

Financial Audit Report

Financial Statements of

CHRISTIAN LIFE ASSEMBLY

And Independent Auditor's Report thereon

Year ended June 30, 2026



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INDEPENDENT AUDITOR'S REPORT

To the Members of Christian Life Assembly

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of Christian Life Assembly (the Entity), which comprise:

- the statement of financial position as at June 30, 2026
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the “financial statements”).

In our opinion, except for the possible effects of the matter described in the “**Basis for Qualified Opinion**” section of our auditor’s report, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at June 30, 2026, and its results of 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

In common with many charitable organizations, the Entity derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues 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:

- the current assets reported in the statements of financial position as at June 30, 2026 and June 30, 2025
- the donations and excess of revenue over expenses reported in the statements of operations for the years ended June 30, 2026 and June 30, 2025
- the net assets at the beginning and end of the year, reported in the statements of changes in net assets for the years ended June 30, 2026 and June 30, 2025



- the excess of revenue over expenses reported in the statements of cash flows for the years ended June 30, 2026 and June 30, 2025.

Our opinion on the financial statements for the year ended June 30, 2026 was qualified 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 auditor’s 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 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 qualified opinion.

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 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.

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 the 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.
- 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.

Report on Other Legal and Regulatory Requirements

- As required by Societies Act (British Columbia), we report that, in our opinion, the accounting policies applied in preparing and presenting financial statements in accordance with Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding period.

Chartered Professional Accountants

Langley, Canada
October 1, 2026

CHRISTIAN LIFE ASSEMBLY

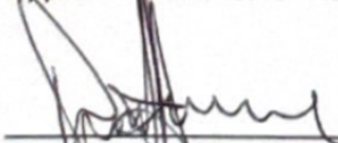
Statement of Financial Position

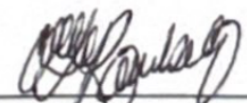
June 30, 2026, with comparative information for 2025

	2026	2025
Assets		
Current assets:		
Cash (note 2)	\$ 1,408,188	\$ 1,151,767
Accounts receivable	33,559	27,114
Prepaid expenses	127,076	97,199
	1,568,823	1,276,080
Investments at amortized cost (note 3)	241,611	241,611
Capital assets (note 4)	10,558,022	6,066,151
	\$ 12,368,456	\$ 7,583,842
Liabilities and Net Assets		
Current liabilities:		
Accounts payable (note 5)	\$ 195,563	\$ 92,838
Accrued liabilities	289,148	297,432
Deferred contributions - expenses of future periods (note 6(a))	520,881	672,134
Current portion of long-term debt (note 7)	90,626	-
	1,096,218	1,062,404
Deferred capital contributions (note 6(b))	2,253,494	1,783,970
Long-term debt (note 7)	3,932,111	-
	7,281,823	2,846,374
Net assets:		
Invested in capital assets (note 8)	4,329,943	4,345,612
Unrestricted	422,035	67,737
Internally restricted - Church growth development fund (note 9)	128,694	118,158
Internally restricted - Capital reserve fund (note 9)	205,961	205,961
	5,086,633	4,737,468
Contingencies (note 12)		
	\$ 12,368,456	\$ 7,583,842

See accompanying notes to financial statements.

Approved on behalf of the Board:


Chairperson of the Board


Treasurer

CHRISTIAN LIFE ASSEMBLY

Statement of Operations

Year ended June 30, 2026, with comparative information for 2025

	2026	2025
Revenue:		
Langley (Schedule 1)	\$ 5,550,300	\$ 5,643,765
Maple Ridge (Schedule 3)	608,580	572,718
Sooke Harbour (Schedule 4)	220,909	186,626
Abbotsford (Schedule 5)	193,733	143,363
Missions (Schedule 6)	1,055,997	885,527
	<u>7,629,519</u>	<u>7,431,999</u>
Expenses:		
Langley (Schedule 1)	5,048,833	5,127,846
Maple Ridge (Schedule 3)	539,666	524,700
Sooke Harbour (Schedule 4)	143,305	150,956
Abbotsford (Schedule 5)	198,901	180,655
Missions (Schedule 6)	1,055,997	885,527
	<u>6,986,702</u>	<u>6,869,684</u>
Excess of revenue over expenses before undernoted:	642,817	562,315
Amortization of capital assets	(417,081)	(351,769)
Amortization of deferred capital contributions	123,429	98,561
	<u>(293,652)</u>	<u>(253,208)</u>
Excess of revenue over expenses	<u>\$ 349,165</u>	<u>\$ 309,107</u>

See accompanying notes to financial statements.

