

Billy Graham Evangelistic Association of Canada

Financial Statements
December 31, 2024





Independent auditor's report

To the Members of Billy Graham Evangelistic Association of Canada

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Billy Graham Evangelistic Association of Canada (the Association) as at December 31, 2024 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.

What we have audited

The Association's financial statements comprise:

- the statement of financial position as at December 31, 2024;
- the statement of operations and changes in fund balances for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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.

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



In preparing the financial statements, management is responsible for assessing the Association'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 Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association'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 Association'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 Association'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 Association 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.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Calgary, Alberta
April 15, 2025

Billy Graham Evangelistic Association of Canada

Statement of Financial Position

As at December 31, 2024

	2024 \$	2023 \$
Assets		
Current assets		
Cash and cash equivalents	1,596,051	1,365,372
Short-term investments (note 3)	4,347,417	4,053,928
Accounts receivable	57,719	53,509
Due from related parties (note 8)	293,440	111,581
Prepaid expenses	142,405	107,859
	6,437,032	5,692,249
Investments (note 3)	4,417,322	5,459,834
Capital assets (note 4)	3,676,284	3,732,132
	14,530,638	14,884,215
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 9)	437,602	268,151
Unearned revenue on subscriptions to <i>Decision</i> magazine	10,683	23,987
Payable to related parties (note 8)	117,021	53,963
	565,306	346,101
Deferred contributions (note 5)	376,747	561,327
	942,053	907,428
Fund Balances		
Unrestricted	9,187,150	9,519,504
Internally restricted – invested in capital assets	3,676,284	3,732,132
Endowments	725,151	725,151
	13,588,585	13,976,787
	14,530,638	14,884,215

Approved by the Board of Directors



Director



Director

The accompanying notes are an integral part of these financial statements.

Billy Graham Evangelistic Association of Canada

Statement of Operations and Changes in Fund Balances

For the year ended December 31, 2024

	2024			2023
	Operating Fund \$	Capital Fund \$	Endowment Fund \$	Total \$
Revenue				
Contributions – general	2,449,285	-	-	2,449,285
Recognition of deferred ministry contributions (note 5)	1,911,701	-	-	1,911,701
Bequests	1,700,336	-	-	1,700,336
Investment and other income (note 3)	352,010	-	-	352,010
<i>Decision</i> magazine subscriptions	41,863	-	-	41,863
	6,455,195	-	-	6,455,195
Expenditures				
Evangelistic ministries				
Evangelism crusades	1,906,264	-	-	1,906,264
Search For Jesus	660,384	-	-	660,384
Rapid Response ministry	573,312	-	-	573,312
Church ministries	274,037	-	-	274,037
Print and internet	466,999	-	-	466,999
<i>Decision</i> magazine	149,245	-	-	149,245
International ministries	163,344	-	-	163,344
Television and radio	180,432	-	-	180,432
Other ministry (note 6)	1,444,312	150,825	-	1,595,137
	5,818,329	150,825	-	5,969,154
General and administrative	685,372	31,532	-	716,904
Fundraising (note 10)	157,339	-	-	157,339
	6,661,040	182,357	-	6,843,397
Deficiency of revenue over expenditures	(205,845)	(182,357)	-	(388,202)
Fund balance – Beginning of year	9,519,504	3,732,132	725,151	13,976,787
Interfund transfer – capital asset additions	(126,509)	126,509	-	-
Fund balance – End of year	9,187,150	3,676,284	725,151	13,588,585

The accompanying notes are an integral part of these financial statements.

