

# **BE IN CHRIST CHURCH OF CANADA**

**Financial Statements**

**Year ended December 31, 2025**

**BE IN CHRIST CHURCH OF CANADA**  
**Index to Financial Statements**  
**December 31, 2025**

|  | <b>PAGE</b> |
|--|-------------|
| INDEPENDENT AUDITOR'S REPORT.....          | 1 - 2       |
| STATEMENT OF FINANCIAL POSITION.....       | 3           |
| STATEMENT OF OPERATIONS.....               | 4           |
| STATEMENT OF CHANGES IN FUND BALANCES..... | 5           |
| STATEMENT OF CASH FLOWS.....               | 6           |
| NOTES TO FINANCIAL STATEMENTS.....         | 7 - 18      |

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
Be In Christ Church of Canada

### *Qualified Opinion*

We have audited the financial statements of Be In Christ Church of Canada (the "Organization"), which comprise the statement of financial position as at December 31, 2025, and the statements of operations, changes in fund balances, 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 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 Organization as at December 31, 2025, 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 charitable organizations, the Organization derives revenues from contributions, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to revenues, excess (deficiency) of revenues over expenses, and cash flows from operations for the years ended December 31, 2025 and 2024, current assets as at December 31, 2025 and 2024, and fund balances as at January 1 and December 31, 2025 and 2024. Our opinion on the financial statements for the year ended December 31, 2024 was modified accordingly because of the possible effects of this limitation in scope.

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 Organization 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 qualified opinion.

### *Emphasis of Matter*

We draw attention to Note 13 to the financial statements, which explains that certain comparative information presented for the year ended December 31, 2024 has been restated. Our opinion is not modified in respect of this matter.

### *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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

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

## INDEPENDENT AUDITOR'S REPORT - cont'd

### *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 entity'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 entity'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 entity 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.

*Adams & Miles LLP*

Chartered Professional Accountants  
Licensed Public Accountants

Toronto, Canada  
March 26, 2026



**BE IN CHRIST CHURCH OF CANADA**

**Statement of Financial Position**

**December 31, 2025**

|   | 2025                 | 2024<br><i>(As restated -<br/>Note 13)</i> |
|---|----------------------|--|
| <b>Assets</b>                                     |                      |  |
| Current   |                      |  |
| Cash  | \$ 419,964           | \$ 285,216                                 |
| Short-term investments (Note 3)                   | 9,445,899            | -  |
| Interest receivable and other                     | 192,281              | 35,318                                     |
| Harmonized Sales Tax recoverable                  | 13,445               | 11,879                                     |
| Prepaid expenses and advance payments             | 38,322               | 51,930                                     |
|   | <b>10,109,911</b>    | 384,343                                    |
| Investments (Note 3)                              | 14,896,812           | 3,757,518                                  |
| Church properties (Note 4)                        | 2,700,443            | 2,705,242                                  |
| Equipment (Note 2)                                | 1                    | -  |
|   | <b>\$ 27,707,167</b> | <b>\$ 6,847,103</b>                        |
| <b>Liabilities</b>                                |                      |  |
| Current   |                      |  |
| Accounts payable and accrued liabilities (Note 5) | \$ 214,407           | \$ 105,170                                 |
|   | <b>214,407</b>       | <b>105,170</b>                             |
| <b>Fund Balances</b>                              |                      |  |
| General Fund (Note 6)                             | 2,059,308            | 963,236                                    |
| Invested in Church Properties (Note 7)            | 2,700,443            | 2,705,242                                  |
| Internally Restricted Funds (Note 7)              | 22,492,315           | 2,960,693                                  |
| Externally Restricted Fund (Note 7)               | 123,136              | -  |
| Endowment Funds (Note 7)                          | 117,558              | 112,762                                    |
|   | <b>27,492,760</b>    | 6,741,933                                  |
|   | <b>\$ 27,707,167</b> | <b>\$ 6,847,103</b>                        |

Approved on behalf of the Board:

Stephen Roy Director  
Doug Brain Director

**BE IN CHRIST CHURCH OF CANADA**

**Statement of Operations**

**Year ended December 31, 2025**

|  | General<br>Fund | Restricted<br>Funds | Total<br>2025 | Total<br>2024<br><i>(As restated -<br/>Note 13)</i> |
|--|-----------------|---------------------|---------------|---|
| <b>Revenues</b>  |                 |                     |               |   |
| Shared contributions   | \$ 770,385      | \$ -                | \$ 770,385    | \$ 784,802  |
| Investment income (Note 8)   | 12,920          | 473,377             | 486,297       | 134,720   |
| Contributions for Network<br>Churches  | -               | 447,367             | 447,367       | 270,887   |
| Retreat registration fees  | 43,000          | -                   | 43,000        | -   |
| Designated contributions   | -               | 2,781               | 2,781         | 2,458   |
| Other  | 236             | -                   | 236           | 58,374  |
|  | 826,541         | 923,525             | 1,750,066     | 1,251,241   |
| <b>Expenses</b>  |                 |                     |               |   |
| Denomination leadership  | 667,050         | 1,720               | 668,770       | 498,698   |
| Church planting and partnerships   | 6,600           | 308,736             | 315,336       | 256,121   |
| General and administration   | 173,964         | 125,000             | 298,964       | 144,710   |
| Pastoral and congregational services   | 220,642         | -                   | 220,642       | 149,591   |
| Camp Kahquah support (Note 9)  | 164,000         | -                   | 164,000       | 24,000  |
| Global Ministry (Note 10)  | 75,000          | -                   | 75,000        | 50,000  |
| Next Generation Ministries   | 50,817          | -                   | 50,817        | 57,094  |
| Investment management fees   | -               | 40,915              | 40,915        | -   |
| Amortization   | -               | 4,799               | 4,799         | 4,799   |
| Compassionate initiatives  | -               | 4,000               | 4,000         | -   |
|  | 1,358,073       | 485,170             | 1,843,243     | 1,185,013   |
| <b>Excess (deficiency) of revenues<br/>over expenses from operations</b>                         |                 |                     |               |   |
|  | (531,532)       | 438,355             | (93,177)      | 66,228  |
| Unrealized gains   | 170,732         | 816,120             | 986,852       | 147,119   |
| <b>Excess (deficiency) of revenues<br/>over expenses before other<br/>income (disbursements)</b> |                 |                     |               |   |
|  | (360,800)       | 1,254,475           | 893,675       | 213,347   |
| <b>Other income (disbursements)</b>  |                 |                     |               |   |
| Proceeds from sale of property<br>and equipment (Notes 4 and 7)                                  | 310,001         | 18,588,070          | 18,898,071    | -   |
| Contributions from The Meeting<br>House Church Family (Note 7)                                   | -               | 1,359,817           | 1,359,817     | -   |
| Funds returned to churches   | -               | (400,736)           | (400,736)     | (118,727)   |
| Transfer of Endowment Fund<br>to Abundance Canada  | -               | -                   | -             | (1,333)   |
|  | 310,001         | 19,547,151          | 19,857,152    | (120,060)   |
| <b>Excess (deficiency) of revenues<br/>over expenses</b>   |                 |                     |               |   |
|  | \$ (50,799)     | \$ 20,801,626       | \$ 20,750,827 | \$ 93,287   |

**BE IN CHRIST CHURCH OF CANADA**

**Statement of Changes in Fund Balances**

**Year ended December 31, 2025**

|   | General<br>Fund | Invested in<br>Church<br>Properties | Internally<br>Restricted<br>Funds | Externally<br>Restricted<br>Fund | Endowment<br>Funds | <b>Total<br/>2025</b> | Total<br>2024<br><i>(As restated -<br/>Note 13)</i> |
|---|-----------------|-------------------------------------|-----------------------------------|----------------------------------|--------------------|-----------------------|---|
| <b>Balance, beginning of year, as<br/>previously stated</b> | \$ 963,238      | \$ -                                | \$ 2,960,693                      | \$ -                             | \$ 112,762         | \$ <b>4,036,693</b>   | \$ 3,938,607  |
| Accounting change (Note 13)                                 | (2)             | 2,705,242                           | -                                 | -                                | -                  | <b>2,705,240</b>      | 2,710,039   |
| <b>Balance, beginning of year, as<br/>restated</b>          | 963,236         | 2,705,242                           | 2,960,693                         | -                                | 112,762            | <b>6,741,933</b>      | 6,648,646   |
| Excess (deficiency) of revenues<br>over expenses            | (50,799)        | (4,799)                             | 20,678,493                        | 123,136                          | 4,796              | <b>20,750,827</b>     | 93,287  |
| Interfund transfers (Note 7)                                | 1,146,871       | -                                   | (1,146,871)                       | -                                | -                  | -                     | -   |
| <b>Balance, end of year</b>                                 | \$ 2,059,308    | \$ 2,700,443                        | \$ 22,492,315                     | \$ 123,136                       | \$ 117,558         | \$ <b>27,492,760</b>  | \$ 6,741,933  |