CHRISTIAN LIFE ASSEMBLY

Statement of Changes in Net Assets

Year ended June 30, 2026, with comparative information for 2025

	Invested in capital assets	Unrestricted	Internally restricted church growth development fund	Internally restricted capital reserve fund	2026 Total	2025 Total
Balance, beginning of year	\$ 4,345,612	\$ 67,737	\$ 118,158	\$ 205,961	\$ 4,737,468	\$ 4,428,361
Excess (deficiency) of revenue over expenses (note 8(b))	(293,652)	642,817	-	-	349,165	309,107
Net change in investment in capital assets (note 8(b))	277,893	(277,893)	-	-	-	-
Transfers (note 9)	-	(10,536)	10,536	-	-	-
Balance, end of year	\$ 4,329,943	\$ 422,035	\$ 128,694	\$ 205,961	\$ 5,086,633	\$ 4,737,468

See accompanying notes to financial statements.

CHRISTIAN LIFE ASSEMBLY

Statement of Cash Flows

Year ended June 30, 2026, with comparative information for 2025

	2026	2025
Cash provided by (used in):		
Operations:		
Excess of revenue over expenses	\$ 349,165	\$ 309,107
Items not involving cash:		
Amortization of capital assets	417,081	351,769
Amortization of deferred capital contributions	(123,429)	(98,561)
Changes in non-cash operating working capital:		
Accounts receivable	(6,445)	917
Prepaid expenses	(29,877)	(14,230)
Accounts payable	102,725	(68,856)
Accrued liabilities	(8,284)	(19,698)
Deferred contributions - expenses of future periods	(151,253)	86,966
	549,683	547,414
Financing:		
Proceeds from long-term debt	4,022,737	-
Deferred capital contributions received	592,953	478,986
Payment of long-term debt	-	(285,169)
	4,615,690	193,817
Investing:		
Purchase of capital assets	(4,908,952)	(532,143)
Increase in cash	256,421	209,088
Cash beginning of year	1,151,767	942,679
Cash, end of year	\$ 1,408,188	\$ 1,151,767

See accompanying notes to financial statements.

CHRISTIAN LIFE ASSEMBLY

Notes to Financial Statements

Year ended June 30, 2026

Basis of presentation:

Christian Life Assembly (the "Church") is a church incorporated under the Societies Act (British Columbia). The Church is a member of the Pentecostal Assemblies of Canada ("PAOC"). The Church is a registered charity under the Income Tax Act and accordingly is exempt from income taxes, provided certain requirements of the Income Tax Act are met.

1. Significant accounting policies:

(a) Basis of presentation:

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations.

The Church does not consolidate the financial statements of Sharon Village Housing Society or CLA Housing Society, both of which the Church controls (note 11).

(b) Revenue recognition:

The Church follows the deferral method of accounting for donations. This method recognizes unrestricted donations as revenue when received and externally restricted donations as revenue in the year in which the related expenses are recognized. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis, at a rate corresponding with the amortization period for the related capital assets. Pledges are not recognized as revenue until received.

All other revenue is recognized when the services are provided or when the goods are delivered.

(c) Life insurance policies cash surrender value:

The Church is the owner and beneficiary of various life insurance policies. These policies are recorded at the cash surrender values. The premiums are allocated between insurance costs and income earned. The premiums are paid either by the donors of the policies or by the Church out of monies donated to it for that purpose.

(d) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of the contribution. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life or improve the service potential of an asset are capitalized. The Church reviews the carrying amount of capital assets for impairment whenever events or changes in circumstances indicate that the asset no longer contributes to the Church's ability to provide services, or that the value of future economic benefits or service potential associated with the asset is less than its carrying amount. If such conditions exist, an impairment loss is measured and recorded in the statement of operations at the amount by which the carrying amount of the net asset exceeds its fair value or replacement cost.

