
**LANGHAM PARTNERSHIP OF CANADA FOR
GLOBAL CHRISTIAN EDUCATION, INC.
O/A Langham Partnership - Canada
FINANCIAL STATEMENTS
JUNE 30, 2024**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Members of
Langham Partnership of Canada for Global Christian Education, Inc.
O/A Langham Partnership - Canada
SCARBOROUGH
Ontario

Qualified Opinion

We have audited the accompanying financial statements of Langham Partnership of Canada for Global Christian Education, Inc. O/A Langham Partnership - Canada, which comprise the statement of financial position as at June 30, 2024 and the statement of operations, statement of changes in fund balances and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the 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 entity as at June 30, 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.

Basis for Qualified Opinion

As is common with many charitable organizations, Langham Partnership of Canada for Global Christian Education, Inc. O/A Langham Partnership - Canada, derives part of its revenues in the form of receiptable and non-receiptable contributions, the completeness of which are not susceptible to complete audit verification. Accordingly, our verification of revenue from this source was limited to the amounts recorded in the records of the entity. Therefore, we were not able to determine whether any adjustments might be necessary to contribution revenues, the excess/(deficiency) of revenues over expenses and cash flows from operations for the years ended June 30, 2024 and 2023, current assets as at June 30, 2024 and 2023 and fund balances as at the beginning and end of the years ended June 30, 2024 and 2023.

Our audit opinion on the financial statements for the year ended June 30, 2023 was modified accordingly because of the possible effects of this limitation in scope.

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 entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other 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 qualified opinion.

Responsibilities of Management and Those Charged with Governance 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.

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

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ANTHONY G. DILIBERTO, CPA
JENNIFER A. STALEY, CPA

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

Norton McMullen LLP

NORTON McMULLEN LLP

Chartered Professional Accountants, Licensed Public Accountants

MARKHAM, Canada
December 3, 2024

LANGHAM PARTNERSHIP OF CANADA FOR GLOBAL CHRISTIAN EDUCATION, INC.

O/A Langham Partnership - Canada

STATEMENT OF FINANCIAL POSITION

As at June 30,

2024

2023

	General Fund	Majority World Scholars Fund	Wycliffe College Scholars Fund	MENA Scholars Fund	Capital Growth Fund	Total	Total
ASSETS							
Current							
Cash and cash equivalents	\$ 57,647	\$ -	\$ -	\$ -	\$ -	\$ 57,647	\$ 136,903
Short-term investments (Note 2)	397,985	-	-	-	-	397,985	381,714
Short-term investments - externally restricted (Note 3)	7,200	130,729	9,513	189,416	93,050	429,908	447,209
HST refundable	3,185	-	-	-	-	3,185	3,239
Prepaid expenses	10,674	-	-	-	-	10,674	2,492
	<u>\$ 476,691</u>	<u>\$ 130,729</u>	<u>\$ 9,513</u>	<u>\$ 189,416</u>	<u>\$ 93,050</u>	<u>\$ 899,399</u>	<u>\$ 971,557</u>
LIABILITIES							
Current Liabilities							
Accounts payable and accrued liabilities	\$ 25,254	\$ -	\$ -	\$ -	\$ -	\$ 25,254	\$ 7,200
Government remittances payable	2,520	-	-	-	-	2,520	2,423
Deferred contributions (Note 3)	7,200	-	-	-	-	7,200	4,000
	<u>\$ 34,974</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,974</u>	<u>\$ 13,623</u>
FUND BALANCES							
General Fund - unrestricted	\$ 325,627	\$ -	\$ -	\$ -	\$ -	\$ 325,627	\$ 398,635
General Fund - internally restricted (Note 4)	116,090	-	-	-	-	116,090	116,090
Majority World Scholars Fund - externally restricted	-	130,729	-	-	-	130,729	139,454
Wycliffe College Scholars Fund - externally restricted	-	-	9,513	-	-	9,513	40,396
MENA Scholars Fund - externally restricted	-	-	-	189,416	-	189,416	169,416
Capital Growth Fund - externally restricted	-	-	-	-	93,050	93,050	93,943
	<u>\$ 441,717</u>	<u>\$ 130,729</u>	<u>\$ 9,513</u>	<u>\$ 189,416</u>	<u>\$ 93,050</u>	<u>\$ 864,425</u>	<u>\$ 957,934</u>
	<u>\$ 476,691</u>	<u>\$ 130,729</u>	<u>\$ 9,513</u>	<u>\$ 189,416</u>	<u>\$ 93,050</u>	<u>\$ 899,399</u>	<u>\$ 971,557</u>

