

SUNDAY, MAY 15, 2022

LIVING SPRINGS CHURCH

ANNUAL GENERAL REPORT

AGM
MEETING AGENDA
MAY 15TH, 2022 @ 7:00PM

1. WELCOME & PRAYER

2. INTRODUCTION

3. PASTOR'S REPORT/ VISION IMPLEMENTATION

4. MINISTRY REPORTS

5. FINANCE REPORTS

6. 2022 BUDGET

7. CLOSING REMARKS

PASTOR'S REPORT / VISION IMPLEMENTATION

Hello Living Springs Church Family

This past fall, we began the Moose Jaw campus of our Living Springs Church family. What a blessing it has been to see God moving in the lives of those that have been attending. Across our church family as a whole there is a wonderful sense of momentum. Several people have recently given their lives to the Lord and we are looking forward to a special water baptism service that will take place on June 6. One of the things that stands out to me from this past year, is the number of people who have been allowing the Lord to use them in so many ways. This ministry is going on both within our church and in our community and it has been such a blessing. As Ephesians 4 tells us, when the Body of Christ rises up in maturity and begins to be used in ministry, it will be strong. It is wonderful to see this strength rising within our church. We believe the Lord has special things in store for this upcoming year. We continue to press in to Him in prayer; listening to the Holy Spirit's counsel and leading.

In the midst of the great challenges that we are facing in the world, I believe the church will rise to hold high the truth of the Gospel and the power of the Holy Spirit as a beacon of hope to those who are becoming increasingly aware of their need for the Saviour. What a treasure it is to be doing life together.

I am excited for both what God will do and the fact that we get to participate in it together with Him and each other.

Pastor Rob Reimer

MINISTRY REPORTS

DISCIPLESHIP CLASSES

For those that have wanted to engage here at Living Springs Church, the discipleship classes have provided an opportunity for them to learn more about what our church believes. It also gives participants a chance to get to know others in the class through discussion and sharing prayer requests. There have been powerful testimonies of growth and inspiration shared by the students who have been attending. This is such a great church and the discipleship classes are important part of seeing that the many who God will bring are given a chance to be a part of it in meaningful ways.

Pastor Rob Reimer

MASTER'S COMMISSION

We are having a wonderful year in our Master's Commission discipleship school. Students are growing through deeper study in God's Word and practical application assignments. Mentorship and discipleship and leadership training are all part of the journey students go on and it is wonderful to hear how they are sharing what they are learning with others. If you have any questions about this program, we would love to help answer them. Master's Commission students are made up of both younger people and older, people that are well seasoned in the faith and also those who have more recently given their hearts to the Lord. This diversity provides such a wonderful dynamic in the classroom and in devotion time. If God is stirring you about this ministry, please let us know as we would love to have you be a part of what is taking place.

Pastor Rob Reimer

FRIDAY NIGHT PRAYER

Friday Night Prayer is a foundational part of our church and it is wonderful to see that as we are walking out new vision, that prayer is going to continue to be very important. There has also been a neat sense of connection that has taken place by those that regularly participate. Let's continue to press into God as a church family because we know His Kingdom is advanced through us when we are on our knees.

Pastor Rob Reimer

YOUNG-ADULTS MINISTRY

It has been exciting to see God working amongst our young adults this past year! We meet three times a month alternating between worship/prayer and activity nights! The core group has grown deeper in community and we have seen more young adults begin to join our group. Above all the young adults leadership team is committed to seeing people get connected in the body of Christ and encounter the life changing presence of Jesus! Moving forward we are hoping to reach out more to the world around us, praying that more young adults will come to know Jesus in Regina and Moose Jaw!

Pastor Andrew Switzer

VOLUNTEER TEAMS MINISTRY

We simply couldn't do church without all the helping hands who serve so faithfully each weekend.

Adjusting to changing health guidelines and then moving between a few different locations this year, has kept us all on our toes. Kudos to all of you who so graciously took it all in stride. And it's not just about getting the work done. We've seen friendships grow as people get more connected in our church body. We are not just teams working together, we've become a closely connected Family, who truly care about each other, and support each other through encouragement and prayer. I believe, the faithfulness of our Serve Teams has contributed to this in a big way.

The 6 teams in Regina were originally rotating through both Moose Jaw and Regina locations which gave us an opportunity to connect between LSC in two locations. Over the past few months Moose Jaw has organized 3 teams of their own. And it's exciting to see them now connecting in the same way.

