

Report on the Non-Consolidated Financial Statements for the Year Ended December 31, 2021

The financial statement on the right is a summary of the audited Non-Consolidated Financial Statements of the Canadian Conference of Mennonite Brethren Churches (CCMBC). The notes to the financial statements are an integral part of telling the financial story and can be found here.

After several years of transition - both reorganization the from Stewardship Division to CCMBC Legacy Fund as well as the transition to the Collaborative Model - we are thankful to God for his faithfulness, and to our churches and provincial conferences for your support as we walk forward in hope of what God has in store for the Mennonite Brethren in Canada and for His church around the world. With the support of our churches, government assistance, and good fiscal management we have finished each of the last two years with a surplus.

The financial statements reflect the mandate of CCMBC to facilitate our joint work and to encourage and support our constituency. Included in these statements are the financial results of the church plants that operate within the charitable status of CCMBC. We began 2021 with 16 church plants with this status and ended with 11.

Non-Consolidated Statement of Financial Position

A Statement of Financial Position is a snapshot at a point in time, in this case December 31, 2021 and December 31, 2020.

Accounts and other receivables 65,089 45	2020 29,312 56,835
Assets Cash \$3,519,838 \$5,02 Accounts and other receivables 65,089 45 Due from related party 561,443 Donated securities - 5,423 Prepaid expenses and deposits 53,761 2 Capital assets 49,634 10 \$4,255,188 \$5,65 Liabilities Accounts payable and accrued liabilities Benefit plan payable 113,716 65 Due to related party 2,249,741 3,14 Due to related party 2,249,741 3,14 Accounts payable and accrued liabilities Benefit plan payable 113,716 65 Due to related party 1,33,76,155 4,67 Deferred contributions 633,406 96 Net assets: Restricted for endowments 1,367,064 1,36 Unrestricted (1,121,437) (1,34 245,627 1 \$4,255,188 \$5,65 Non-consolidated Statement of Operations and Changes in Net Assets Revenue Church contributions \$968,867 \$1,00 Donations/Grants 2,739,214 2,34 Sales 131,693 8 Government assistance 158,765 51 3,998,539 3,99 Expenses Cost of sales 46,565 52 Staffing 414,266 55 Staffing 414,266 55 Specific programming costs 1,863,896 2,21 Support of outside agencies 1,245,091 70	29,312
Assets Cash	29,312
Cash \$3,519,838 \$5,029 Accounts and other receivables 65,089 45 Due from related party 561,443 561,443 Donated securities - 3 Inventories 5,423 53,761 2 Prepaid expenses and deposits 53,761 2 Capital assets 49,634 10 \$4,255,188 \$5,60 Liabilities 113,716 63 Benefit plan payable 113,716 63 Due to related party 2,249,741 3,12 3,376,155 4,67 Deferred contributions 633,406 96 Net assets: 8 1,367,064 1,36 Unrestricted for endowments 1,367,064 1,36 Unrestricted (1,121,437) (1,34 245,627 1 \$4,255,188 \$5,65 Non-consolidated Statement of Operations and Changes in Net Assets 2021 202 Revenue 2021 202 Revenue 158,765	
Cash \$3,519,838 \$5,029 Accounts and other receivables 65,089 45 Due from related party 561,443 561,443 Donated securities - 3 Inventories 5,423 5,423 Prepaid expenses and deposits 53,761 2 Capital assets 49,634 10 \$4,255,188 \$5,60 Liabilities Accounts payable and accrued liabilities \$1,012,698 \$85 Benefit plan payable 113,716 63 Due to related party 2,249,741 3,14 3,376,155 4,67 Deferred contributions 633,406 96 Net assets: 8 1,367,064 1,36 Unrestricted for endowments 1,367,064 1,36 Unrestricted (1,121,437) (1,34 245,627 1 \$4,255,188 \$5,65 Non-consolidated Statement of Operations and Changes in Net Assets Revenue 2021 202 Revenue 131,693 8	
