



Financial Statements

The Canadian Unitarian Council

December 31, 2023

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Independent Auditor's Report

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To the Members of
The Canadian Unitarian Council

Opinion

We have audited the financial statements of The Canadian Unitarian Council (the "Council"), which comprise the statement of financial position as at December 31, 2023, and the statements of revenue and expenditures, 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, the accompanying financial statements present fairly, in all material respects, the financial position of the Council as at December 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Council in accordance with the 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 opinion.

Other matter

Our audit was conducted for the purposes of forming an opinion on the financial statements taken as a whole. The supplementary information included in the Schedule are presented for purposes of additional information and has been subjected to the auditing procedures applied only to the extent necessary to express an opinion in the audit of the financial statements taken as a whole.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Grant Thornton LLP

Toronto, Canada
March 26, 2024

Chartered Professional Accountants
Licensed Public Accountants

The Canadian Unitarian Council

Statement of Financial Position

As at December 31

2023

2022

Assets

Current

Cash	\$ 457,144	\$ 488,619
Accounts receivable	13,790	9,992
Prepaid and other	<u>2,202</u>	<u>14,734</u>
	473,136	513,345

Investments (Note 3)	<u>6,958,635</u>	<u>6,588,517</u>
	<u>\$ 7,431,771</u>	<u>\$ 7,101,862</u>

Liabilities

Current

Accounts payable and accrued liabilities	\$ 183,688	\$ 182,452
Congregation investment funds payable	<u>37,459</u>	<u>31,719</u>
	<u>221,147</u>	<u>214,171</u>

Net assets

General Fund	2,385,022	2,192,109
Internally Restricted Funds (Note 4)	2,722,476	2,613,563
Externally Restricted Funds (Note 4)	1,906,644	1,893,195
Endowment Funds (Note 4)	<u>196,482</u>	<u>188,824</u>
	<u>7,210,624</u>	<u>6,887,691</u>
	<u>\$ 7,431,771</u>	<u>\$ 7,101,862</u>

On behalf of the Board of Trustees

_____ Trustee

_____ Trustee

The Canadian Unitarian Council

Statement of Revenue and Expenditures

Year ended December 31

	General Fund	Internally Restricted Fund	Externally Restricted Fund	Endowment Fund	2023 Total	2022 Total
Revenue						
Annual program contributions	\$ 325,538	\$ -	\$ -	\$ -	\$ 325,538	\$ 368,532
Grants and donations – refugees	-	-	99,455	-	99,455	219,447
Donations	27,144	6,212	9,546	-	42,902	72,279
Administration fees	2,000	-	-	-	2,000	7,250
	<u>354,682</u>	<u>6,212</u>	<u>109,001</u>	<u>-</u>	<u>469,895</u>	<u>667,508</u>
Investment income (Note 3)	632,806	105,131	21,252	7,658	766,847	250,888
Annual conference and meeting	38,834	-	-	-	38,834	-
Event registration	23,574	-	-	-	23,574	29,820
Miscellaneous	2,708	-	-	-	2,708	2,355
Publication	486	-	-	-	486	199
	<u>1,053,090</u>	<u>111,343</u>	<u>130,253</u>	<u>7,658</u>	<u>1,302,344</u>	<u>950,770</u>
Expenditures (Schedule)						
Staffing	750,177	-	-	-	750,177	728,522
Grant subsidies and expenses – refugees	-	-	220,780	-	220,780	256,047
Grant subsidies and expenses	-	2,430	130,022	-	132,452	52,461
Annual conference and meeting	97,271	-	-	-	97,271	1,073
Administration	93,969	-	-	-	93,969	80,495
Investment management fees	79,009	-	-	-	79,009	80,900
Youth and young adult	26,255	-	-	-	26,255	31,872
Board, national committees and task forces	21,290	-	-	-	21,290	9,978
Media and communications	11,518	-	-	-	11,518	12,549
Congregational services	7,262	-	-	-	7,262	20,349
Program administration	3,739	-	-	-	3,739	2,032
Social responsibility	2,555	-	-	-	2,555	3,322
Gifts and grants	2,489	-	-	-	2,489	300
	<u>1,095,534</u>	<u>2,430</u>	<u>350,802</u>	<u>-</u>	<u>1,448,766</u>	<u>1,279,900</u>
(Deficiency) excess of revenue over expenditures before undernoted item	(42,444)	108,913	(220,549)	7,658	(146,422)	(329,130)
Unrealized gains (losses) on investments	229,467	-	239,888	-	469,355	(1,584,075)
Excess (deficiency) of revenue over expenditures	<u>\$ 187,023</u>	<u>\$ 108,913</u>	<u>\$ 19,339</u>	<u>\$ 7,658</u>	<u>\$ 322,933</u>	<u>\$ (1,913,205)</u>

See accompanying notes and schedule to the financial statements.