Thank you to Shelly Pippin for her leadership of the Serve teams in Moose Jaw. I would also like to say a special thank you to all our Team Leaders and in particular Maggie Fiorante and Carmen Bresch who have recently taken on more leadership roles with our volunteer teams in Regina.

Audrey Ehalt

DIVORCE CARE MINISTRY

We continue to offer this Christ-centered support group for separated or divorced people giving them a road map to healing and moving on to a better, more empowered life. We welcome people from all denominations, from outside the church, believers, and non-believers alike.

Many enter this program feeling lost, unloved and unsupported. Our hope is that they find a solid foundation on which to stand and to know they are loved unconditionally with a Love that is never-ending! We encourage anyone who's experienced a relationship breakup to come and see for yourself that there is hope for a brighter future.

Audrey Ehalt

WOMEN'S AND MEN'S MINISTRY

The goal of our Men's and Women's Ministries at Living Springs Church is to provide a place for men and women of all ages to get to know each other and have fun together as well as to be a support for each other and pray and learn together.

Through the past two years of restrictions, we've been blessed to have learned how to stay connected through Zoom. Although we still prefer getting together in person, it was such a blessing for those who wanted to stay connected as we never really stopped meeting – we always had the Zoom option to keep us connected.

We have several Community Groups who meet regularly. It's an excellent way to bond with a smaller group as we study the scriptures and simply enjoy getting to know each other. Anyone wishing to connect with other men and women in our church at this time is encouraged to join one of our Community groups.

Audrey Ehalt

GRIEFSHARE

In January of this year we introduced a new GriefShare program to LSC which we will continue to offer. If you or someone you know lost a loved one recently or even several years ago, this program can help. After the loss of a loved one, the griever needs ongoing support. It's a level of care that reaches far beyond the funeral and the weeks following when family and friends are close by. This program provides the sustained support for a grieving person to move successfully from mourning to joy.

We extend the invitation not only for those within LSC, but also anyone outside of LSC regardless of whether or not they are Christian. If you want to bring a friend to support them on their journey through grief, that is perfectly acceptable.

A special thank you to our GriefShare Leaders: Isaac Nadarajah in Moose Jaw, and in Regina, Betty and Dennis Boettger and Leslie Hergott.

Audrey Ehalt

YOUTH MINISTRY

We had another great year at youth in 2021/22! We have seen amazing growth and discipleship happening in the lives of our students and our team of leaders have been diligently pouring into the students through teaching and mentorship on a weekly basis. We have continued to walk out our 5 E's (Extend, Engage, Equip, Empower, and Elevate) as well as our purpose statement throughout the year through every activity that we run. In this last year, students have grown in praying for healing, practicing the prophetic and sharing words of knowledge. We are looking forward to growing in outreach and evangelism this next year as well as continuing to offer our youth versions of Class 101 and 201. Thank you to the church family for supporting the young people in our congregation!

Joy-Lyn Nadarajah

CHILDREN'S MINISTRY

It has been an amazing year with our kids at LSC! We were very excited to have a number of kids accept Jesus into their hearts and several others get baptized! We are endeavouring to raise up disciples of Jesus who hear His voice, know His Word, and fulfill the Great Commission.

Highlights:

- *Rocky Railway Vacation Bible School in Moose Jaw last August and Wednesday evenings in Regina last fall.*
- We met at several parks throughout the summer with the kids.
- Performed our Blacklight sign language presentation at church and the Christmas Banquet.
- Began giving words of knowledge and praying for the sick during the services.

I would like to say thank you very much to all our volunteer teachers and helpers who assist in the kid's ministry at LSC. A special thank you to Amy and Ally Pippin who oversaw the kid's ministry in Moose Jaw each week since last August.

Pastor Jocelyn Reimer

12-STEP RECOVERY GROUP

This past year marks so many impactful moments in our recovery group, as well as my journey in recovery with Jesus. Moving back and forth from zoom had its challenges, but deeply blessed so many! We're now in person and on zoom, praise God!

Several lives are being transformed...slowly at times, then lightning fast for others. As a group, we're developing a deeper understanding of Christ, and walking hand in hand with the 12 step program.

As most of you know, Lois and I walked together on this journey. Now I continue with Jesus, guided through Holy Spirit. The Lord is seamlessly binding together, growing our understanding of the steps and creating a deep togetherness in the group! We have several newcomers, some in the wings desperate to surrender. Much prayer needed.