Approved by the Board:

_____ Director

_____ Director

LANGHAM PARTNERSHIP OF CANADA FOR GLOBAL CHRISTIAN EDUCATION, INC.
O/A Langham Partnership - Canada

STATEMENT OF CHANGES IN FUND BALANCES

For the year ended June 30,

2024

2023

	General Fund	Majority World Scholars Fund	Wycliffe College Scholars Fund	MENA Scholars Fund	Capital Growth Fund	Total	Total
BALANCE - Beginning	\$ 514,725	\$ 139,454	\$ 40,396	\$ 169,416	\$ 93,943	\$ 957,934	\$ 959,213
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>(73,008)</u>	<u>(8,725)</u>	<u>(30,883)</u>	<u>20,000</u>	<u>(893)</u>	<u>(93,509)</u>	<u>(1,279)</u>
BALANCE - Ending	<u>\$ 441,717</u>	<u>\$ 130,729</u>	<u>\$ 9,513</u>	<u>\$ 189,416</u>	<u>\$ 93,050</u>	<u>\$ 864,425</u>	<u>\$ 957,934</u>

See accompanying notes

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LANGHAM PARTNERSHIP OF CANADA FOR GLOBAL CHRISTIAN EDUCATION, INC.

O/A Langham Partnership - Canada

STATEMENT OF OPERATIONS

For the year ended June 30,

2024

2023

	General Fund	Majority World Scholars Fund	Wycliffe College Scholars Fund	MENA Scholars Fund	Capital Growth Fund	Total	Total
REVENUES							
Contributions	\$ 247,744	\$ -	\$ 7,600	\$ 20,000	\$ -	\$ 275,344	307,873
Investment income	25,775	-	-	-	-	25,775	17,599
Unrealized gain on investments	24,875	-	-	-	-	24,875	12,548
Bequests	-	-	-	-	-	-	9,400
Administration fees	6,928	-	-	-	-	6,928	4,263
Book sales	210	-	-	-	-	210	306
Gain/loss on sale of investments	(161)	-	-	-	-	(161)	(816)
	<u>\$ 305,371</u>	<u>\$ -</u>	<u>\$ 7,600</u>	<u>\$ 20,000</u>	<u>\$ -</u>	<u>\$ 332,971</u>	<u>\$ 351,173</u>
EXPENSES							
Programs							
Bursaries	\$ 45,765	\$ 8,725	\$ 38,483	\$ -	\$ -	\$ 92,973	\$ 61,959
Preaching	76,189	-	-	-	-	76,189	57,223
Literature	66,149	-	-	-	-	66,149	67,675
Administrative							
Salaries and benefits	96,938	-	-	-	-	96,938	92,692
Professional fees	25,128	-	-	-	-	25,128	5,808
International dues	25,000	-	-	-	-	25,000	20,000
Communication support	15,384	-	-	-	-	15,384	14,793
Fundraising and meetings	9,757	-	-	-	893	10,650	8,883
Office and general	8,404	-	-	-	-	8,404	10,422
Bank charges and fees	4,143	-	-	-	-	4,143	4,343
Rent	3,720	-	-	-	-	3,720	3,720
Insurance	1,616	-	-	-	-	1,616	1,564
Book purchases	186	-	-	-	-	186	133
Capital campaign	-	-	-	-	-	-	3,144
Continuing education	-	-	-	-	-	-	93
	<u>\$ 378,379</u>	<u>\$ 8,725</u>	<u>\$ 38,483</u>	<u>\$ -</u>	<u>\$ 893</u>	<u>\$ 426,480</u>	<u>\$ 352,452</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>\$ (73,008)</u>	<u>\$ (8,725)</u>	<u>\$ (30,883)</u>	<u>\$ 20,000</u>	<u>\$ (893)</u>	<u>\$ (93,509)</u>	<u>\$ (1,279)</u>