The Canadian Unitarian Council

Statement of Changes in Net Assets

Year ended December 31

	General Fund	Internally Restricted Fund	Externally Restricted Fund	Endowment Fund	2023 Total	2022 Total
Net assets, beginning of year	\$ 2,192,109	\$ 2,613,563	\$ 1,893,195	\$ 188,824	\$ 6,887,691	\$ 8,800,896
Excess (deficiency) of revenue over expenditures	187,023	108,913	19,339	7,658	322,933	(1,913,205)
Interfund transfer of Dissolved Societies to General Fund	<u>5,890</u>	<u>-</u>	<u>(5,890)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net assets, end of year	<u>\$ 2,385,022</u>	<u>\$ 2,722,476</u>	<u>\$ 1,906,644</u>	<u>\$ 196,482</u>	<u>\$ 7,210,624</u>	<u>\$ 6,887,691</u>

See accompanying notes and schedule to the financial statements.

The Canadian Unitarian Council

Statement of Cash Flows

Year ended December 31

2023

2022

Increase (decrease) in cash

Operating

Excess (deficiency) of revenue over expenditures	\$ 322,933	\$ (1,913,205)
Item not involving cash		
Unrealized (gains) losses on investments	<u>(469,355)</u>	<u>1,584,075</u>
	(146,422)	(329,130)
Changes in non-cash working capital items		
Accounts receivable	(3,798)	24,147
Prepaid and other	12,532	(13,334)
Accounts payable and accrued liabilities	1,236	2,071
Congregation investment funds payable	<u>5,740</u>	<u>31,719</u>
	<u>(130,712)</u>	<u>(284,527)</u>

Investing

Reinvested realized (gains) losses on sale of investments (Note 3)	(491,591)	4,231
Net change in investments	<u>590,828</u>	<u>(107,088)</u>
	<u>99,237</u>	<u>(102,857)</u>

Net change in cash (31,475) (387,384)

Cash

Beginning of year	<u>488,619</u>	<u>876,003</u>
End of year	<u>\$ 457,144</u>	<u>\$ 488,619</u>

See accompanying notes and schedule to the financial statements.

The Canadian Unitarian Council

Notes to the Financial Statements

December 31, 2023

1. Description of organization

The Canadian Unitarian Council (the "Council" or "CUC") is a registered charity under paragraph 149(1)(f) of the Income Tax Act and is incorporated under the Canada Not-for-Profit Corporations Act. The Council is an organization of Unitarian and Unitarian Universalist member congregations and individual members acting to enhance, nurture and promote Unitarian and Unitarian Universalist religion in Canada. The Council provides tangible support for religious exploration, spiritual growth, and social responsibility.

2. Summary of significant accounting policies

The Council's financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO").

Fund accounting

In order to ensure the observance of the limitations and restrictions placed on the use of resources available to the Council, the accounts are maintained in accordance with the principles of fund accounting. Accordingly, resources are classified for accounting and reporting purposes into funds. These funds are held in accordance with the objectives specified by donors or in accordance with the directives issued by the Board of Trustees (the "Board"). Transfers between funds are made where allowable when it is considered appropriate and authorized by the Board, consistent with the obligations of the fund from which the resources are transferred. For financial statement purposes, the accounts have been classified into four groups:

General Fund

This fund contains all unrestricted donations to the Council. All income from investments earned is allocated to the various trust funds or to the operating budget for the following year in accordance with the policies of the trust funds.

Included in the General Fund liabilities are congregation investment funds payable of:

	<u>2023</u>	<u>2022</u>
Niagara	\$ 13,345	\$ 11,300
Peterborough	12,477	10,565
London	<u>11,637</u>	<u>9,854</u>
	<u>\$ 37,459</u>	<u>\$ 31,719</u>

Internally Restricted Funds

Internally Restricted Funds are monies received by the Council in full from congregations, individuals or other sources each year, which are designated by the Board for disbursement to other organizations or for specific purposes in the same year. Unexpended monies in any year in any of these disbursement funds are carried over in the same fund to the following year.