**BE IN CHRIST CHURCH OF CANADA**

**Statement of Cash Flows**

**December 31, 2025**

---

|  | <b>Total<br/>2025</b> | Total<br>2024<br><i>(As restated -<br/>Note 13)</i> |
|--|-----------------------|---|
| <b>Cash provided by (used in)</b>        |                       |   |
| <b>Operating activities</b>              |                       |   |
| Excess of revenues over expenses         | \$ 20,750,827         | \$ 93,287   |
| Re-invested interest and dividends       | (128,698)             | (40,831)  |
| Accrued interest on investments          | (192,281)             | (32,522)  |
| Unrealized gain on investments           | (986,852)             | (147,119)   |
| Amortization                             | 4,799                 | 4,799   |
| Changes in                               |                       |   |
| Accounts receivable                      | (156,963)             | 57,848  |
| Harmonized Sales Tax recoverable         | (1,567)               | (1,242)   |
| Prepaid expenses and advance payments    | 13,608                | (41,305)  |
| Accounts payable and accrued liabilities | 109,237               | (3,100)   |
|  | <b>19,412,110</b>     | <b>(110,185)</b>                                    |
| <b>Investing activity</b>                |                       |   |
| Change in investments (net)              | (19,277,362)          | 295,662   |
| <b>Net change in cash</b>                | <b>134,748</b>        | <b>185,477</b>                                      |
| <b>Cash, beginning of year</b>           | <b>285,216</b>        | <b>99,739</b>                                       |
| <b>Cash, end of year</b>                 | <b>\$ 419,964</b>     | <b>\$ 285,216</b>                                   |

---

# BE IN CHRIST CHURCH OF CANADA

## Notes to Financial Statements

Year ended December 31, 2025

---

### 1. Nature and purpose of operations

Be In Christ Church of Canada (the "Organization") was federally incorporated without share capital under the Canada Not-for-profit Corporations Act and is a registered charity, exempt from income taxes under Section 149(1) of the Income Tax Act (Canada).

The Organization serves as the denominational headquarters for the Be In Christ Churches in Canada, providing oversight and assistance to them. The continued operations of the Organization is dependent on the continued support of its members.

#### BIC Canada-Global

The Organization and BIC Canada-Global (formerly Brethren in Christ World Missions) are commonly controlled by the same Board of Directors. BIC Canada-Global is an unincorporated registered charity. Its purpose is to support and extend its ministry by partnering and labouring cross-culturally with other Christian believers to share faith, disciple, teach, train, serve, minister to humanity's needs, and plant churches. Summary financial information is disclosed in Note 10.

#### Camp Kahquah

The Organization is the beneficial owner of Camp Kahquah Corporation (the "Camp"), which was incorporated under the Ontario Business Corporations Act on May 31, 1963, and continued under the Ontario Not-for-Profit Corporations Act when it came into effect on October 19, 2021. The Camp, a registered charity, operates on the shores of Ahmic Lake, near Magnetawan, Ontario. Summary financial information is included in Note 9.

### 2. Summary of significant accounting policies

#### **Basis of presentation**

The financial statements are the representation of management and have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") in Part III of the CPA Canada Handbook and include the following significant accounting policies:

**BE IN CHRIST CHURCH OF CANADA**

**Notes to Financial Statements**

**Year ended December 31, 2025**

---

**2. Summary of significant accounting policies - cont'd**

**Fund accounting**

The accounts are maintained in accordance with the principles of fund accounting, whereby fund balances of the Organization are classified for accounting and reporting purposes into funds to be used according to the direction of the donor or as determined by the Organization.

*General Fund*

The General Fund consists of unrestricted contributions and other revenue and related expenses for the program delivery, administrative activities, and working capital requirements of the Organization.

*Internally Restricted Funds*

The Organization has a number of internally restricted funds held for various projects and initiatives (Note 7). The use of these funds is at the discretion of the Board of Directors.

