Personnel		
Confidential personnel matters (Note 15)	90,601	-
Training and development	48,850	61,914
Other	32,106	17,786
Clergy benefits	-	305,086
Programs	205,138	212,679
	<u>1,172,205</u>	<u>1,284,913</u>
Outside the Diocese		
General, Provincial Synods and Lambeth	457,524	444,168
	<u>1,629,729</u>	<u>1,729,081</u>
Excess of expenditures over revenues	(296,489)	(115,809)
Interfund transfers		
Appropriates from (to)		
Investment fund	216,162	(22,976)
Capital loan fund	15,927	16,025
Church Bookroom	15,563	-
Administration fees from		
Investment fund	195,413	184,596
Capital loan fund	4,124	4,124
Grant to Camp Hyanto	(90,000)	-
Change in fund balance	60,700	65,960
Fund balance, beginning of year	244,947	178,987
Fund balance, end of year	\$ 305,647	\$ 244,947

**The Incorporated Synod of the Diocese of Ontario
Schedule of Church Bookroom Operations and Fund Balance**

For the year ended December 31	2016	2015
Sales	\$ 348,733	\$ 365,608
Cost of sales	<u>223,648</u>	<u>218,600</u>
Gross margin	<u>125,085</u>	<u>147,008</u>
Expenditures		
Advertising	8,516	5,099
Amortization of capital assets	918	1,080
Bank service charges	2,555	4,147
Disposal of old inventory	10,187	1,432
Insurance	779	827
Office	9,763	8,382
Postage	503	1,277
Telephone	721	738
Travel	3,946	3,742
Wages and benefits	<u>130,400</u>	<u>125,799</u>
	<u>168,288</u>	<u>152,523</u>
Excess of expenditures over revenues	(43,203)	(5,515)
Interfund transfer		
Appropriation from (to) operating fund	<u>(15,563)</u>	-
Change in fund balance	(58,766)	(5,515)
Fund deficiency, beginning of year	<u>(50,069)</u>	<u>(44,554)</u>
Fund deficiency, end of year	<u>\$ (108,835)</u>	<u>\$ (50,069)</u>

**The Incorporated Synod of the Diocese of Ontario
Schedule of Camp Hyanto Fund Operations and Fund Balance**

For the year ended December 31	2016	2015
Revenues		
Camp and program fees	\$ 37,444	\$ 56,321
Donations and other	9,475	4,971
	<u>46,919</u>	<u>61,292</u>
Expenditures		
Advertising	9,097	7,542
Amortization of capital assets	13,987	14,828
Food	17,611	19,634
Fuel and hydro	9,977	10,672
Medical	237	261
Printing, stationery and postage	79	266
Programs	1,979	4,796
Repairs and maintenance	18,174	16,655
Salaries and benefits	112,461	126,723
Taxes and insurance	5,885	5,979
Telephone	1,618	1,471
Travel and administration	3,754	4,645
	<u>194,859</u>	<u>213,472</u>
Excess of expenditures over revenues	(147,940)	(152,180)
Interfund transfers		
Grant from general fund	90,000	-
Appropriation from investment fund	51,856	91,735
	<u>(6,084)</u>	<u>(60,445)</u>
Change in fund balance	(6,084)	(60,445)
Fund deficiency, beginning of year	(232,434)	(171,989)
Fund deficiency, end of year	\$ (238,518)	\$ (232,434)

The Incorporated Synod of the Diocese of Ontario Schedule of Investment Fund Operations and Fund Balance

For the year ended December 31	2016	2015
Revenues		
Investments		
Interest on investments and bank deposits	\$ 1,339,869	\$ 1,059,952
Additions to funds		
Bequests, donations and other	104,234	264,790
Received from parishes	7,000	9,603
Received from National Church	7,699	126,565
	<u>1,458,802</u>	<u>1,460,910</u>
Expenditures		
Legal and other	11,911	10,729
Allocation of income from consolidated investments		
Cemeteries	78,907	72,861
Parishes	574,303	539,815
	<u>665,121</u>	<u>623,405</u>
Payments from funds		
Bishop's Discretionary Fund	8,623	10,618
Lambeth conference costs	-	3,092
Payments to retirees and widows	11,720	14,415
Sabbatical costs	1,592	2,591
Insurance claims	1,652	9,737
Payments to parishes for short-term clergy illness relief	5,605	2,740
National/Provincial synod attendance costs	7,098	4,987
Non-diocesan funds held in trust	28,476	7,827
Diocesan centre selling costs	21,617	-
Diocesan sponsored conferences	6,807	(7,570)
Refugee program	31,285	10,410
Miscellaneous program costs	1,490	-
	<u>791,086</u>	<u>682,252</u>
Excess of revenues over expenditures	667,716	778,658
Interfund transfers from/(to)		
Camp Hyanto	(51,856)	(91,735)
Capital loan fund	(19,353)	(18,752)
Operating fund	(216,162)	22,976
Administration fee to operating fund	(195,413)	(184,596)
	<u>184,932</u>	<u>506,551</u>
Change in fund balance	184,932	506,551
Fund balance, beginning of year	4,563,956	4,057,405
Fund balance, end of year	\$ 4,748,888	\$ 4,563,956
Fund balance comprised of:		
Endowment fund	\$ 441,735	\$ 441,735
Unallocated investment income	4,225,671	3,539,012
Other restricted	81,482	583,209
	<u>\$ 4,748,888</u>	<u>\$ 4,563,956</u>

**The Incorporated Synod of the Diocese of Ontario
Schedule of Capital Loan Fund Operations and Fund Balance**

For the year ended December 31	2016	2015
Revenues		
Interest on loans	\$ 698	\$ 1,397
Interfund transfers		
Allocation from investment fund	19,353	18,752
Administration fees to general fund	(4,124)	(4,124)
Appropriation to general fund	(15,927)	(16,025)
	<u>(698)</u>	<u>(1,397)</u>
Change in fund balance	-	-
Fund balance, beginning of year	<u>412,378</u>	<u>412,378</u>
Fund balance, end of year	<u>\$ 412,378</u>	<u>\$ 412,378</u>