

EZRA INSTITUTE FOR CONTEMPORARY
CHRISTIANITY >

financial statements

>YEAR ENDED DECEMBER 31, 2015

MAC LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

financial statements

>YEAR ENDED DECEMBER 31, 2015

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REVIEW ENGAGEMENT REPORT

To the Directors of Ezra Institute for Contemporary Christianity:

We have reviewed the statement of financial position of Ezra Institute for Contemporary Christianity as at December 31, 2015 and the statements of operations, changes in net assets, and cash flows for the year then ended. Our review was made in accordance with generally accepted standards for review engagements and accordingly consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the organization.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

Other Matter

The financial statements of Ezra Institute for Contemporary Christianity for the year ended December 31, 2014 have not been audited or reviewed. Therefore, we do not express any comment on these comparative figures.

MAC LLP.

Waterloo, Ontario
June 22, 2016

LICENSED PUBLIC ACCOUNTANTS
CHARTERED PROFESSIONAL ACCOUNTANTS

statement of financial position

>DECEMBER 31, 2015

	2015	2014 (not reviewed)
<i>assets</i>		
current		
Cash	\$ 64,442	\$ 40,292
Accounts receivable	3,512	28,522
Inventory (Note 3)	<u>14,715</u>	<u>16,988</u>
	82,669	85,802
capital assets (Note 4)	544	1,196
trademark	<u>5,000</u>	<u>5,000</u>
	<u>\$ 88,213</u>	<u>\$ 91,998</u>
<i>liabilities</i>		
current		
Accounts payable and accrued liabilities	\$ 2,618	\$ 1,249
<i>net assets</i>		
Unrestricted net assets	<u>85,595</u>	<u>90,749</u>
	<u>\$ 88,213</u>	<u>\$ 91,998</u>

Approved on behalf of the board:

Director_____
Director

EZRA INSTITUTE FOR CONTEMPORARY CHRISTIANITY>

statement of changes in net assets

>YEAR ENDED DECEMBER 31, 2015

	2015	2014 (not reviewed)
balance, beginning of year	\$ 90,749	\$ 48,721
Deficiency of revenue over expenses for year	<u>(5,154)</u>	<u>42,028</u>
balance, end of year	<u>\$ 85,595</u>	<u>\$ 90,749</u>

unaudited - see review engagement report

EZRA INSTITUTE FOR CONTEMPORARY CHRISTIANITY>

statement of operations

>YEAR ENDED DECEMBER 31, 2015

	2015	2014 (not reviewed)
revenue		
Donations	\$ 143,127	\$ 150,638
Resource sales	14,788	19,103
Conference fees	3,033	4,082
Interest income	<u>49</u>	<u>90</u>
	<u>160,997</u>	<u>173,913</u>
expenses		
Amortization	652	914
Bank charges and interest	1,084	939
Conference expenses	16,865	16,684
Content delivery	7,566	12,408
Cost of resource sales	24,356	19,758
Donor management	3,814	11,081
Insurance	1,485	1,598
Office	3,591	2,208
Professional fees	2,540	3,937
Publishing	29,664	22,109
Training and seminars	18,602	38,136
Transfers to qualified donees	675	100
Utilities	682	618
Wages and benefits	<u>54,575</u>	<u>1,395</u>
	<u>166,151</u>	<u>131,885</u>
deficiency of revenue over expenses for year	\$ <u>(5,154)</u>	\$ <u>42,028</u>

EZRA INSTITUTE FOR CONTEMPORARY CHRISTIANITY>

statement of cash flows

>YEAR ENDED DECEMBER 31, 2015

	2015	2014 (not reviewed)
operating activities		
Deficiency of revenue over expenses for year	\$ (5,154)	\$ 42,028
Adjustments for:		
Amortization	<u>652</u>	<u>914</u>
	<u>(4,502)</u>	<u>42,942</u>
Changes in non-cash working capital:		
Decrease in accounts receivable	25,010	(12,763)
Decrease in inventory	2,273	(1,912)
Increase in accounts payable and accrued liabilities	<u>1,369</u>	<u>852</u>
	<u>28,652</u>	<u>(13,823)</u>
Net change in cash for the year	24,150	29,119
Cash Balance, beginning of year	<u>40,292</u>	<u>11,173</u>
cash balance, end of year	<u>\$ 64,442</u>	<u>\$ 40,292</u>

notes to financial statements

>DECEMBER 31, 2015

1. purpose of organization

The mission of Ezra Institute for Contemporary Christianity, the "Charity", is to advance and teach the religious tenets, doctrine and observances associated with the evangelical Christian faith by providing spiritual and educational resources to Canadians. The Charity is incorporated in Canada and is a registered charity for income tax purposes.

2. significant accounting policies

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

Revenue Recognition - The Charity follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received. Restricted contributions are recognized as revenue when the expense is incurred.

Other revenue includes conference fees and resource sales revenue. Resource sales revenue is recognized when the sales transaction is complete. Conference fees are recognized as earned.

Financial Instruments

Measurement - The Charity initially measures its financial assets and liabilities at fair value. The Charity subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

The Charity has not designated any financial asset or liability to be measured at fair value.

Impairment - Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized as operating cost. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is not 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 as income from operations.

Transaction costs - The Charity recognizes its transaction costs in excess of revenue over expenses in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

Inventory - Inventory is valued at the lower of cost or net realizable value. The method of determining cost is on the average cost basis.

notes to financial statements

>DECEMBER 31, 2015

Capital Assets and Amortization - Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is provided in the accounts using the following methods and annual rates:

Asset	Method	Rate
Computer equipment	Reducing balance	55%
Software	Reducing balance	100%

Contributed Materials and Services - Volunteers contribute their time to assist the Charity in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

The Charity receives contributed materials, the fair value of which may or may not be reasonably determinable. Contributed materials are recognized as donations when fair value can be determined. No contributed materials were recognized as donation revenue during the year.

Disclosure and 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 amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the period in which they become known.

Estimates are used when accounting for certain items such as revenues, allowance for doubtful accounts, useful lives of capital assets and asset impairments.

3. inventory

Inventory is comprised of the following:

	2015	2014
Product for resale	\$ <u>14,715</u>	\$ <u>16,988</u>

Inventory expensed during the year was \$14,576 (2014 - \$15,146).

4. capital assets

	cost	accumulated amortization	net 2015	net 2014
Computer equipment	\$ 3,988	\$ 3,444	\$ 544	\$ 1,196
Software	<u>628</u>	<u>628</u>	<u>-</u>	<u>-</u>
	\$ <u>4,616</u>	\$ <u>4,072</u>	\$ <u>544</u>	\$ <u>1,196</u>

notes to financial statements

>DECEMBER 31, 2015

5. financial instruments

Risk management - It is management's opinion that the Charity is not exposed to significant interest rate, currency, credit, market or liquidity risks arising from its financial instruments. There has been no change to the risk exposures from the prior year.

6. comparative figures

Certain of the comparative figures have been restated to conform to the presentation adopted for the current year.

The financial statements for the previous year were not reviewed or audited.