See accompanying notes

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LANGHAM PARTNERSHIP OF CANADA FOR GLOBAL CHRISTIAN EDUCATION, INC.
O/A Langham Partnership - Canada
STATEMENT OF CASH FLOWS

For the year ended June 30, 2024 2023

CASH AND CASH EQUIVALENTS WERE PROVIDED BY (USED IN):

OPERATING ACTIVITIES

Deficiency of revenues over expenses	\$ (93,509)	\$ (1,279)
Items not affecting cash:		
Unrealized gains on marketable securities	<u>(24,875)</u>	<u>(12,548)</u>
	<u>\$ (118,384)</u>	<u>\$ (13,827)</u>

Net change in non-cash working capital balances:

HST refundable	\$ 54	\$ (2,094)
Prepaid expenses	(8,182)	1,407
Accounts payable and accrued liabilities	18,054	1,703
Government remittances payable	97	79
Deferred contributions	<u>3,200</u>	<u>(14,100)</u>
	<u>\$ 13,223</u>	<u>\$ (13,005)</u>
	\$ (105,161)	\$ (26,832)

INVESTING ACTIVITIES

Purchase of short-term investments, net of disposals	<u>25,905</u>	<u>(816,375)</u>
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DECREASE IN CASH AND CASH EQUIVALENTS \$ (79,256) \$ (843,207)

CASH AND CASH EQUIVALENTS - Beginning 136,903 980,110

CASH AND CASH EQUIVALENTS - Ending \$ 57,647 \$ 136,903

LANGHAM PARTNERSHIP OF CANADA FOR GLOBAL CHRISTIAN EDUCATION, INC.
O/A Langham Partnership - Canada
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

PURPOSE OF THE ORGANIZATION

Langham Partnership of Canada for Global Christian Education, Inc. O/A Langham Partnership - Canada (the "Organization") is incorporated without share capital under the laws of Ontario and is engaged in raising funds in Canada to help equip the Church in the Majority World. The Organization is a registered charity under the Income Tax Act (Canada) and, accordingly, is exempt from income taxes.

The mission of the Organization is to pursue its vision by equipping a new generation of Bible teachers in these three areas:

Scholars: Provide financial support for evangelical students from the Majority World to pursue doctoral studies in leading seminaries and universities around the world and to prepare them for positions of academic and ministry leadership.

Literature: Provide evangelical resources in multiple languages through grants and distribution, and foster the indigenous creation of resources through sponsored editing and writing and publisher development.

Preaching: Partner with national leaders to nurture indigenous preaching movements for pastors and lay preachers in the Majority World. This partnership provides practical on-site support for preachers by organizing training seminars, providing resources, encouraging preachers' groups and building local movements committed to expository preaching.

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

a) Fund Accounting

Resources are classified into funds according to the activities or objectives specified as follows:

i) General Fund

The General Fund accounts for operations and programs of the Organization. Unrestricted contributions and other revenues are reported in this Fund.

Unrestricted

The balance of unrestricted funds represents the accumulated excess of unrestricted contributions over related expenses.

LANGHAM PARTNERSHIP OF CANADA FOR GLOBAL CHRISTIAN EDUCATION, INC.
O/A Langham Partnership - Canada
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

1. **SIGNIFICANT ACCOUNTING POLICIES** - Continued

a) **Fund Accounting** - Continued

i) **General Fund** - Continued

Internally Restricted

The internally restricted funds include amounts internally restricted by the Board of Directors for special ministry purposes. These funds cannot be used without the prior approval of the Board of Directors.

ii) **Majority World Scholars Fund**

The Majority World Scholars Fund is an externally restricted fund to provide scholarships for Langham Scholars studying in doctoral programs in theology at Majority World seminaries.

iii) **Wycliffe College Scholars Fund**

The Wycliffe College Scholars Fund is an externally restricted fund to provide scholarships for Langham Scholars studying in doctoral programs in theology at Wycliffe College, University of Toronto.

iv) **MENA (Middle East & North Africa) Scholars Fund**

The MENA Fund is designated for the provision of doctoral-level scholarships for candidates from the Middle East and North Africa, pursuant to an agreement between Langham Partnership, Protestant Theological University in Amsterdam, and several seminaries in the MENA region.

v) **Growth Campaign Fund**

The Growth Campaign Fund is designated for funds received as contributions to the international Langham Partnership growth campaign, to be used over ten years beginning after fiscal year 2024, toward future ministry projects.

b) **Revenue Recognition**

The Organization follows the restricted fund method of accounting for contributions and bequests. Externally restricted contributions are recognized as revenue in the fund corresponding to the purpose for which they were contributed. Unrestricted contributions are recognized as revenue in the General Fund. Restricted contributions for which there is no fund are accounted for using the deferral method.

