Markham Chinese Baptist Church

2025 Annual General Members' Meeting

Date: June 22, 2025 (Sunday)
Time: 4:30 – 5:15 pm
Place: Video Conference
Chair: Deacon Alex Wong

AGENDA:

1. **Opening Prayer** (3 mins)

2. **Membership Approved by Board of Directors and Members Transferred out since 2024 Q4** (Reporting only - 5mins)
    - 22 Baptized Join-in
    - 33 Membership Application
    - 4 Transfer-out

3. **Review of 2024 audited financial statement**[1] - *Stephen Wong* (30 mins)..*Item for Approval*

4. **Discussions - Open to all** (7 mins)

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[1] Financial Statement is posted on church bulletin board

麥城華人浸信會

2025 週年會友大會

日期：二零二五年六月二十二日（主日）
時間：下午 **4** 時 **30** 分至 **5** 時 **15** 分
地點：**視像會議**
主席：**黃海執事 (Deacon Alex Wong)**

議程：

一、 **會前禱告** (3 分鐘)

二、**2024 年第四季至今理事會(BoD)通過的會友申請, 以及薦出的會友** (謹作報告 - 5 分鐘)
- 22 位弟兄姊妹受浸成為會友
- 33 位弟兄姊妹申請成為會友
- 4 位弟兄姊妹薦出

三、**審議 2024 年度經審計之財務報告** [1] - *黃展鵬弟兄* (30 分鐘) .... *議決事項*

四、**公開討論** (7 分鐘)

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[1] 財務報告已張貼於教會報告板

STEPHEN PF CHUI PROFESSIONAL CORPORATION
CHARTERED PROFESSIONAL ACCOUNTANT

MARKHAM CHINESE BAPTIST CHURCH

FINANCIAL STATEMENTS

DECEMBER 31, 2024

15 Wertheim Court, Suite 202, Richmond Hill, Ontario, Canada L4B 3H7
Tel: 905-886-0900 | Fax: 1-855-788-6785 | Email: admin@scpc-ca.com

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INDEPENDENT AUDITOR'S REPORT

To the Members of Markham Chinese Baptist Church

Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of Markham Chinese Baptist Church (the "Church"), which comprise the statement of financial position as at December 31, 2024, and the statement of revenue, expenses and fund balances, and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the Church as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Church in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

In common with many churches, the Church derives revenue primarily from offerings, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, my verification of this revenue was limited to the amounts recorded in the records of the Church and I am not able to determine whether any adjustments might be necessary to revenue, excess of revenue over expenditures, assets and fund balances.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements
My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 Church's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- 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 Church's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Church 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.

I 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 I identify during my audit.

Stephen Chui

Richmond Hill, Ontario
June 15, 2025

Stephen PF Chui Professional Corporation
Chartered Professional Accountant
Authorized to practise public accounting by the
Chartered Professional Accountants of Ontario

15 Wertheim Court, Suite 202, Richmond Hill, Ontario, Canada L4B 3H7
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MARKHAM CHINESE BAPTIST CHURCH

STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024

	2024	2023
Current:		
Cash	$ 492,092	$ 408,068
Short term investments	380,250	467,576
HST receivable	37,597	38,593
Loans receivable (note 4)	544	544
Other receivable	54,525	-
Prepaid expenses	22,604	54,801
	987,612	969,582
Capital assets (note 5)	6,644,515	6,774,687
	$ 7,632,127	$ 7,744,269
LIABILITIES		
Current:		
Accounts payable and accrued liabilities	$ 22,933	$ 17,130
Deferred revenue	10,000	50,089
	32,933	67,219
FUND BALANCES		
General fund	1,299,632	1,104,766
Mission fund	187,626	162,138
Charity fund	12,898	12,898
Capital assets fund	6,099,038	6,397,248
	7,599,194	7,677,050
	$ 7,632,127	$ 7,744,269