CHRISTIAN LIFE ASSEMBLY

Notes to Financial Statements

Year ended June 30, 2026

1. Significant accounting policies (continued):

(d) Capital assets (continued):

Capital assets are amortized on a straight-line basis over the following number of years, being their estimated useful lives:

Asset	Rate
Buildings	20 - 40 years
Furnishings and equipment	3 - 5 years
Parking lot	15 years
Automobiles	5 years

Amortization commences when assets are available for their intended use.

(e) Contributed materials and services:

Gifts in kind are recorded in the financial statements at their fair market value, when it can be reasonably determined, and when the Church would have otherwise purchased the goods.

A substantial number of volunteers contribute a significant amount of their time each year. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

(f) Allocation of expenses:

Campus expenses for the Maple Ridge, Sooke Harbour, and Abbotsford campuses include an internal charge of overhead expenses from the Langley campus allocated based on an estimate of costs and services provided.

(g) Measurement uncertainty:

The preparation of the financial statements 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 year.

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Actual results could differ from those estimates.

CHRISTIAN LIFE ASSEMBLY

Notes to Financial Statements

Year ended June 30, 2026

1. Significant accounting policies (continued):

(h) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Church has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Church determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Church expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

2. Restrictions on cash:

The Church has commitments to disburse funds as specified by donors. These funds have not been segregated from the general cash and consist of the following:

	2026	2025
Deferred contributions - expenses of future periods (note 6(a))	\$ 520,881	\$ 672,134
Unspent deferred capital contributions (note 6(b))	48,152	63,431
	<u>\$ 569,033</u>	<u>\$ 735,565</u>

CHRISTIAN LIFE ASSEMBLY

Notes to Financial Statements

Year ended June 30, 2026

3. Investments at amortized cost:

The Church owns occupancy rights to four housing units in the Sharon Village complex. In addition, it holds four non-interest bearing, promissory notes for \$45,000 each (totaling \$180,000) from the Sharon Village Housing Society (note 11), which are repayable to the Church should the Church choose to vacate the units.

The aggregate face value of the life insurance policies the Church owns is \$110,000 (2025 - \$110,000) and will be recognized as revenue when received.

	2026	2025
Investment in Sharon Village promissory notes	\$ 180,000	\$ 180,000
Life insurance policies, cash surrender value	61,611	61,611
	\$ 241,611	\$ 241,611

4. Capital assets:

			2026	2025
	Cost	Accumulated amortization	Net book value	Net book value
Langley campus:				
Land	\$ 716,279	\$ -	\$ 716,279	\$ 716,279
Building	10,117,376	6,137,668	3,979,708	3,944,081
Furnishings and equipment	6,743,189	6,722,251	20,938	64,423
Parking lot	496,884	360,165	136,719	158,298
Automobiles	94,820	28,644	66,176	2,600
	18,168,548	13,248,728	4,919,820	4,885,681
Maple Ridge campus:				
Land	62,000	-	62,000	62,000
Building	1,119,813	714,139	405,674	433,372
Automobiles	48,892	9,778	39,113	-
Furnishings and equipment	421,631	411,661	9,970	11,383
	1,652,336	1,135,578	516,758	506,755
Sooke Harbour campus:				
Land	204,000	-	204,000	204,000
Building	423,213	158,103	265,110	255,371
Furnishings and equipment	39,403	23,088	16,315	19,707
	666,616	181,191	485,425	479,078
Abbotsford campus:				
Land	3,686,069	-	3,686,069	-
Building	789,529	-	789,529	-
Furnishings and equipment	268,445	108,024	160,421	194,637
	4,744,043	108,024	4,636,019	194,637
	\$ 25,231,543	\$ 14,673,521	\$ 10,558,022	\$ 6,066,151

CHRISTIAN LIFE ASSEMBLY

Notes to Financial Statements

Year ended June 30, 2026

5. Accounts payable:

Included in accounts payable are government remittances payable of nil (2025 - nil).