Interest income is recognized as revenue when earned. Book sales are recognized as revenue when sales proceeds are received or receivable if the amount can be reasonably estimated and collection is reasonably assured. Event income is recognized as revenue when events are held. 10% Administration fees are recognized in General Fund when restricted gifts are used.

LANGHAM PARTNERSHIP OF CANADA FOR GLOBAL CHRISTIAN EDUCATION, INC.
O/A Langham Partnership - Canada
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

1. **SIGNIFICANT ACCOUNTING POLICIES** - Continued

c) **Cash and Cash Equivalents**

Cash and cash equivalents consist of cash held in the Organization's bank account, and, when applicable, short-term cashable GICs that are readily convertible to known amounts of cash.

d) **Contributed Services**

Volunteers contribute significant hours each year to assist the Organization in carrying out its activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

e) **Financial Instruments**

Measurement of Financial Instruments

The Organization initially measures its financial assets and financial liabilities at fair value. The Organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in marketable securities traded in an active market which are measured at fair value. Changes in fair value are included in the excess (deficiency) of revenues over expenses.

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

Other than investments in marketable securities, the Organization has no financial assets measured at fair value and has not elected to carry any financial asset or liability at fair value.

Impairment

Financial assets measured at amortized cost are tested for impairment when events or circumstances indicate possible impairment. Write-downs, if any, are recognized in excess of revenues over expenses and may be subsequently reversed to the extent that the net effect after the reversal is the same as if there had been no write-down. There are no impairment indicators in the current year.

LANGHAM PARTNERSHIP OF CANADA FOR GLOBAL CHRISTIAN EDUCATION, INC.
O/A Langham Partnership - Canada
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

2. SHORT-TERM INVESTMENTS

Short-term investments consist of the following:

	2024	2023
High interest savings fund, at fair value	\$ 457,567	\$ 509,909
Equities, at fair value	<u>370,326</u>	<u>319,014</u>
	<u>\$ 827,893</u>	<u>\$ 828,923</u>

Short-term investments are allocated as follows:

	2024	2023
Unrestricted	\$ 397,985	\$ 381,714
Externally restricted	<u>429,908</u>	<u>447,209</u>
	<u>\$ 827,893</u>	<u>\$ 828,923</u>

3. DEFERRED CONTRIBUTIONS

Deferred contributions consist of the following:

	2024	2023
Scholarships	<u>\$ 7,200</u>	<u>\$ 4,000</u>

4. INTERNALLY RESTRICTED GENERAL FUND

In 2018, the Board decided to set aside funds received from an unrestricted bequest with the intent to help fund the expenses associated with the National Director's position over the next few years. During the year, \$Nil (2023 - \$Nil) of the internally restricted general funds were applied to assist with costs associated with the National Director's position.

The balance in the internally restricted General Fund as of June 30, 2024 is \$116,090 (2023 - \$116,090).

LANGHAM PARTNERSHIP OF CANADA FOR GLOBAL CHRISTIAN EDUCATION, INC.
O/A Langham Partnership - Canada
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

5. FINANCIAL INSTRUMENTS

Risks and Concentrations

The Organization is exposed to various risks through its financial instruments. The following analysis provides a summary of the Organization's exposure to and concentrations of risk at June 30, 2024:

a) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge an obligation. The Organization is not exposed to significant credit risk.

b) Liquidity Risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly with respect to its accounts payable and accrued liabilities. The Organization manages this risk by generating sufficient cash flow from operations and other fundraising initiatives to ensure prompt discharge of its obligations. There has been no change in the assessment of liquidity risk from the prior year.

c) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk, and price risk. The Organization is not exposed to significant market risk.

i) Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk), whether those changes are caused by factors specific to the individual instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Organization is exposed to price risk through its investments in quoted shares. The exposure to this risk fluctuates as the Organization's investments change from year to year.