The Canadian Unitarian Council

Notes to the Financial Statements

December 31, 2023

2. Summary of significant accounting policies (continued)

Fund accounting (continued)

Internally Restricted Funds (continued)

The Internally Restricted Funds include the following funds:

Legacy Fund

The 1992 Annual Meeting of the Council approved a campaign to establish a legacy fund. Earnings from the fund, after allowing for the protection of the capital base, will be allocated to the operating budget to support the program activities of the Council. Allocation of investment income is calculated on the fund balance at the first day of the year. Periodic unrestricted bequests to the Council are normally added to this fund. In addition, new contributions to the principal collected during the Growing Forward Campaign cannot be drawn down for at least ten years.

Lay Chaplaincy Training Fund

This fund includes revenue internally restricted from services performed by UU lay Chaplains and is used for the creation and delivery of education, training and professional development programs for Lay Chaplaincy throughout Canada.

CUC UU-UNO Fund

This fund includes internally restricted funds collected and held for CUC directed UU-UNO activities by Canadians, including the UU-UNO intern.

Dismantling Racism Fund

This fund receives contributions towards the work of dismantling racism and systemic barriers to full inclusion in ourselves and our institutions.

Justice and Equity Fund

Contributions to this fund are used for the CUC's Justice and Equity initiatives, which encompasses, but are not limited to, dismantling racism and systemic barriers to full inclusion; truth, healing and reconciliation amongst Indigenous and non-Indigenous people; environmental justice; and radical inclusion.

Externally Restricted Funds

Externally restricted funds include:

Avalon Fund

This fund includes the grant of money made to the Council by Ed and Elinor Ratcliffe in 2000, the income and capital of which are to be used to foster the vitality and growth of the Avalon Unitarian Universalist Fellowship in St. John's, Newfoundland, or since the Avalon Unitarian Universalist Fellowship has ceased to operate, to support the establishment of a Unitarian Universalist presence in Newfoundland. Fund monies are invested with other Council funds as per the Council's Investment Policy. This fund is protected from inflation by an allocation of a pro-rata share of investment income earned from the general fund each year. Disbursements from this fund are made at the discretion of the Board in accordance with the restrictions indicated above.

The Canadian Unitarian Council

Notes to the Financial Statements

December 31, 2023

2. Summary of significant accounting policies (continued)

Fund accounting (continued)

Externally Restricted Fund (continued)

Congregation Investment Funds and Other Trust Funds

Congregation Investment Funds and Other Trust Funds are comprised of the following:

	<u>2023</u>	<u>2022</u>
UC Calgary	\$ 796,066	\$ 674,087
Westwood UC	111,999	94,838
Dissolved Societies	43,519	49,409
Northern Lights	5,938	5,938
Canadian UU Women's Fund	1,262	1,514
Congregational Investment: UUC North Hatley	<u>-</u>	<u>70,481</u>
	<u>\$ 958,784</u>	<u>\$ 896,267</u>

Made up of the following:

Congregational Investment Funds (Note 4)	\$ 908,066	\$ 839,407
Other Trust Funds (Note 4)	<u>50,718</u>	<u>56,860</u>
	<u>\$ 958,784</u>	<u>\$ 896,267</u>

Refugee Fund

The Council is a Sponsorship Agreement Holder with the Department of Immigration, Refugee and Citizenship Canada, and is responsible for refugee sponsorships undertaken by its congregations. In addition, the Council occasionally enters into partnerships for refugee sponsorship with other organizations. The Refugee Fund consists of donations and income for the resettlement of newcomers to Canada.

EB Ratcliffe Leadership Development Fund

This fund includes donations received and held for disbursement as subsidies for individuals to attend various UU events in support of leadership development and learning.

Theological Education Fund

This fund supports theological education and ministerial students. Income is from the Percy Simpson Bailey Trust, individual gifts, and donations from the First Unitarian Congregation of Toronto's Rouff-Mackie-Jenkins Trust. Grants are awarded to qualified applicants.

Rev. Rod's Fund

This fund is used to develop leadership skills among youth and young adults. Income is from donations and certain program funds.