Douglas P. Holmes

Living Springs Church Inc.

Financial Statements

October 31, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of Living Springs Church Inc.:

Opinion

We have audited the financial statements of Living Springs Church Inc. (The Church), which comprise of the statement of financial position as at October 31, 2021, and the statements of operations and changes in fund balances, and the statement of cash flows for the year then ended, and a summary of significant accounting policies and explanatory information.

In our opinion, except for the effects of the matter described below in the Basis for Qualified Opinion section, the accompanying financial statements present fairly, in all material respects the financial position of The Church as at October 31, 2021, and its financial performance and its consolidated cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

As is common with many not-for-profit organizations, The Church derives revenue from contributions, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to a comparison of recorded revenue with bank deposits, and we were unable to determine whether any adjustments might be necessary to revenue, excess of revenue over expenses and net assets.

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 Church 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 opinion.

Other Matters

The financial statements of the Church for the year ended October 31, 2020 were unaudited.

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

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 Church'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 Church'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 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.

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.

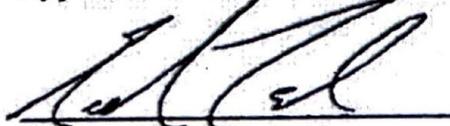
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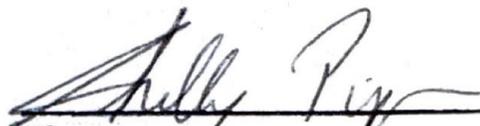
WSO Chartered Professional Accountant P.C. Ltd.
Regina, SK
January 13, 2022

Living Springs Church Inc.
Statement of Financial Position
As at October 31

Assets	Operating Fund	Tithe Fund	Facility/Future Growth Fund	2021 Total	2020 Total
<i>Current Assets</i>					
Chequing bank account	599	42,475	38,656	81,730	205,748
Master's commission account	16,140	-	-	16,140	10,520
Investments (Note 4)	405,580	-	100,000	505,580	15,000
GST receivable	3,413	-	-	3,413	840
Rent deposit	3,500	-	-	3,500	500
Prepaid expenses	351	-	-	351	300
Total Current Assets	429,583	42,475	138,656	610,714	232,908
<i>Capital Assets</i>					
Property, plant and equipment (Note 3)	13,314	4,733	-	18,047	2,809
Total Assets	442,897	47,208	138,656	628,761	235,717
Liabilities					
Accounts payable	33,684	-	-	33,684	24,546
Vacation payable	4,536	-	-	4,536	728
Total Liabilities	38,220	-	-	38,220	25,274
Fund Balances	404,677	47,208	138,656	590,541	210,443
Total Liabilities and Fund Balances	442,897	47,208	138,656	628,761	235,717

Approved on behalf of the Board


Director


Director

The accompanying notes are an integral part of these financial statements

Living Springs Church Inc.
Statement of Operations and Changes in Fund Balances
For the year ended October 31

Revenues	Operating Fund	Tithe Fund	Facility/Future Growth Fund	2021 Total	2020 Total
Donations	477,146	53,016	156,681	686,843	348,387
Donations – In-kind	4,317	-	-	4,317	-
Special event tickets	-	-	-	-	2,353
Master's commission tuition	20,366	1,033	-	21,399	19,210
Interest	123	-	-	123	-
Wage subsidies	-	-	-	-	2,404
Programming	1,000	-	-	1,000	180
Needs fund	685	-	-	685	-
Love offering	2,170	-	-	2,170	-
Miscellaneous	250	-	-	250	171
	506,057	54,049	156,681	716,787	372,705
Expenses					
Payroll	171,903	-	-	171,903	94,706
Pastoral	2,905	-	-	2,905	3,341
Hospitality	4,289	-	-	4,289	2,174
Special events	1,704	-	-	1,704	3,033
Ministry groups	14,212	-	-	14,212	7,546
Missions	-	31,650	-	31,650	9,504
Travel	5,015	-	-	5,015	4,199
Master's commission	20,332	-	-	20,332	9,402
Accounting & legal	4,018	-	-	4,018	3,167
Insurance	947	-	-	947	930
Interest & bank charges	395	-	-	395	479
Office supplies	3,525	-	-	3,525	5,234
Repairs & maintenance	1,087	-	-	1,087	-
Rent	39,454	-	-	39,454	15,083
Building/facility	-	-	18,025	18,025	-
Telephone	4,274	-	-	4,274	1,606
Other expenses	10,299	-	-	10,299	1,474
Amortization	2,129	526	-	2,655	384
	286,488	32,176	18,025	336,689	162,262
Excess (Deficit) of Revenue over Expenses	219,569	21,873	138,656	380,098	210,443
Fund Balance, Beginning of Year	210,443	-	-	210,443	-
Interfund transfers during the year (Note 6)	(25,335)	25,335	-	-	-
Fund Balance, End of Year	404,677	47,208	138,656	590,541	210,443