6. Deferred contributions:

(a) Expenses of future periods:

Deferred contributions for expenses of future periods are donations received, restricted by the donor for designated purposes and unspent at year-end. When the Church uses the funds for the designated purpose the contribution is recognized as revenue.

	2026	2025
Balance, beginning of year	\$ 672,134	\$ 585,168
Additional contributions received	3,084,807	3,093,834
Less amount recognized as revenue in the year	(3,236,060)	(3,006,868)
Balance, end of year	\$ 520,881	\$ 672,134

Deferred contributions related to expenses of future periods consist of the following:

	2026	2025
Missions:		
General	\$ 67,582	\$ 165,191
Philippe Strafforelli Missions Fund	129,003	129,003
Southern Africa	28,480	39,897
Canada	41,032	33,113
Central and South America	874	16,836
Israel	5,000	12,585
Eastern Europe	53,574	5,657
Asia	7,500	2,433
	333,045	404,715
Operations:		
Special offerings	187,836	267,419
Deferred contributions, unspent at year end	\$ 520,881	\$ 672,134

CHRISTIAN LIFE ASSEMBLY

Notes to Financial Statements

Year ended June 30, 2026

6. Deferred contributions (continued):

(b) Capital assets:

Deferred capital contributions represent the unamortized and unspent amounts of donations received for the purchase of capital assets. The amortization of capital contributions is included in the statement of operations.

	2026	2025
Balance, beginning of year	\$ 1,783,970	\$ 1,403,545
Additional contributions received	544,800	478,986
Less amounts recognized in revenue	(123,429)	(98,561)
Balance, end of year	\$ 2,205,341	\$ 1,783,970

Included in deferred capital contributions are \$48,152 (2025 - \$63,431) of unspent funds.

7. Long-term debt:

	2026	2025
TD Mortgage, monthly payments of \$22,085, bearing interest at 4.42% per annum, and maturing on June 24, 2031.	\$ 4,022,737	\$ -
Current portion of long-term debt	(90,626)	-
	\$ 3,932,111	\$ -

The mortgage payable is secured by the land and buildings of the properties located in Langley and Abbotsford.

The current interest rate expires one year from the initial advance date, at which time the mortgage will be subject to renewal and repricing based on lending terms available at that date. The facility has a contractual term of five years from the initial drawdown date.

Interest of \$44 (2025 - \$8,566) has been paid on long-term debt and included in the Statement of Operations.

CHRISTIAN LIFE ASSEMBLY

Notes to Financial Statements

Year ended June 30, 2026

7. Long-term debt (continued):

The anticipated principal repayments due for the next five years and thereafter are as follows:

2027	\$	90,626
2028		94,206
2029		98,886
2030		103,305
2031		107,922
Thereafter		3,527,792
	\$	4,022,737

8. Invested in capital assets:

(a) Investment in capital assets is calculated as follows:

	2026	2025
Capital assets	\$ 10,558,022	\$ 6,066,151
Amounts financed by:		
Deferred capital contributions	(2,253,494)	(1,783,970)
Unspent deferred capital contributions	48,152	63,431
Long-term debt	(4,022,737)	-
	\$ 4,329,943	\$ 4,345,612

(b) Change in invested in capital assets is calculated as follows:

	2026	2025
Deficiency of revenue over expenses:		
Amortization of deferred capital contributions	\$ 123,429	\$ 98,561
Amortization of capital assets	(417,081)	(351,769)
	\$ (293,652)	\$ (253,208)

	2026	2025
Net change in investment in capital assets:		
Purchase of capital assets	\$ 4,908,952	\$ 532,143
Amounts funded by deferred capital contributions	(608,232)	(501,859)
Proceeds from long-term debt	(4,022,737)	-
Repayment of long-term debt	-	285,169
	\$ 277,983	\$ 315,453

CHRISTIAN LIFE ASSEMBLY

Notes to Financial Statements

Year ended June 30, 2026

9. Internally restricted net assets:

	2026	2025
Church growth development fund, beginning of year	\$ 118,158	\$ 194,634
Transfers	355,142	245,628
	473,300	440,262
Expenses	(344,606)	(322,104)
Church growth development fund, end of year	\$ 128,694	\$ 118,158

The Church growth development fund is restricted by the Board for specific purposes such as major capital expenditures and start-up costs incurred for the development of campuses or other church planting initiatives. Expenses from these internally restricted net assets are at the discretion of the Board.