Emerging Congregations Fund

This fund includes donations received for emerging groups and held for this purpose.

The Canadian Unitarian Council

Notes to the Financial Statements

December 31, 2023

2. Summary of significant accounting policies (continued)

Fund accounting (continued)

Externally Restricted Fund (continued)

Sharing Our Faith Fund

This fund accumulates special 'Sharing Our Faith' collections taken up in member congregations, disbursed to selected member congregations who apply for assistance for special projects to assist them to reach a higher level in mission, growth and visibility.

Canadian UU Religious Educators Fund

These funds are restricted in honour of Caroline Balderston Parry, life-long religious educator and author, and supports Unitarian Universalist Religious Educators in Canada with professional development, training, education and event attendance. Criteria and grant decisions are made by the CUURE Executive. This fund is administered by the CUIC in support of Religions Educators.

UU@United Nations Fund

This fund consists of contributions from Canadians to continental or international UU organizations, under specific agreements to further CUC's charitable purposes.

Nancy and Victor Knight Award Fund

This fund consists of investment income earned on the endowment fund restricted to be used for the awards as described in the Nancy and Victor Knight endowment fund below.

Endowment Funds

The Percy Simpson Bailey Fund

According to the wishes of the donor, the principal of the fund is to be kept intact and the income is to be used for the work of the Unitarian Church in Canada, in a manner to be determined from time to time by the Council. In 1990, the Board decided that the fund would be protected from inflation by capitalizing a portion of the income annually and that the balance of the income is recognized in the Theological Education Fund each year. Fund monies are invested with other Council capital funds as per the Council Investment Policy.

Nancy and Victor Knight Fund

In 1996, funds were received for the purpose of establishing a perpetual fund to honour the ideals exemplified by the lives and work of Nancy and Victor Knight in furthering the principles of Unitarianism and Universalism in Canada. An award is to be made annually at the Annual Meeting from the income of the fund to a living person, selected by the Board, who has made a notable contribution to furthering liberal religious principles in Canada. Fund monies are invested with other Council funds as per the Council Investment Policy. The fund is protected from inflation by an allocation of a pro-rata share of investment income earned from the general fund each year.

The Canadian Unitarian Council

Notes to the Financial Statements

December 31, 2023

2. Summary of significant accounting policies (continued)

Revenue recognition

The Council follows the restricted fund method of accounting for restricted contributions, grants and donations. As such, contributions, grants and donations which are externally restricted by the donor or internally restricted by Council are recorded in the appropriate restricted fund in the year received and unrestricted contributions are recognized as revenue of the General Fund when received or receivable.

Event registration, annual conference and meeting revenue are recognized on the date of the event. All other income is recognized as earned. Investment income includes dividend and interest income and realized gains (losses) on sale of investments and is recognized as earned.

Contributed goods and services

Contributed goods are recorded when a fair value can be reasonably estimated and when the goods are used in the normal course of operations and would otherwise have been purchased. Because of the difficulty in determining fair value, contributed services of volunteers are not recognized in these financial statements.

Equipment

It is the policy of the Council to charge equipment acquisitions to current expenditures that are considered insignificant. Total such expenditures in 2023 amounted to \$4,326 (2022 - \$2,140) included in Administration expenditures. Equipment held by the Council includes minor furniture and office equipment.

Financial instruments

The Council considers any contract creating a financial asset, liability or equity instrument as a financial instrument. The Council's financial instruments are comprised of cash, accounts receivable, investments, and accounts payable.

The Council initially measures its financial assets and liabilities at fair value. The Council subsequently measures all its financial assets and liabilities at amortized cost, except for investments, which are measured at fair value.

Investments are recorded and carried at fair value by reference to published market price quotations. Unrealized gains and losses arising from the change in fair value are recorded in the statement of revenue and expenditures in the year incurred.

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of revenue and expenditures. 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 the statement of revenue and expenditures.

The Canadian Unitarian Council

Notes to the Financial Statements

December 31, 2023

3. Investments

	<u>2023</u>	<u>2022</u>
Canadian equities	\$ 5,004,318	\$ 4,881,366
US equities	1,908,313	1,613,460
Fixed income	46,004	43,691
Guaranteed investment certificate	<u>-</u>	<u>50,000</u>
	<u>\$ 6,958,635</u>	<u>\$ 6,588,517</u>

The fixed income investment matures in May 2028, earning interest at an annual rate of 2.20%. The guaranteed investment certificate matured in December 2023 and earned interest at an annual rate of 5.30%.

