

**GEORGETOWN CHRISTIAN FELLOWSHIP**

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**FINANCIAL STATEMENTS**  
December 31, 2025

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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members  
Georgetown Christian Fellowship

We have reviewed the accompanying financial statements of Georgetown Christian Fellowship that comprise the statement of financial position as at December 31, 2025, and the statements of revenue and expenses and changes in fund balances and cash flows for the year then ended, as well as 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.

### **Practitioner's Responsibility**

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

### **Conclusion**

Based on our review, nothing has come to our attention causing us to believe that the financial statements do not present fairly, in all material respects, the financial position of Georgetown Christian Fellowship as at December 31, 2025, 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.

*VMD Professional Corporation*

VMD Professional Corporation  
Chartered Professional Accountants  
Licensed Public Accountants

Toronto, Ontario  
April 12, 2026

**GEORGETOWN CHRISTIAN FELLOWSHIP  
STATEMENT OF FINANCIAL POSITION**

As at December 31, 2025

	GENERAL FUND	CAPITAL ASSETS	Total	2024
<b>ASSETS</b>				
<b>CURRENT</b>				
Cash	\$ 22,724	\$ -	\$ 22,724	\$ 82,233
GST/HST taxes recoverable	7,404	-	7,404	5,108
Prepaid expenses	3,372	-	3,372	3,555
	<u>33,500</u>	<u>-</u>	<u>33,500</u>	<u>90,896</u>
<b>CAPITAL ASSETS (Note 3)</b>	<u>-</u>	<u>388,840</u>	<u>388,840</u>	<u>358,731</u>
	<u>\$ 33,500</u>	<u>\$ 388,840</u>	<u>\$ 422,341</u>	<u>\$ 449,627</u>
<b>LIABILITIES</b>				
<b>CURRENT</b>				
Accounts payable and accrued liabilities	\$ 22,556	\$ -	\$ 22,556	19,493
Current portion of long-term debt (Note 4)	17,740	-	17,740	3,866
	<u>40,296</u>	<u>-</u>	<u>40,296</u>	<u>23,359</u>
<b>LONG-TERM DEBT (Note 4)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,931</u>
	<u>40,296</u>	<u>-</u>	<u>40,296</u>	<u>41,290</u>
<b>FUND BALANCES</b>				
General Fund	(6,795)	-	(6,795)	80,031
Capital Assets Fund	-	388,840	388,840	328,306
	<u>(6,795)</u>	<u>388,840</u>	<u>382,045</u>	<u>408,337</u>
	<u>\$ 33,500</u>	<u>\$ 388,840</u>	<u>\$ 422,341</u>	<u>\$ 449,627</u>

Approved on behalf of the Board:


Director

Director

See accompanying notes

**GEORGETOWN CHRISTIAN FELLOWSHIP**  
**STATEMENT OF REVENUE AND EXPENSES AND CHANGES IN FUND BALANCES**  
For the year ended December 31, 2025

	<u>GENERAL FUND</u>	<u>MISSIONS FUND</u>	<u>BUILDING FUND</u>	<u>CAPITAL ASSETS</u>	<u>Total</u>	<u>2024</u>
<b>REVENUES</b>						
Donations	\$ 225,950	\$ 17,524	\$ 3,828	\$ 68,406	\$ 315,709	\$ 301,961
Other income and fees	22,085	-	-	-	22,085	83,778
Group ministries income	11,894	-	-	-	11,894	-
	<u>259,929</u>	<u>17,524</u>	<u>3,828</u>	<u>68,406</u>	<u>349,688</u>	<u>385,739</u>
<b>EXPENSES</b>						
Wages and benefits	203,034	-	-	-	203,034	173,316
Repairs and maintenance	31,233	-	-	-	31,233	26,309
Tithes	29,300	-	-	-	29,300	28,439
Missions	-	17,815	-	-	17,815	22,604
Utilities	16,995	-	-	-	16,995	14,350
Administration	12,413	-	-	-	12,413	10,428
Worship and ministry	9,915	-	-	-	9,915	10,781
Outreach	8,770	-	-	-	8,770	7,866
Group ministries	5,843	-	-	-	5,843	1,489
Bank charges	1,474	-	-	-	1,474	2,282
Designated/restricted funds	-	-	-	-	-	5,352
Interest on long-term debt	890	-	-	-	890	1,156
	<u>319,867</u>	<u>17,815</u>	<u>-</u>	<u>-</u>	<u>337,682</u>	<u>304,375</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE AMORTIZATION</b>	<b>(59,938)</b>	<b>(291)</b>	<b>3,828</b>	<b>68,406</b>	<b>12,005</b>	<b>81,364</b>
Amortization	-	-	-	38,297	38,297	35,561
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>(59,938)</b>	<b>(291)</b>	<b>3,828</b>	<b>30,109</b>	<b>(26,292)</b>	<b>45,803</b>
FUND BALANCE, BEGINNING OF YEAR	<u>80,031</u>	<u>-</u>	<u>-</u>	<u>328,306</u>	<u>408,337</u>	<u>362,534</u>
Internal Transfer	(26,888)	291	(3,828)	30,425	-	-
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ <u>(6,795)</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>388,840</u></b>	<b>\$ <u>382,045</u></b>	<b>\$ <u>408,337</u></b>