The capital reserve fund is restricted by the Board for specific purposes such as unexpected major expenditures, future financial obligations, or large-scale maintenance and repairs of the buildings owned by the Church.

10. Operating line of credit:

The Church has an operating line of credit with TD of \$250,000 with interest at the bank's prime rate plus 1.0% payable monthly. At June 30, 2026, the amount drawn on the line of credit is nil (2025 - nil).

The operating line of credit is secured by a general security agreement representing a fixed charge over specific properties of the Church, a \$1,750,000 collateral mortgage over the Langley property and an assignment of fire insurance.

CHRISTIAN LIFE ASSEMBLY

Notes to Financial Statements

Year ended June 30, 2026

11. Controlled entities:

The Church controls the Sharon Village Housing Society (the "Society") by virtue of appointing the majority of the Society's Board of Directors. The Society is incorporated under the Societies Act (British Columbia) for the purpose of providing low-cost housing to adults 55 years of age or older and is tax exempt as a registered charity.

The following is an unaudited summary of the financial position and results of operations and cash flows of the Society as at December 31, 2025 and for the year then ended, which are not included in these financial statements as explained in note 1(a):

Financial Position:

	2025	2024
Total assets	\$ 5,527,081	\$ 5,198,119
Total liabilities	\$ 9,289,222	\$ 8,229,105
Net deficit	(3,762,141)	(3,030,986)
	\$ 5,527,081	\$ 5,198,119

Results of Operations:

Total revenue	\$ 501,143	\$ 593,772
Net expenses	487,260	510,232
Excess of revenues over expenses	\$ 13,883	\$ 83,540

Cash Flows:

Cash from operations	\$ 13,882	\$ 179,000
Cash from financing and investing activities	(553,215)	(280,000)
	\$ (539,333)	\$ (101,000)

CHRISTIAN LIFE ASSEMBLY

Notes to Financial Statements

Year ended June 30, 2026

11. Controlled entities (continued):

The Church also controls the CLA Housing Society, which was incorporated under the Societies Act (British Columbia) on January 23, 2019, for the purpose of building and operating a 98-unit affordable housing project in partnership with BC Housing. The Church controls this entity by virtue of appointing the entire Board of Directors of CLA Housing Society.

The following is a summary of the financial position and operations and cash flows of CLA Housing Society as at June 30, 2026 and for the year then ended, which are not included in these financial statements as explained in note 1(a):

Financial Position:

	2026	2025
Total assets	\$ 35,487,972	\$ 36,760,681
Total liabilities	\$ 36,730,961	\$ 37,439,017
Net deficit	(1,242,989)	(678,336)
	\$ 35,487,972	\$ 36,760,681

Results of Operations:

Total revenue	\$ 2,514,037	\$ 2,340,749
Net expenses	3,078,690	2,814,728
Deficiency of revenue over expenses	\$ (564,653)	\$ (473,979)

Cash Flows:

Cash from operations	\$ 760,541	\$ 265,184
Cash from financing and investing activities	(608,703)	57,256
	\$ 151,838	\$ 322,440

12. Contingencies:

If the Church breaks fellowship with the PAOC or withdraws from the Maple Ridge and/or Sooke communities, the Church would be committed to return to the PAOC an amount of \$2,639,024 (2025 - \$2,639,024) for Maple Ridge, \$477,954 (2025 - \$477,954) for Sooke Harbour or return the respective properties to the PAOC.

CHRISTIAN LIFE ASSEMBLY

Notes to Financial Statements

Year ended June 30, 2026

13. Financial risks and concentrations of risk:

(a) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Church is exposed to credit risk with respect to the accounts receivable and investments. The Church assesses, on a continuous basis, accounts receivable and investments and provides for amounts, if any, that are not collectible through an allowance for doubtful accounts or provision against investments.