*Externally Restricted Fund*

The Externally Restricted Fund consists of amounts transferred in 2025 from The Meeting House Church Family ("The Meeting House") upon its closure, originally designated by donors to assist in compassionate ministries and other programs. Such programs include, but are not limited to, local and global compassionate initiatives, and outreach opportunities.

*Endowment Funds*

The Endowment Funds report funds donated by individuals to be held in perpetuity, as well as accumulated investment income designated by the donors.

**Interfund transfers**

Transfers between funds are made when resources of one fund have been authorized by the Board of Directors to finance activities and acquisitions in another fund.

**Revenue recognition**

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

Externally restricted contributions are recognized as revenues of the appropriate restricted fund in the year received. Other externally restricted contributions are recorded in the General Fund as deferred revenues and subsequently recognized as revenues as the related expenses are incurred. If a project or mission for which funds had been contributed is overfunded or ceases, the funds are utilized at the discretion of the Organization.

## **BE IN CHRIST CHURCH OF CANADA**

### **Notes to Financial Statements**

**Year ended December 31, 2025**

---

#### **2. Summary of significant accounting policies - cont'd**

##### **Revenue recognition - cont'd**

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

Endowment contributions are recognized as revenues of the appropriate endowment fund in the year received.

Retreat registration fees are recognized in the year in which the retreat is held.

Investment and other income is recognized as earned, and is allocated to the Organization's funds on a proportionate basis.

##### **Financial instruments**

The Organization's financial instruments are comprised of cash, interest receivable and other, investments, and accounts payable and accrued liabilities.

Financial instruments are initially recorded at their fair value. The Organization subsequently measures its financial instruments at their amortized cost, except for marketable securities, fixed-income securities, equities, and pooled investment funds which are measured at their fair value. Unrealized gains or losses in the fair value of investments are recorded in the statement of operations. Accrued interest earned on Guaranteed Investment Certificates is recorded with interest receivable and other.

##### **Church properties**

Church properties are recorded at their original cost, where it was practicable to establish, as they were acquired between the years 1842 and 2021. Buildings are amortized on a straight-line basis over their estimated useful life of 40 years.

##### **Equipment**

During 2025, the Organization received various equipment from The Meeting House upon its closure. The fair value or carrying value of these contributed assets could not be reasonably determined. Accordingly, the assets were recorded at a nominal value of \$1.

##### **Impairment of long-lived assets**

The Organization tests for impairment whenever events or changes in circumstances indicate that the carrying amount of long-lived assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected undiscounted future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent carrying value exceeds its fair value.

## BE IN CHRIST CHURCH OF CANADA

### Notes to Financial Statements

Year ended December 31, 2025

#### 2. Summary of significant accounting policies - cont'd

##### Use of estimates

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Significant estimates include the allocation of the cost of church properties between land and buildings, and assessment of the outcome of contingencies. Such estimates are periodically reviewed and any adjustments necessary are reported in the year in which they become known. Actual results could differ from these estimates.

#### 3. Investments

|                                    | 2025          | 2024         |
|------------------------------------|---------------|--------------|
| Guaranteed Investment Certificates | \$ 9,361,850  | \$ 775,000   |
| Foreign equities                   | 5,446,761     | -            |
| Canadian equities                  | 2,671,094     | -            |
| Canadian fixed-income securities   | 2,329,500     | -            |
| Fixed-interest earning deposits    | 1,622,567     | 1,599,728    |
| Investment savings account         | 1,077,359     | 811,988      |
| Marketable securities              | 941,509       | 570,777      |
| Foreign pooled investment funds    | 501,034       | -            |
| Canadian pooled investment funds   | 364,959       | -            |
| Foreign fixed-income securities    | 26,048        | -            |
| Member shares at a credit union    | 30            | 25           |
|                                    | 24,342,711    | 3,757,518    |
| Less: short-term investments       | (9,445,899)   | -            |
| Long-term investments              | \$ 14,896,812 | \$ 3,757,518 |

Investments are funds held in support of the restricted funds and the General Fund, and are invested in accordance with the investments policy established by the Board of Directors.

The Guaranteed Investment Certificates ("GICs") earn interest in the range of 2.50% and 5.00% (2024 - 5.00%) per annum, and mature between March 2026 to October 2026 (2024 - March 2026). Of the amount invested in GICs, one GIC for \$813,750 (2024 - \$775,000) is non-redeemable and matures in March 2026. This non-redeemable GIC was held as at December 31, 2024 to guarantee the refinancing of the mortgage of The Meeting House, a member church. The mortgaged property was sold in March 2025 (Note 4) and the guarantee was released, except for \$400,000 which remains held

## BE IN CHRIST CHURCH OF CANADA

### Notes to Financial Statements

Year ended December 31, 2025

---

#### 3. Investments - cont'd

to guarantee a letter of credit for The Meeting House.