Investment income is comprised of:

	<u>2023</u>	<u>2022</u>
Realized gains (losses) on sale of investments	\$ 491,591	\$ (4,231)
Interest and dividend income	<u>275,256</u>	<u>255,119</u>
	<u>\$ 766,847</u>	<u>\$ 250,888</u>

The Canadian Unitarian Council

Notes to the Financial Statements

December 31, 2023

4. Restricted funds

	January 1, 2023	Contributions	Investment income and unrealized losses	Disbursements	Transfer	December 31, 2023
Internally Restricted Funds						
Legacy Fund	\$ 2,592,377	\$ -	\$ 105,131	\$ -	\$ -	\$ 2,697,508
Lay Chaplaincy Training Fund	14,650	4,366	-	(2,430)	-	16,586
CUC UU-UNO Fund	6,386	1,269	-	-	-	7,655
Dismantling Racism Fund	150	-	-	-	-	150
Justice and Equity Fund	-	577	-	-	-	577
	<u>\$ 2,613,563</u>	<u>\$ 6,212</u>	<u>\$ 105,131</u>	<u>\$ (2,430)</u>	<u>\$ -</u>	<u>\$ 2,722,476</u>
Externally Restricted Funds						
Avalon Fund	\$ 494,592	\$ -	\$ 89,498	\$ -	\$ -	\$ 584,090
Congregation Investment Fund	839,407	-	145,131	(76,472)	-	908,066
Other Trust Funds	56,860	-	-	(252)	(5,890)	50,718
Refugee Fund	370,971	99,455	-	(220,780)	-	249,646
ED Radcliffe Leadership Development Fund	14,410	590	-	(2,508)	-	12,492
Theological Education Fund	73,190	3,715	25,202	(37,500)	-	64,607
Rev. Rod's Fund	11,133	2,255	-	(3,990)	-	9,398
Emerging Congregations	5,452	-	-	-	-	5,452
Sharing Our Faith Fund	8,460	2,445	-	(9,300)	-	1,605
Canadian UU Religious Educations Fund	2,394	25	-	-	-	2,419
UU@United Nations	12,135	516	-	-	-	12,651
Nancy and Victor Knight Award Fund	4,191	-	1,309	-	-	5,500
	<u>1,893,195</u>	<u>\$ 109,001</u>	<u>\$ 261,140</u>	<u>\$ (350,802)</u>	<u>\$ (5,890)</u>	<u>\$ 1,906,644</u>
Endowment Funds						
The Percy Simpson Bailey Endowment Fund	\$ 179,504	\$ -	\$ 7,280	\$ -	\$ -	\$ 186,784
Nancy and Victor Knight Endowment Fund	9,320	-	378	-	-	9,698
	<u>\$ 188,824</u>	<u>\$ -</u>	<u>\$ 7,658</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 196,482</u>

The Canadian Unitarian Council

Notes to the Financial Statements

December 31, 2023

5. Financial instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of the financial statements in assessing the extent of risk related to financial instruments.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet its obligation. The Council's main credit risk relate to its accounts receivable.

This risk is mitigated by the Council through ensuring revenue is derived from qualified sources and providing for an allowance for doubtful accounts when appropriate. At December 31, 2023, the allowance for doubtful accounts in relation to accounts receivable is \$Nil (2022 - \$Nil).

Liquidity risk

Liquidity risk is the risk that a party will encounter difficulty in meeting obligations associated with its financial liabilities. The Council is exposed to liquidity risk with respect to its accounts payable.

The Council reduces its exposure to liquidity risk by ensuring that it documents when authorized payments are due and maintaining adequate cash reserves to meet obligations.

Government remittances payable at December 31, 2023 are \$Nil (2022 - \$Nil).

Currency risk

Currency risk is the risk arising from the change in price of one currency against another. The Council is exposed to currency risk with respect to its investments held in US equities. To manage this risk, the Council follows an investment policy which requires a diversified portfolio meeting specific requirements.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Council is exposed to interest rate risk with respect to investments with fixed interest rates. To manage this risk, the Council follows an investment policy which requires a diversified portfolio meeting specific requirements.