The accompanying notes are an integral part of these financial statements

Living Springs Church Inc.
Statement of Cash Flows
For the year ended October 31

	2021	2020
Cash provided by (used for) the following activities		
Operating activities		
(Deficiency) excess of revenues over expenses	380,098	210,443
Amortization	2,655	384
(Increase) decrease in:		
GST receivable	(2,573)	(840)
Rent deposit	(3,000)	(500)
Prepaid expenses	(51)	(300)
Increase (decrease) in:		
Accounts payable	9,138	24,546
Vacation payable	3,808	728
Cash flows from operating activities	390,075	234,461
Investing activities		
Net (purchase) redemption of Investments	(490,580)	(15,000)
Acquisition of property, plant and equipment	(17,893)	(3,193)
Cash flows from investing activities	(508,473)	(18,193)
(Decrease) increase in cash resources	(118,398)	216,268
Cash resources, beginning of year	216,268	-
Cash resources, end of year	97,870	216,268
Cash is comprised of:		
Chequing account	81,730	205,748
Master's commission account	16,140	10,520
	97,870	216,268

The accompanying notes are an integral part of these financial statements

Living Springs Church Inc. Notes to the Financial Statements

For the year ended October 31, 2021

1. Nature of Organization

Living Springs Church Inc. (Church) is incorporated under the laws of Saskatchewan. Its principal activity is to provide spiritual services and to provide a place of worship to the surrounding community.

2. Accounting Policies

Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are as follows:

Revenue recognition

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

Contributions are recognized as revenue in the year received or receivable if the amounts to be received can be reasonably estimated and collection is reasonably assured.

Contributed materials and services are recognized if the fair value of the materials or services can be reasonably estimated, and if it would have otherwise been purchased. During the year, \$4,317 of equipment contributions were recognized in the financial statements.

Capital Assets

Capital assets are recorded at cost and amortized using the declining balance method over their estimated useful lives at a rate of 20% for furniture, fixtures and equipment and 30% for computer equipment. In the year capital assets are acquired, half of the full-year amount of amortization is recorded.

Income Tax

The Church is exempt from income tax as it is incorporated as a non-profit organization.

Financial instruments

All assets and liabilities are financial instruments and are initially recorded at fair market value and are subsequently recorded at amortized cost.

Funds

Operating Fund – This fund consists of monies received for the general operations and maintenance of the Church.

Tithe Fund – Internally restricted by motion of the Board. This fund is allocated 10% of donation and Master's Commission Revenue to be donated to other ministries or to be used to perform Ministry outside of the Church's central location of Regina.

Facility/Future Growth Fund – Externally restricted contributions. The purpose of this fund is to cover purchasing or building a new facility as well as equipment and capital expenditures needed for Ministry that would not be part of the actual building.

Measurement Uncertainty and Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires the Church's management and directors to make estimates and assumptions that affect the reported amount of assets, liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the year. These estimates and assumptions are reviewed periodically and adjustments are reported in the year in which they become known.

Living Springs Church Inc.
Notes to the Financial Statements

For the year ended October 31, 2021

By nature, asset valuations are subjective and do not necessarily result in precise determinations. Estimates in these financial statements include, but are not limited to, the carrying value of assets. Should underlying assumptions change, the estimated net recoverable value could change by a material amount.