Fixed-income securities earn interest in the range of 1.83% and 6.51% per annum, and mature between June 2026 to January 2085.

In addition to the portfolio of marketable securities invested in the stock market, the fixed-interest earning deposits of \$1,622,567 (2024 - \$1,599,728) are invested with the BIC Fund, earning interest of 4.00% (2024 - 4.00%) per annum and having no maturity dates. The BIC Fund (formerly The Brethren in Christ Fund) is a separately incorporated entity, governed by an independent board, and is a loan fund that manages invested funds and provides lending to Be In Christ churches and ministries.

The book value of all investments is \$23,355,859 (2024 - \$3,610,399).

#### 4. Church properties

|           | 2025                |                          | 2024                |                     |
|-----------|---------------------|--------------------------|---------------------|---------------------|
|           | Cost                | Accumulated Amortization | Net Book Value      | Net Book Value      |
| Land      | \$ 2,561,989        | \$ -                     | \$ 2,561,989        | \$ 2,561,989        |
| Buildings | 191,985             | 53,531                   | 138,454             | 143,253             |
|           | <u>\$ 2,753,974</u> | <u>\$ 53,531</u>         | <u>\$ 2,700,443</u> | <u>\$ 2,705,242</u> |

Prior to fiscal 2024, it was understood by the Organization that it held title to, but no beneficial interest in, church properties of its members, and thus, the value of these properties was recorded in the financial statements of the Organization at a nominal amount, even when the church property was purchased by the Organization on a member church's behalf. During fiscal 2024, it was clarified that the Organization holds direct title as well as beneficial interest in 23 church properties. As a result, during fiscal 2025, management recorded them in the financial statements at their original cost, where it was practicable to establish their original cost (Note 13).

For member church properties for which the Organization does not hold legal title, according to the Organization's bylaws, should a member church close, its net assets are to be transferred to the Organization.

As stipulated in governing documents, upon the closure of The Meeting House, from the net proceeds of the sale of its property, the Organization received \$18,898,071 in 2025, which was allocated as described in Note 7.

## **BE IN CHRIST CHURCH OF CANADA**

### **Notes to Financial Statements**

**Year ended December 31, 2025**

---

#### **5. Pension**

The Organization and its member churches participate in the Canadian Council of Christian Charities ("CCCC") Employees' Pension Plan. As a service to its member churches, the Organization handles the collection of all pension contributions and remits them on their behalf to the CCCC. Included in accounts payable and accrued liabilities is \$40,000 (2024 - \$43,495) in pension contributions collected.

The CCCC plan is a defined contribution plan under which the employer contributes 8% of the participant's gross pay and the participants contribute 5% of their gross pay. Participants are able to provide voluntary contributions in addition to the above-defined contributions.

The employees of the Organization also participate in the pension plan. The total pension expense for the year was \$41,061 (2024 - \$36,851).

#### **6. General Fund**

Included in the General Fund is \$250,000 (2024 - \$Nil) designated by the Board of Directors for a future donation to the Mennonite Central Committee.