Billy Graham Evangelistic Association of Canada

Statement of Cash Flows

For the year ended December 31, 2024

	2024 \$	2023 \$
Cash provided by (used in)		
Operating activities		
Deficiency of revenue over expenditures – Operating Fund	(205,845)	(88,247)
Interest received in excess of interest accrued	7,895	(14,904)
	(197,950)	(103,151)
Net (decrease) increase in deferred contributions	(184,579)	61,696
Changes in non-cash working capital		
Accounts receivable	(4,210)	54,479
Prepaid expenses	(34,546)	(15,125)
Accounts payable and accrued liabilities	169,450	(89,013)
Net payable to related parties	(118,800)	(80,678)
Unearned revenue on subscriptions to <i>Decision</i> magazine	(13,304)	(1,231)
	(383,939)	(173,023)
Investing activities		
Purchase of investments	(3,239,363)	(3,588,516)
Proceeds on maturities of investments	3,980,490	4,102,505
Purchase of capital assets	(126,509)	(154,610)
	614,618	359,379
Increase in cash and cash equivalents during the year	230,679	186,356
Cash and cash equivalents – Beginning of year	1,365,372	1,179,016
Cash and cash equivalents – End of year	1,596,051	1,365,372
Cash and cash equivalents comprise		
Cash	793,702	526,727
Cash equivalents	802,349	838,645
	1,596,051	1,365,372

The accompanying notes are an integral part of these financial statements.

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Notes to Financial Statements

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1 Nature of the Association

Billy Graham Evangelistic Association of Canada (the Association) was incorporated under Part II of the Canada Corporations Act by letters patent dated July 2, 1968 and was continued under the Canada Not-for-Profit Corporations Act on November 8, 2013. The purpose of the Association is to propagate the Gospel of the Lord Jesus Christ and to equip others to do likewise. Support is received from individual donors through contributions, deferred giving programs and evangelistic activities.

As ambassadors of Christ, the Association seeks to help all people understand that God has reconciled the world to Himself through the death and resurrection of His Son; that Jesus Christ, who knew no sin, took upon Himself the sin of all mankind and in doing so, has ensured that our sin would not be counted against us. Jesus has become for us wisdom from God; that is, our righteousness, holiness and redemption (2 Corinthians 5: 11-21, 1 Corinthians 1:31).

The Association is a registered charity under the Income Tax Act and accordingly is exempt from income taxes.

2 Summary of significant accounting policies

Basis of presentation

The Association's financial statements have been prepared in accordance with Accounting Standards for Not-for-profit Organizations (ASNPO).

Use of estimates

The preparation of financial statements in conformity with ASNPO requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenue and expenses during the reporting period. These estimates and assumptions are the responsibility of management. These estimates and assumptions are subject to measurement uncertainty, and actual results and financial position may differ from those reported in these financial statements. Significant estimates included in these financial statements are the useful lives of capital assets and accruals.

Fund accounting

The Association follows the restricted fund method of accounting for contributions. The Association maintains the following funds:

- The Operating Fund reports the assets, liabilities, revenue and expenditures relating to ministry and administrative activities of the Association.
- The Capital Fund reports the assets, liabilities, revenue and expenditures related to the Association's capital assets.

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- The Endowment Fund reports the assets and contributions that donors have specified must be maintained in perpetuity.

Revenue recognition

Unrestricted contributions, including bequests are recognized as revenue in the Operating Fund 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 a capital purpose are recognized as revenue in the Capital Fund when received. Endowment Fund contributions are recognized as revenue in the Endowment Fund when received. All other restricted contributions are recognized as revenue in the Operating Fund in the year in which related expenses are incurred.

Revenue for subscriptions to *Decision* magazine is recorded as unearned revenue and is recognized in revenue over the period of the subscription.

Unrestricted investment income is recognized as revenue of the Operating Fund.

Contributed goods and services

Donations of goods and services are recorded when the fair value is reasonably determinable and when they would otherwise be purchased by the Association.

A portion of the Association's work is dependent on voluntary services from many members and supporters. Because of the difficulty in determining their value, these contributed services are not recognized in the financial statements.

Allocation of expenses

The Association engages in ministry, fundraising and general activities. The costs of each activity include the costs that are 100% related to the respective activity. The Association also incurs general expenses that are allocated to the various activities. General expenses, including building overhead expenses and insurance, are allocated to the various activities based on the pro-rata share of time spent by all employees on ministry activities, fundraising activities and general and administrative activities.