MARKHAM CHINESE BAPTIST CHURCH

SUMMARY STATEMENT OF REVENUE, EXPENSES AND FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2024

	2024					2023
	General Fund	Mission Fund	Charity Fund	Capital Assets Fund	Total	Total
Revenue:						
Offerings	$ 1,743,908	$ 247,586	$ -	$ 1,521	$ 1,993,015	$ 1,680,513
Other income	108,455	-	-	-	108,455	148,717
	1,852,363	247,586	-	1,521	2,101,470	1,829,230
Expenses:						
General operations	178,450	-	-	-	178,450	183,948
Salaries and benefits	1,309,645	-	-	-	1,309,645	1,224,587
Ministry expenses	87,974	-	-	-	87,974	127,470
Repairs and maintenance	81,428	-	-	-	81,428	61,199
Amortization	-	-	-	299,731	299,731	310,418
Missions	-	222,098	-	-	222,098	220,084
Support	-	-	-	-	-	-
	1,657,497	222,098	-	299,731	2,179,326	2,127,706
Excess (deficiency) of revenue over expenses	194,866	25,488	-	(298,210)	(77,856)	(298,476)
Fund transfer	-	-	-	-	-	-
Fund balances, beginning of year	1,104,766	162,138	12,898	6,397,248	7,677,050	7,975,526
Fund balances, end of year	$ 1,299,632	$ 187,626	$ 12,898	$ 6,099,038	$ 7,599,194	$ 7,677,050

MARKHAM CHINESE BAPTIST CHURCH

STATEMENT OF REVENUE, EXPENSES AND FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2024

GENERAL FUND

	2024	2023
Revenue:		
Offerings	$ 1,743,908	$ 1,535,250
Other income	108,455	148,717
	1,852,363	1,683,967
Expenses:		
Advertising	1,914	2,530
Bank charges and interest	6,440	12,282
Baptist convention fee	10,000	10,000
Computer expenses	6,908	4,816
HST expenses	19,847	17,341
Insurance	19,131	17,837
Ministry expenses	87,974	127,470
Office and general	7,597	8,243
Professional fee	11,205	7,985
Repairs and maintenance	81,428	61,199
Salaries and benefits	1,309,645	1,224,587
Security monitoring charges	858	588
Staff professional development	10,879	19,532
Supplies and printing	20,831	21,670
Telephone	6,921	6,915
Utilities	55,919	54,209
	1,657,497	1,597,204
Excess of revenue over expenses	194,866	86,763
Less: transfer to mission fund	-	(33,646)
	194,866	53,117
Balance, beginning of year	1,104,766	1,051,649
Balance, end of year	$ 1,299,632	$ 1,104,766

MARKHAM CHINESE BAPTIST CHURCH

STATEMENT OF REVENUE, EXPENSES AND FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2024

MISSION FUND

	2024	2023
Revenue		
Offerings	$ 247,586	$ 144,098
Expenses:		
Missionary support	222,098	220,084
Excess (deficiency) of revenue over expenses	25,488	(75,986)
Balance, beginning of year	162,138	204,478
Transfer from general fund	-	33,646
Balance, end of year	$ 187,626	$ 162,138

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MARKHAM CHINESE BAPTIST CHURCH

STATEMENT OF REVENUE, EXPENSES AND FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2024

CHARITY FUND

	2024	2023
Revenue		
Offerings	$ -	$ -
Expenses:		
Support	-	-
Excess of revenue over expenses	-	-
Balance, beginning of year	12,898	12,898
Balance, end of year	$ 12,898	$ 12,898

MARKHAM CHINESE BAPTIST CHURCH

STATEMENT OF REVENUE, EXPENSES AND FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2024

CAPITAL ASSETS FUND

	2024	2023
Revenue	$ 1,521	$ 1,165
Expenses:		
Amortization of capital assets	299,731	310,418
Excess (deficiency) of revenue over expenses	(298,210)	(309,253)
Balance, beginning of year	6,397,248	6,706,501
Balance, end of year	$ 6,099,038	$ 6,397,248

MARKHAM CHINESE BAPTIST CHURCH

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

	2024	2023
Cash Flows from Operating Activities		
Excess (deficiency) of revenue over expenses	$ (77,856)	$ (298,476)
Adjustments for items not requiring an outlay of cash:		
Amortization of capital assets	299,731	310,418
	221,875	11,942
Decrease (increase) in HST receivable	996	(29,682)
Decrease (increase) in loans receivable	-	8,520
Decrease (increase) in other receivable	(54,525)	17,614
Decrease (increase) in prepaid expense	32,197	(31,882)
Increase (decrease) in accounts payable and accrued liabilities	5,803	5,084
Increase (decrease) in deferred revenue	(40,089)	48,306
	166,257	29,902
Cash Flows from Investing Activities		
Decrease (increase) in short-term investments	87,326	380,429
Additions to capital assets	(169,559)	(324,559)
	(82,233)	55,870
Net increase in cash	84,024	85,772
Cash, beginning of year	408,068	322,296
Cash, end of year	$ 492,092	$ 408,068