**BE IN CHRIST CHURCH OF CANADA**

**Notes to Financial Statements**

**Year ended December 31, 2025**

**7. Restricted Funds**

|  | Balance,<br>beginning of<br>year | Excess<br>(deficiency)<br>of revenues<br>over<br>expenses | Interfund<br>Transfers | Balance, end<br>of year |
|--|----------------------------------|---|------------------------|-------------------------|
| <b>Internally Restricted Funds</b>       |                                  |   |                        |                         |
| Funds Held for Member                    |                                  |   |                        |                         |
| Churches                                 | \$ 2,316,660                     | \$ 8,404,941  | \$ (978,805)           | \$ 9,742,796            |
| Future Fund                              | -                                | 8,918,243   | (152,617)              | 8,765,626               |
| Legal Reserve Fund                       | -                                | 3,193,033   | (60,949)               | 3,132,084               |
| Group Health Contingency<br>Fund         | 502,178                          | 22,584  | -                      | 524,762                 |
| Historical Society Fund                  | 4,217                            | 1,061   | -                      | 5,278                   |
| Network Churches                         |                                  |   |                        |                         |
| High Park Fund                           | 88,845                           | 140,692   | 20,000                 | 249,537                 |
| Alliston Fund                            | 42,405                           | (6,170)   | -                      | 36,235                  |
| Mosaic Church                            | -                                | 3,975   | 18,000                 | 21,975                  |
| Brockville Fund                          | 4,279                            | (588)   | 7,500                  | 11,191                  |
| Kirkland Fund                            | 2,109                            | 722   | -                      | 2,831                   |
|  | 2,960,693                        | 20,678,493  | (1,146,871)            | 22,492,315              |
| <b>Invested in Church<br/>Properties</b> | 2,705,242                        | (4,799)   | -                      | 2,700,443               |
| <b>Externally Restricted Fund</b>        | -                                | 123,136   | -                      | 123,136                 |
| <b>Endowment Funds</b>                   | 112,762                          | 4,796   | -                      | 117,558                 |
| <b>Total Restricted Funds</b>            | <b>\$ 5,778,697</b>              | <b>\$ 20,801,626</b>                                      | <b>\$ (1,146,871)</b>  | <b>\$ 25,433,452</b>    |

During 2025, the Organization received \$18,898,071 from The Meeting House from the net proceeds of the sale of property (Note 4), as well as \$1,359,817 in remaining net assets upon closure. From the amounts received, the Board allocated \$8,565,376 to Funds Held for Member Churches, \$8,255,375 to the newly established Future Fund, \$3,000,000 to the newly established Legal Reserve Fund, \$127,136 to the Externally Restricted Fund to honour the fiduciary duty to maintain the original donor restrictions on the contributions received by The Meeting House, and \$310,001 to the General Fund.

**BE IN CHRIST CHURCH OF CANADA**

**Notes to Financial Statements**

**Year ended December 31, 2025**

---

**7. Restricted Funds - cont'd**

During the year, \$150,000 (2024 - \$Nil) from the Future Fund and \$60,000 (2024 - \$Nil) from the Legal Reserve Fund were transferred to the General Fund, in accordance with the Board's policy to permit investment income earned on these funds to be withdrawn to support the Organization's operations.

Effective December 31, 2025, the Organization transferred \$978,805 (2024 - \$240,490) from the Funds Held for Member Churches to the General Fund, upon closure of one of its member churches.

**8. Investment income**

Investment income is comprised of the following:

|                | 2025              | 2024              |
|----------------|-------------------|-------------------|
| Interest       | \$ 329,389        | \$ 134,720        |
| Dividends      | 137,590           | -                 |
| Realized gains | 19,318            | -                 |
|                | <u>\$ 486,297</u> | <u>\$ 134,720</u> |

**BE IN CHRIST CHURCH OF CANADA**

**Notes to Financial Statements**

**Year ended December 31, 2025**

---

**9. Camp Kahquah**

The following summary financial information for the Camp for the year ended December 31, 2025 has been prepared by the Camp's management, is presented for information purposes only, and is not covered by the independent auditor's report.

|   | 2025<br><i>(Unaudited)</i> | 2024<br><i>(Unaudited)</i> |
|---|----------------------------|----------------------------|
| <b>Financial position:</b>              |                            |                            |
| Assets                                  | \$ 1,853,086               | \$ 1,577,822               |
| Liabilities                             | (435,159)                  | (413,586)                  |
| <b>Fund balances</b>                    | <b>\$ 1,417,927</b>        | <b>\$ 1,164,236</b>        |
| <b>Results of operations:</b>           |                            |                            |
| Revenues                                | \$ 1,065,619               | \$ 864,405                 |
| Expenses                                | (811,928)                  | (808,404)                  |
| <b>Excess of revenues over expenses</b> | <b>\$ 253,691</b>          | <b>\$ 56,001</b>           |
| <b>Cash flows:</b>                      |                            |                            |
| Cash flows from operating activities    | \$ 370,850                 | \$ 35,019                  |
| Cash flows used in investing activities | (412,732)                  | (298,485)                  |
| Cash flows from financing activities    | 36,878                     | 124,865                    |
| <b>Net decrease in cash</b>             | <b>\$ (5,004)</b>          | <b>\$ (138,601)</b>        |

During the year, the Organization contributed \$164,000 (2024 - \$24,000) to the Camp. In addition to the \$24,000 originally budgeted in support of the Camp, \$140,000 was provided to the Camp in 2025 from the residual assets of The Well to honour the congregation's wishes upon closure of this member church.