Cash and cash equivalents

Cash and cash equivalents consist of highly liquid investments with initial terms to maturity of 90 days or less.

Investments

Fixed income investments, other than guaranteed investment certificates (GICs), are carried at amortized cost. The investments are recorded at fair value at the time of acquisition and thereafter are measured at amortized cost using the effective interest method. GICs are recorded at fair value, which is calculated as the certificate

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deposit amount plus accrued interest. Equity investments are recorded at fair value determined by reference to published price quotations in an active market. The change in fair value is recorded directly in the statement of operations and changes in fund balances in the Operating Fund. Transaction costs are expensed as incurred.

Investments with maturities of one year from year-end date have been classified as short-term investments.

Capital assets

Capital assets are recorded at cost less accumulated amortization and any provision for impairment. The cost for contributed capital assets is considered to be fair value at the date of contribution. The cost of capital assets made up of significant separable component parts is allocated to the component parts when practicable and when estimates can be made of the estimated useful lives of the separate components.

Capital assets are tested for impairment when conditions indicate that a capital asset no longer contributes to Association's ability to provide goods and services, or that the value of future economic benefits or service potential associated with the capital asset is less than its net carrying amount. When conditions indicate that a capital asset is impaired, the net carrying amount of the capital asset is written down to the asset's fair value or replacement cost. The writedowns of capital assets are recognized as expenditures in the statement of operations and changes in fund balances.

Writedowns are not subsequently reversed.

Amortization is recorded using the straight-line method over the following estimated useful lives:

Building	10 to 40 years
Vehicles	2 to 20 years
Furniture and equipment	3 to 15 years

Foreign currency translation

Current assets and liabilities denominated in foreign currencies are translated at exchange rates in effect at the end of the year. Transactions during the year are translated at exchange rates in effect at the date of the transaction. Exchange gains and losses occurring from the date of the transaction to the date of payment are reflected in the statement of operations and changes in fund balances.

Financial instruments

A financial asset or a financial liability is initially recognized when the Association becomes a party to the contractual provisions of the financial instrument. A financial liability is derecognized when it is extinguished. The Association initially measures financial assets and financial liabilities assumed in an arm's length transaction, at their fair value. It subsequently measures its financial assets and financial liabilities at amortized cost, other than investments which are reported at fair value. The financial assets subsequently measured at amortized cost include cash and cash equivalents, accounts receivable and corporate bonds. The financial liabilities measured at amortized cost include accounts payable and accrued liabilities and payable to related parties.

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Financial assets originated or acquired, and financial liabilities issued or assumed in a related party transaction are initially measured at cost. For financial instruments with repayments terms, cost is determined as the sum of undiscounted cash flows less any impairment losses previously recognized by the transferor. For financial instruments with no repayment terms, cost is determined by reference to the consideration transferred or received by the Association in the transaction.

Transaction costs related to financial instruments measured at fair value are expensed as incurred. For all other financial instruments, the transaction costs are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the straight-line method.

With respect to financial assets measured at amortized cost, the Association recognizes an impairment loss, if any, in the statement of operations and changes in fund balances, when it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed in the statement of operations and changes in fund balances in the period the reversal occurs.

The Association has assessed the relevant financial risks of its financial instruments as follows:

- 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 discharge an obligation. The Association maintains a low risk portfolio of investments and does not consider that it is exposed to undue credit risk. There has been no change to the risk exposure from the prior year.

- Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Association is not exposed to interest rate risk as its investments are in fixed rate instruments. There has been no change to the risk exposure from the prior year.

- Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Association is not exposed to liquidity risk as it maintains sufficient cash and cash equivalents to meet its ongoing obligations. There has been no change to the risk exposure from the prior year.

- Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Association is exposed to currency risk on ministry

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expenses denominated in currencies other than Canadian dollars, with the majority of foreign-denominated ministry expenses denominated in US dollars (USD). The Association mitigates this by making advance USD purchases and holding in a USD denominated account.