See accompanying notes

**GEORGETOWN CHRISTIAN FELLOWSHIP**  
**STATEMENT OF CASH FLOWS**  
For the year ended December 31,

**2025**

**2024**

Increase (decrease) in cash

**OPERATING ACTIVITIES**

Excess (deficiency) of revenues over expenses \$ **(26,292)** \$ 45,803

Non-cash items:

Amortization **38,297** 35,561  
**12,005** 81,364

Net change in non-cash working capital:

(Increase) decrease in GST/HST taxes recoverable **(2,296)** (2,761)

(Increase) decrease in prepaid expenses **183** (1,103)

Increase (decrease) in accounts payable and accrued liabilities **3,063** 4,452

**12,955** 81,952

**INVESTING**

Purchase of capital assets **(68,406)** (30,425)

**FINANCING**

Decrease in notes payable **(4,057)** (3,881)

**NET INCREASE IN CASH**

**(59,509)** 47,646

**CASH - BEGINNING OF YEAR**

**82,233** 34,587

**CASH - END OF YEAR**

\$ **22,724** \$ 82,233

See accompanying notes

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**GEORGETOWN CHRISTIAN FELLOWSHIP**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2025**

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**1. PURPOSE OF THE ORGANIZATION**

Georgetown Christian Fellowship (GCF), the "Church", is an incorporated charitable organization and as such, is exempt from income taxes under the Income Tax Act (Canada). The organization operates a church in Georgetown, Ontario, where its purpose is to establish and maintain a place of worship, to provide Christian fellowship and to share in propagating the gospel of Jesus Christ.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Management has prepared these financial statements in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO), the more significant of which are outlined below:

**(a) Fund Accounting**

The Church maintains accounts in accordance with the principles of fund accounting. Under fund accounting, resources for various purposes are classified for accounting and reporting purposes into funds established according to the directions of the donors or as determined by the Church.

The General Fund reflects contributions towards the operation of GCF that have not been designated to a separate fund or project.

The Missions Fund reflects contributions received to support mission activity.

The Building Fund reflects contributions towards facility maintenance, improvements and expansions.

The Capital Assets Fund represents the Church's net investments in capital assets.

**(b) Cash and cash equivalents**

Cash and cash equivalents consist of cash on hand and fixed income investments with maturities of less than 90 days.

**(c) Capital Assets**

Capital assets are capitalized in the year acquired and recorded at cost. Donated gifts-in-kind of equipment are recorded at fair market value at the date of the gift. Amortization is provided annually at rates calculated to write-off the assets over their estimated useful life as follows:

Building	Straight-line over 25 years
Furniture & equipment	Straight-line over 10 years
Parking lot	Straight-line over 10 years

**(d) Revenue Recognition**

Restricted contributions related to the general operations of the Church 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 in the appropriate restricted fund when received. Unrestricted contributions are recognized as revenue in the General Fund in the year received. Gifts-in-kind are recorded at the fair value as at the date of contribution.