3. Property, Plant and Equipment

Property, plant and equipment consist of the following:

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value 2021</u>	<u>Net Book Value 2020</u>
Furniture, fixtures and equipment	\$ 15,932	\$ 1,934	\$ 13,998	\$ 1,702
Computers	<u>5,154</u>	<u>1,105</u>	<u>4,049</u>	<u>1,107</u>
	<u>21,086</u>	<u>3,039</u>	<u>18,047</u>	<u>2,809</u>

4. Investments

The Church's current investments consist of six term deposits with the following details:

	<u>2021</u>	<u>2020</u>
One year term deposit maturing February 25, 2022 bearing interest at 0.30%	\$ 5,580	\$ -
Five one-year term deposits maturing October 25, 2022 bearing interest at 0.45%	\$ 500,000	\$ -
One year term deposit maturing February 25, 2021 bearing interest at 1.75%	\$ -	\$ 5,500
One year term deposit maturing October 15, 2021 bearing interest at 0.45%	<u>\$ -</u>	<u>\$ 9,500</u>
	\$ 505,580	\$ 15,000

5. Financial Instruments - Risk Management

The Church's financial instruments consist of cash, investments, accounts receivable, and accounts payable. The fair value of these financial instruments approximates their carrying value, unless otherwise noted. It is management's opinion that the church is not exposed to significant interest rate, currency, liquidity or credit risk arising from these financial instruments.

6. Interfund Transfer

Subsequent to the previous year end, the Board formally adopted the internally restricted tithing fund. The policy adoption transferred \$34,389 of the previous year's donations and \$9,504 of the previous year's expenses to this fund resulting in a net transfer of \$25,335.

7. COVID-19 Impacts

The COVID-19 pandemic developed rapidly in 2020 and continued through 2021. Public health measures taken by governments had an impact on the Church's operations during the year through limitations on in-person services and events. The impact of public health restrictions may continue into the Church's 2021-22 fiscal year although the results remain unknown.

8. Comparative Figures

Certain comparative figures have been reclassified to conform to the current year financial statement presentation. The comparative period began November 7, 2019, when the Church first began operations.

Living Springs Church
Results of Operations with comparison to budget
November 2021 - March 2022

Revenue	Nov - Oct Actual 2020/2021	12 Month Budget 2021/2022	Budget YTD 2021/2022	Nov -Mar Actual 2021/2022	Difference
Tithes & Offerings	530,161.78	568,800.00	237,000.00	244,195.52	7,195.52
Needs Fund/love offering	2,855.00	2,000.00	833.33	3,415.00	2,581.67
Master's Commission	21,398.88	22,000.00	9,166.67	8,053.50	-1,113.17
Facility/Growth fund	156,680.76	-	-	3,760.92	3,760.92
Other	5,690.02	5,500.00	2,291.67	3,063.86	772.19
Total Revenue	716,786.44	598,300.00	249,291.67	262,488.80	13,197.13
Expenses					
Rent	39,453.80	84,000.00	35,000.00	13,885.53	21,114.47
Tithe Fund	31,649.37	81,500.00	33,958.33	31,322.03	2,636.30
Organized Events	1,704.31	2,000.00	833.33	3,321.90	-2,488.57
Tech Expense	1,429.53	6,000.00	2,500.00	728.33	1,771.67
Salary & Benefits	168,302.52	207,437.76	86,432.40	86,485.41	-53.01
Insurance	946.58	1,000.00	416.67	978.38	-561.71
Telephone and wifi	4,275.42	4,500.00	1,875.00	2,291.04	-416.04
Office and Admin	4,725.05	8,500.00	3,541.67	2,440.59	1,101.08
Miscellaneous	-	5,000.00	2,083.33	-	2,083.33
Ministry Expense	56,801.60	64,100.00	26,708.33	16,193.03	10,515.30
MC	20,331.73	22,000.00	9,166.67	7,835.74	1,330.93
Accounting & Legal Fees	4,017.50	5,000.00	2,083.33	3,991.75	-1,908.42
Amortization	2,654.46	-	-	-	-
Bank & Credit Card Fees	395.46	1,000.00	416.67	185.53	231.14
Total Expenses	336,687.33	492,037.76	205,015.73	169,659.26	35,356.47
Net Surplus/Deficit	380,099.11	106,262.24	44,275.93	92,829.54	48,553.61

Key Balance Sheet Categories at March 31, 2022

Assets	
Master's Commission bank account	15,812.10
Chequing account	81,909.78
Bank - tithe fund	41,637.27
Bank - facility/future growth fund	42,107.17
Total chequing account balance	165,654.22
Term deposits	400,000.00
Term deposits - facility/future growth fund	100,000.00
Total term deposits	500,000.00
Total bank and term deposit balances	681,466.32