Transactions with the Camp are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to between the related parties.

**BE IN CHRIST CHURCH OF CANADA**

**Notes to Financial Statements**

**Year ended December 31, 2025**

---

**10. BIC Canada-Global**

The following summary financial information for BIC Canada-Global for the year ended December 31, 2025 has been prepared by the Organization's management, is presented for information purposes only, and is not covered by the independent auditor's report.

|  | 2025<br><i>(Unaudited)</i> | 2024<br><i>(Unaudited)</i> |
|--|----------------------------|----------------------------|
| <hr/>  |                            |                            |
| Financial position:                            |                            |                            |
| Assets   | \$ 280,907                 | \$ 228,564                 |
| Liabilities                                    | (151,598)                  | (132,104)                  |
| <hr/>  |                            |                            |
| Fund balances                                  | \$ 129,309                 | \$ 96,460                  |
| <hr/>  |                            |                            |
| Results of operations:                         |                            |                            |
| Revenues                                       | \$ 440,751                 | \$ 415,355                 |
| Expenses                                       | (407,902)                  | (416,209)                  |
| <hr/>  |                            |                            |
| Excess (deficiency) of revenues over expenses  | \$ 32,849                  | \$ (854)                   |
| <hr/>  |                            |                            |
| Cash flows from (used in) operating activities | \$ 52,187                  | \$ (12,970)                |
| <hr/>  |                            |                            |

During the year, the Organization contributed \$75,000 (2024 - \$50,000) of shared funds to BIC Canada-Global.

Transactions with BIC Canada-Global are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to between the related parties.

**11. Financial instrument risks**

The Organization's main financial instrument risk exposures, which remain consistent with the prior year, except for the addition of credit risk and currency risk, are as follows:

*Credit risk*

Credit risk is the risk that the entity will incur a financial loss if a counterparty to a financial instrument fails to discharge an obligation. The Organization is exposed to credit risk on its investments held with the BIC Fund. Management is actively working with the BIC Fund to transfer the investments held to the Organization.

## BE IN CHRIST CHURCH OF CANADA

### Notes to Financial Statements

Year ended December 31, 2025

---

#### 11. Financial instrument risks - cont'd

##### *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 market interest rates. The Organization is exposed to interest rate risk with respect to its fixed-income investments.

##### *Currency risk*

Currency risk is the risk to the entity that arises from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Organization is exposed to currency risk on investments in foreign markets (Note 3).

##### *Other price risk*

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Organization is exposed to other price risk with respect to its investments in marketable securities, fixed-income securities, equities, and pooled investment funds.

It is management's opinion that the Organization is not exposed to significant liquidity risk arising from its financial instruments.

#### 12. Contingencies

The Organization is subject to a pending legal class action related to Timber Bay Children's Home. A settlement offer, representing the estimated maximum liability to the Organization, was recorded in these financial statements.

The Organization is also subject to three other legal actions which have been forwarded to its insurance company. Any possible contingent losses are expected to be settled by the insurer or to be settled by the Organization. As the outcomes of the claims are not determinable at this time, no amounts have been recorded in these financial statements.

#### 13. Accounting change

During fiscal 2025, upon confirmation of legal title of member church properties (Note 4), the support, where practicable for the 23 properties acquired between the years 1842 and 2021, was obtained to establish the original cost of land and buildings. As a result, this accounting change was applied on a retrospective basis, and the 2024 comparative information was restated as follows:

**BE IN CHRIST CHURCH OF CANADA**

**Notes to Financial Statements**

**Year ended December 31, 2025**

---

**13. Accounting change - cont'd**

|  | As<br>previously<br>stated | Adjustment   | As restated  |
|--|----------------------------|--------------|--------------|
| Church properties                                | \$ 2                       | \$ 2,705,240 | \$ 2,705,242 |
| General Fund                                     | 963,238                    | (2)          | 963,236      |
| Invested in Church Properties                    | -                          | 2,705,242    | 2,705,242    |
| Amortization                                     | -                          | 4,799        | 4,799        |
| Excess (deficiency) of revenues over<br>expenses | 98,086                     | (4,799)      | 93,287       |

**14. Comparative amounts**

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