(b) Liquidity risk:

Liquidity risk is the risk that the Church will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Church manages its liquidity risk by monitoring its operating requirements. The Church prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

(c) Interest rate risk:

Fixed and variable interest rate financial instruments give rise to fair value and cash flow risks respectively. The Church is exposed to this risk on its variable interest rate operating line of credit (note 10).

There has been no change to the risk exposures outlined above from the prior year.

14. Disclosure of remuneration:

For the fiscal year ended June 30, 2026, the Church paid total remuneration of \$231,617 (2025 - \$494,264) to two (2025 - five) employees and contractors for services, each of whom received total annual remuneration of \$75,000 or greater. The Church did not pay any remuneration to any director during the year other than that which is considered part of their employment.

CHRISTIAN LIFE ASSEMBLY

Schedule of Revenue and Expenses - Langley Campus

(Schedule 1)

Year ended June 30, 2026, with comparative information for 2025

	2026	2025
Revenue:		
Donations	\$ 3,440,555	\$ 3,482,447
Ministry departments (Schedule 2)	1,706,389	1,700,442
Other receipts	403,356	460,876
	5,550,300	5,643,765
Expenses:		
Bank revaluations	(2,744)	-
Community and staff relations	12,806	10,181
Church planting	102,502	288,393
Donations to PAOC	237,802	239,808
Insurance	96,134	120,660
Interest	44	8,566
IT services and equipment	41,637	34,881
Ministry departments (Schedule 2)	2,992,954	2,979,921
Miscellaneous	40,535	38,033
Office	138,587	122,640
Other ministry	93,167	-
Professional and consulting fees	129,364	153,696
Property taxes	-	2,280
Repairs, maintenance and supplies	345,932	381,555
Salaries and benefits	786,949	720,849
Staff training, conferences and seminars	33,163	26,383
	5,048,833	5,127,846
Excess of revenue over expenses	\$ 501,467	\$ 515,919

CHRISTIAN LIFE ASSEMBLY

Schedule of Revenue and Expenses - Langley Ministry Departments

(Schedule 2)

Year ended June 30, 2026, with comparative information for 2025

2026	Revenue	Expenses	Excess (deficiency) of revenue over expenses
Bus Ministry	\$ -	\$ 26,150	\$ (26,150)
CLA Cafe	101,817	135,276	(33,459)
Care Ministries	29,855	85,255	(55,400)
Communications	168	203,774	(203,606)
Connecting Points	7,619	120,289	(112,671)
ESLC	33,060	24,830	8,230
Family	49,304	248,336	(199,032)
First Impressions	0	24,476	(24,476)
Fleet Operations	2,673	13,683	(11,010)
Hospitality	55,009	295,665	(240,657)
Recovery Church	195,242	113,534	81,709
Sunbeam Preschool	808,488	749,509	58,979
Technical Arts	29,160	176,401	(147,241)
Thrive	56,716	75,333	(18,617)
Women's Ministry	73,844	141,158	(67,314)
Worship Ministry	8,521	82,510	(73,989)
Youth & Young Adult's Ministry	254,913	476,774	(221,860)
	\$ 1,706,389	\$ 2,992,954	\$ (1,286,565)

2025	Revenue	Expenses	Excess (deficiency) of revenue over expenses
Bus Ministry	\$ 8,464	\$ 54,828	\$ (46,364)
CLA Cafe	112,356	140,727	(28,371)
Care Ministries	26,350	49,167	(22,817)
Communications	1,393	183,594	(182,201)
Connecting Points	9,795	104,225	(94,430)
ESLC	40,060	22,899	17,161
Family	47,060	250,606	(203,546)
First Impressions	-	18,430	(18,430)
Fleet Operations	1,694	19,697	(18,003)
Hospitality	61,385	270,570	(209,185)
Other	-	107,611	(107,611)
Recovery Church	244,579	174,408	70,171
Sunbeam Preschool	743,742	663,340	80,402
Technical Arts	25,858	174,236	(148,378)
Thrive	52,786	69,197	(16,411)
Women's Ministry	69,082	151,736	(82,654)
Worship Ministry	1,175	54,211	(53,036)
Youth & Young Adult's Ministry	254,663	470,439	(215,776)
	\$ 1,700,442	\$ 2,979,921	\$ (1,279,479)