Accounting for cloud computing arrangements

The Association has elected not to use the simplified method to account for cloud computing arrangements as permitted under AcG 20, which came into effect in 2024. Cloud computing agreements are assessed to identify if they meet intangible assets criteria and are either recognized as an intangible asset or, if the intangible asset criteria are not met, they are expensed as incurred. Implementation costs that are directly attributable to preparing the software service for its intended use as an asset are also assessed to identify if they meet intangible asset criteria. Where the criteria are met, they are recognized as intangible assets and where it is not, the accounting policy choice has been made to capitalize these costs and amortize them over the expected use of the underlying software. The Association has applied the policy retrospectively. The adoption of this policy did not result in any adjustments.

3 Investments

	2024		2023	
	Cost \$	Carrying value \$	Cost \$	Carrying value \$
GICs	5,051,512	5,183,336	5,863,105	5,993,575
Corporate bonds	3,818,000	3,581,403	3,543,346	3,520,187
	8,869,512	8,764,739	9,406,451	9,513,762

Corporate bonds and GICs have effective interest rates ranging from 1.00% to 5.31% (2023 – 1.00% to 5.31%) and mature between 2025 and 2027. The amount maturing in the next fiscal year is \$4,515,074 (2023 – \$4,053,928).

Interest income recorded in 2024 was \$343,004 (2023 – \$292,867).

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4 Capital assets

	2024		2023
	Cost	Accumulated amortization	Net book value
	\$	\$	\$
Land	1,491,237	-	1,491,237
Building	3,026,674	1,408,903	1,617,771
Vehicles	757,289	326,105	431,184
Furniture and equipment	677,541	541,449	136,092
	5,952,741	2,276,457	3,676,284

During the year, amortization in the amount of \$182,357 (2023 – \$172,262) was recorded in the Capital Fund.

5 Deferred contributions

The balance pertains to externally restricted contributions to be used for ministry activities that have not been expended as follows:

	2024	2023
	\$	\$
Balance – Beginning of year	561,327	499,631
Amounts received during the year	1,727,121	1,582,752
Amounts recognized as revenue during the year	(1,911,701)	(1,521,056)
Balance – End of year	376,747	561,327

6 Other ministry

Other ministry represents expenses directly related to ministry activities, but which are not attributed to a specific Evangelistic ministry. These expenses include personnel costs, general ministry travel, technology services and amortization of capital assets.

7 Allocation of expenses

The allocation of general expenses, including building overhead expenses and insurance, are allocated to the following functional areas based on the pro-rata share of time spent by all employees on ministry activities, fundraising activities and general and administrative activities. During the year, general expenses were allocated to the following areas: \$83,523 (2023 – \$94,908) to ministry activities, \$1,832 (2023 – \$5,495) to fundraising activities and \$27,311 (2023 – \$19,350) to general and administrative activities.

8 Related party transactions

Samaritan's Purse – Canada and the Association are considered to be related parties as each of these organizations share common directors and a close working relationship.

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As at December 31, 2024, the amount due to Samaritan's Purse – Canada was \$117,021 (2023 – \$53,963). This amount was included in payable to related parties. These amounts are subject to normal trade terms as per the cost sharing agreement between the parties and are included in the due to related parties balance. During the year, the Association and Samaritan's Purse – Canada paid reimbursable expenses on behalf of each other.

The Association and BGEA, located in Charlotte, North Carolina, are considered affiliated as they share three common directors and a close working relationship. BGEA provides response centre support services to the Association. The Association is billed for these services at cost. These and other services provided by BGEA to the Association amounted to approximately \$nil (2023 – \$nil).

As at December 31, 2024, the amount due from BGEA was \$293,440 (2023 – \$111,581). This amount was included in due from related parties.

9 Government remittances payable

As at December 31, 2024, the amount of government remittances payable was \$4,296 (2023 – \$2,160).

10 Statutory disclosure

As required by Section 7(2) of the Charitable Fundraising Regulation of Alberta, in 2024, the Association paid \$132,314 (2023 – \$126,249) to employees whose principle duties involved fundraising.