**(e) Contributed Services**

The work of GCF is dependent on the voluntary services of many members. Since these services are not normally purchased by the Church and due to the difficulty in determining their fair value, contributed services are not recognized in these financial statements.

**GEORGETOWN CHRISTIAN FELLOWSHIP  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2025**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**(f) Use of Estimates**

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes and schedules. The significant areas requiring the use of management's judgment relate to the estimated useful life of the building and the furniture and equipment, as well as any possible impairment of the capital assets. Actual results could differ from these estimates.

**(g) Financial Instruments**

*Initial Measurement*

The Church's financial instruments are measured at fair value issued or acquired.

*Subsequent Measurement*

At each reporting date, GCF measures its financial assets and liabilities at cost or amortized cost (less impairment in the case of financial assets). The financial instruments measured at amortized cost are cash, accounts payable and long-term debt.

For financial instruments measured at cost or amortized cost, the Church regularly assesses whether there are any indications of impairment. If there is an indication of impairment, and GCF determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the statement of revenue and expenses. Any reversal of previously recognized impairment losses are recognized in operations in the fiscal year the reversal occurs.

**3. TANGIBLE CAPITAL ASSETS**

	2025		2024	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	176,833	-	176,833	176,833
Buildings and Grounds	813,853	608,858	204,995	169,143
Furniture and Fixtures	275,152	268,140	7,012	12,755
Automotive equipment	53,056	53,056	-	-
	<u>\$ 1,318,894</u>	<u>\$ 930,054</u>	<u>\$ 388,840</u>	<u>\$ 358,731</u>

**4. LONG-TERM DEBT**

	2025	2024
	\$	\$
The Church has a promissory note with a private individual associated with GCF bearing interest at 4.50% per annum, repayable in monthly principal and interest payments of \$412 commencing November 2023 and due November 2026.	17,740	21,797
Less: current portion	<u>(17,740)</u>	<u>(3,866)</u>
	<u>-</u>	<u>21,812</u>

The loan is due in full in November 2026. Based on current repayment terms, the entire outstanding balance has been classified as current as at December 31, 2025 (2024: \$3,866 classified as current).

Management has indicated that repayment of the loan at maturity will be dependent on the organization's cash position at that time. If sufficient funds are not available, the loan may be extended under similar terms with the existing lender or refinanced through alternative financing arrangements.

**5. FINANCIAL INSTRUMENTS**

The Church is exposed to various risks through its financial instruments, the most significant of which are as follows:

**Liquidity risk**

Liquidity risk is the risk that the Church will encounter difficulty in meeting its obligations. The Church is exposed to this risk mainly in respect of its accounts payable and long-term debt. Cash flow from operations provides substantially all of the Church's cash requirements. However, the Church has experienced negative cash flows in several recent years that is not sustainable in the long term. Management continues to actively monitor liquidity and implement corrective measures to improve cash flow sustainability.

**Interest Risk**

Interest risk is the risk of fluctuation in the rate of interest relating to its promissory note. Since the note has a fixed rate of interest, the Church is not exposed to fluctuations in future cash flows as a result of the financial instrument.

**Other Risks**

It is management's opinion that the Church is not exposed to significant credit, currency or market risks arising from its financial instruments.

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**6. GOING CONCERN**

These financial statements have been prepared on a going concern basis, which assumes that the Church will continue its operations and be able to realize its assets and discharge its liabilities in the normal course of operations.

During the year ended December 31, 2025, the Church incurred a deficiency of revenues over expenses of \$26,292 and experienced a decrease in cash of \$59,509. As at December 31, 2025, the Church had cash of \$22,724, a working capital deficiency of \$6,796, and a General Fund deficit of \$6,795.

In addition, long-term debt of \$17,740 is due in November 2026, and repayment is dependent on the Church's future cash position.

These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Church's ability to continue as a going concern.

Management is addressing these matters through ongoing monitoring of cash flows, operational adjustments, and consideration of extending or refinancing the debt, if necessary.

These financial statements do not include any adjustments to the carrying amounts of assets and liabilities that may be required should the Church be unable to continue as a going concern.