CHRISTIAN LIFE ASSEMBLY

Schedule of Revenue and Expenses - Maple Ridge Campus

(Schedule 3)

Year ended June 30, 2026, with comparative information for 2025

	2026	2025
Revenue:		
Donations	\$ 461,275	\$ 438,084
Other receipts	147,306	134,634
	608,580	572,718
Expenses:		
Community and staff relations	7,285	5,923
Church planting	13,655	13,916
Events	470	-
Insurance	23,442	25,002
IT services and equipment	1,745	3,977
Ministry departments	74,572	82,632
Miscellaneous	19,246	18,041
Office	6,280	1,853
Professional and consulting fees	20,863	21,960
Property taxes	-	1,397
Repairs, maintenance and supplies	70,439	69,269
Salaries and benefits	301,669	280,730
	539,666	524,700
Excess of revenue over expenses	\$ 68,915	\$ 48,018

CHRISTIAN LIFE ASSEMBLY

Schedule of Revenue and Expenses - Sooke Harbour Campus

(Schedule 4)

Year ended June 30, 2026, with comparative information for 2025

	2026	2025
Revenue:		
Donations	\$ 202,244	\$ 181,510
Other receipts	18,665	5,116
	220,909	186,626
Expenses:		
Community and staff relations	1,680	1,499
Church planting	6,367	5,647
Insurance	7,212	5,832
IT services and equipment	1,605	7,137
Ministry departments	5,550	4,692
Miscellaneous	29,304	32,730
Office	2,427	746
Property taxes	653	653
Repairs, maintenance and supplies	7,794	9,784
Salaries and benefits	80,712	82,236
	143,305	150,956
Excess of revenue over expenses	\$ 77,604	\$ 35,670

CHRISTIAN LIFE ASSEMBLY

Schedule of Revenue and Expenses – Abbotsford Campus

(Schedule 5)

Year ended June 30, 2026, with comparative information for 2025

	2026	2025
Revenue:		
Donations	\$ 189,490	\$ 128,363
Other receipts	4,243	15,000
	193,733	143,363
Expenses:		
Community and staff relations	2,770	1,947
Church planting	-	4,893
Insurance	7,212	398
IT services and equipment	4,668	9,448
Ministry departments	12,392	10,421
Miscellaneous	74,081	59,208
Office	252	84
Repairs, maintenance and supplies	1,417	1,681
Salaries and benefits	96,110	92,575
	198,901	180,655
Deficiency of revenue over expenses	\$ (5,168)	\$ (37,292)

CHRISTIAN LIFE ASSEMBLY

Schedule of Revenue and Expenses - Missions

(Schedule 6)

Year ended June 30, 2026, with comparative information for 2025

2026	Revenue	Expenses	Excess (deficiency) of revenue over expenses
Canada	\$ 98,810	\$ 100,322	\$ (1,512)
Central and South America	251,333	251,368	(36)
Eastern Europe	13,819	36,331	(22,512)
Ethiopia	-	-	-
General	561,860	397,832	164,029
PAOC	10,995	150,000	(139,005)
Southern Africa	44,027	44,027	-
Northern Africa	-	-	-
Asia	65,153	66,117	(964)
Israel	10,000	10,000	-
	\$ 1,055,997	\$ 1,055,997	\$ -

2025	Revenue	Expenses	Excess (deficiency) of revenue over expenses
Canada	\$ 129,549	\$ 113,474	\$ 16,075
Central and South America	37,515	37,515	-
Eastern Europe	44,606	50,222	(5,616)
Ethiopia	3,508	-	3,508
General	573,782	444,699	129,083
PAOC	42,350	160,400	(118,050)
Southern Africa	47,923	47,923	-
Northern Africa	-	25,000	(25,000)
Asia	6,294	6,294	-
Israel	-	-	-
	\$ 885,527	\$ 885,527	\$ -