MARKHAM CHINESE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

1. Purpose of the Organization

Markham Chinese Baptist Church (the "Church") is an autonomous and independent local organization of believers in the Christian faith whose purposes are to preach the Gospel, to build up fellow believers, and to spread the love of God to our community, our country and the world. The Church is a registered charity under the Income Tax Act (Canada).

2. Summary of Significant Accounting Policies

The financial statements have been prepared by management in accordance with Canadian accounting standards for Not-for-Profit Organizations (ASNPO). The following is a summary of the significant accounting policies under ASNPO.

Fund Accounting

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

The general fund reports contributions and expenses related to the operations and administration of the Church.

The mission fund reports the contributions and expenses for the support of missionary work.

The charity fund reports the contributions and expenses for support of charity work by other organizations and individuals.

The capital assets fund records the costs of the Church's capital assets and the related amortization.

Capital Assets

Capital assets are recorded at cost and are amortized over their estimated useful lives using the following methods and rates, and at half of these rates in the year of addition:

Building	4% per year declining balance
Furniture and equipment	20% per year declining balance
Computers	30% per year declining balance
Leasehold improvement	10 years straight line
Sign	20% per year declining balance
Paving	8% per year declining balance

MARKHAM CHINESE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

2. Summary of Significant Accounting Policies (cont'd)

Revenue Recognition

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

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

Contributed Services

The mission of the Church is dependent upon and thankful for the many hours contributed by its members and other volunteers. Due to the difficulties of determining their value, contributed services are not recognized in these financial statements.

Pension Plan

The Church participates in the Canadian Baptist Ministries Pension Plan administered by the Canadian Baptist Ministries Board (CBM Board). The plan provides pension and retirement benefits to ministers, executive staff and other employees. It is a defined contribution pension plan, 100% vested and locked-in. In 2024, the Church contributed $61,223 (2023 - $54,755) to the plan.

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 revenue and expenses during the reporting period. The areas requiring the use of significant judgments are accounts payable and accrued liabilities, estimated useful lives of capital assets, and contingencies. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in the period in which they become known.

3. Financial Instruments

The Church's financial instruments include cash, short term investments, HST receivable, loans and other receivable, accounts payables and accrued liabilities and bank loan. All the financial instruments are initially measured at costs and are subsequently measured at amortized costs except cash and short term investments which are measured at market. The fair values of the financial instruments approximate their carrying values.

MARKHAM CHINESE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

3. Financial Instruments (cont'd)

Financial Risk Management

The Church actively manages its exposure to the risks associated with financial instruments that can potentially affect its operating and financial performances.

Credit and Currency Risk

The Church is not exposed to significant credit or currency risk.

Interest Rate Risk

The Church is not exposed to any interest rate risk.

Liquidity Risk

Liquidity risk is the risk of not having sufficient funds to meet its financial commitments. The Church manages this risk by closely monitoring its expenditures against the revenue received.

4. Loans Receivable

Loans receivable are interest free loans to students in pursuit of Christian studies and may be forgivable if the students engage in full time Christian services for two years after graduation.

5. Capital Assets

	2024			2023
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	$ 1,075,000	$ -	$ 1,075,000	$ 1,075,000
Building - Phase I	2,194,546	1,472,755	721,791	751,865
Building - Phase II	8,895,614	4,532,413	4,363,201	4,545,002
Furniture and equipment	574,437	475,706	98,731	95,206
Computers	56,309	50,259	6,050	8,643
Leasehold improvement	439,155	117,298	321,857	235,735
Sign	19,800	17,854	1,946	2,433
Paving	100,102	44,163	55,939	60,803
	$ 13,354,963	$ 6,710,448	$ 6,644,515	$ 6,774,687