Other price risk

The Council is exposed to other price risk on its investment in equities quoted in an active market since changes in market prices would result in changes in the fair value of these instruments. To manage this risk, the Council follows an investment policy which requires a diversified portfolio meeting specific requirements.

The Canadian Unitarian Council

Notes to the Financial Statements

December 31, 2023

6. Budget amounts

The budget amounts presented in the schedule of the financial statements are for informational purposes only. These amounts are not covered by the auditor's report.

7. Comparative figures

Certain comparative figures have been reclassified to conform to the current year's financial statement presentation.

The Canadian Unitarian Council

Schedule of General Fund Operating Expenses

Year ended December 31

	2023 Budget (Unaudited - Note 6)	2023 Actual	2022 Actual
Staffing			
Salaries, outside services and benefits	\$ 746,167	\$ 696,514	\$ 691,663
Contractors	40,100	36,433	25,578
Executive Director, office, general, international and travel expenses	13,000	15,177	10,916
Professional development	<u>5,500</u>	<u>2,053</u>	<u>365</u>
	<u>\$ 804,767</u>	<u>\$ 750,177</u>	<u>\$ 728,522</u>
Annual conference and meeting			
General conference	<u>\$ 71,500</u>	<u>\$ 97,271</u>	<u>\$ 1,073</u>
Administration			
Membership and subscriptions	\$ 20,000	\$ 22,788	\$ 20,523
Rent and occupancy	22,000	20,267	20,082
Audit and professional services	18,000	18,764	17,000
General and office	500	7,763	303
Storage	6,180	6,042	5,581
Service fee	7,500	5,268	5,031
Computer	2,000	4,326	2,140
Insurance	3,700	3,762	3,481
HST/GST expense	3,000	3,429	2,803
Telephone and internet	750	648	480
Miscellaneous expense	200	640	2,628
Postage and courier	500	186	430
Furniture	500	86	13
Equipment rental and maintenance	1,000	-	-
Extraordinary expense	1,000	-	-
Fundraising	<u>500</u>	<u>-</u>	<u>-</u>
	<u>\$ 87,330</u>	<u>\$ 93,969</u>	<u>\$ 80,495</u>
Investment management fees	<u>\$ -</u>	<u>\$ 79,009</u>	<u>\$ 80,900</u>
Youth and young adult			
Programme delivery	\$ 19,000	\$ 23,890	\$ 26,159
Office	2,090	2,365	5,305
Travel and professional development	<u>-</u>	<u>-</u>	<u>408</u>
	<u>\$ 21,090</u>	<u>\$ 26,255</u>	<u>\$ 31,872</u>

The Canadian Unitarian Council

Schedule of General Fund Operating Expenses (continued)

Year ended December 31

	2023 Budget (Unaudited - Note 6)	2023 Actual	2022 Actual
Board, national committees and task forces			
Board expenses and communications	\$ 13,600	\$ 20,773	\$ 9,182
Nominating committee	100	517	-
Shared ministry	750	-	630
Other	200	-	166
Program delivery – National	<u>6,000</u>	<u>-</u>	<u>-</u>
	<u>\$ 20,650</u>	<u>\$ 21,290</u>	<u>\$ 9,978</u>
Media and communications			
Communication	\$ 10,000	\$ 9,797	\$ 10,923
General	1,400	1,313	1,108
Website maintenance	500	408	518
Publications	300	-	-
Media relations	<u>200</u>	<u>-</u>	<u>-</u>
	<u>\$ 12,400</u>	<u>\$ 11,518</u>	<u>\$ 12,549</u>
Congregational services			
Programme delivery	\$ 10,000	\$ 5,083	\$ 17,595
Office	2,800	1,669	2,679
Travel and professional development	<u>-</u>	<u>510</u>	<u>75</u>
	<u>\$ 12,800</u>	<u>\$ 7,262</u>	<u>\$ 20,349</u>
Program administration			
International	<u>\$ 3,200</u>	<u>\$ 3,739</u>	<u>\$ 2,032</u>
Social responsibility	<u>\$ 5,000</u>	<u>\$ 2,555</u>	<u>\$ 3,322</u>
Gifts and grants	<u>\$ -</u>	<u>\$ 2,489</u>	<u>\$ 300</u>
Total general fund expenditures	<u>\$ 1,038,737</u>	<u>\$ 1,095,534</u>	<u>\$ 971,392</u>