Due from related party 561,443 Donated securities - 3 Securities 5,423 Prepaid expenses and deposits 53,761 2 Securities 5,423 Prepaid expenses and deposits 53,761 2 Securities 54,255,188 \$5,69 Securities 54,255,188 \$5,69 Securities	56,835
Donated securities	
Inventories	-
Prepaid expenses and deposits	34,23
Capital assets 49,634 (\$5,68) 10 Liabilities \$4,255,188 \$5,61 Liabilities Accounts payable and accrued liabilities Benefit plan payable 113,716 63 \$85 Benefit plan payable 113,716 63 \$1,376,155 4,67 Due to related party 2,249,741 3,14 3,376,155 4,67 Deferred contributions 633,406 96 \$633,406 96 Net assets: 1,367,064 1,36 Unrestricted for endowments (1,121,437) (1,34 \$4,255,188 \$5,65 Non-consolidated Statement of Operations and Changes in Net Assets \$2021 202 Revenue 2021 202 Revenue \$968,867 \$1,00 Donations/Grants \$968,867 \$1,00 \$1,00 Sales 131,693 8 \$8 Government assistance 158,765 51 \$1 Specific programming costs 54,656 51 \$2 Specific programming costs 54,656,867 51 \$2 Support of outside agencies 1,245,091 70 \$2	4,049
Capital assets 49,634 (\$5,188) 10 Liabilities Accounts payable and accrued liabilities \$1,012,698 (\$89) \$89 Benefit plan payable 113,716 (\$60) \$60 Due to related party 2,249,741 (\$3,14) 3,14 Deferred contributions 633,406 (\$90) 96 Net assets: Restricted for endowments 1,367,064 (\$1,36) 1,36 Unrestricted (1,121,437) (\$1,34 245,627 (\$1,36) Onations/ofact \$5,65 Non-consolidated Statement of Operations and Changes in Net Assets Church contributions \$968,867 (\$1,00) Donations/Grants 2,739,214 (2,34) Sales 131,693 (\$8) Government assistance 158,765 (\$5) Staffing 44,266 (\$5) Specific programming costs 1,863,896 (\$2,21) Support of outside agencies 1,245,091 (\$7,00)	20,490
S4,255,188 \$5,61	05,873
Accounts payable and accrued liabilities \$1,012,698 \$85 Benefit plan payable 113,716 63 Due to related party 2,249,741 3,12 3,376,155 4,67 Deferred contributions 633,406 96 Net assets: Restricted for endowments 1,367,064 1,36 Unrestricted (1,121,437) (1,34 245,627 1 \$4,255,188 \$5,65 Non-consolidated Statement of Operations and Changes in Net Assets Revenue Church contributions \$968,867 \$1,00 Donations/Grants 2,739,214 2,34 Sales 131,693 8 Government assistance 158,765 51 3,998,539 3,95 Expenses Cost of sales 46,565 4 Staffing 414,266 55 Staffing Specific programming costs 1,863,896 2,23 Support of outside agencies 1,245,091 76	50,79
Accounts payable and accrued liabilities \$1,012,698 \$85 Benefit plan payable 113,716 63 Due to related party 2,249,741 3,12 3,376,155 4,67 Deferred contributions 633,406 96 Net assets: Restricted for endowments 1,367,064 1,36 Unrestricted (1,121,437) (1,34 245,627 1 \$4,255,188 \$5,65 Non-consolidated Statement of Operations and Changes in Net Assets Revenue Church contributions \$968,867 \$1,00 Donations/Grants 2,739,214 2,34 Sales 131,693 8 Government assistance 158,765 51 3,998,539 3,95 Expenses Cost of sales 46,565 4 Staffing 414,266 55 Staffing Specific programming costs 1,863,896 2,23 Support of outside agencies 1,245,091 76	
Benefit plan payable 113,716 63	
Due to related party 2,249,741 3,14 3,376,155 4,67 Deferred contributions 633,406 96 Net assets: Restricted for endowments 1,367,064 1,36 Unrestricted (1,121,437) (1,34 245,627 1 \$4,255,188 \$5,65 Non-consolidated Statement of Operations and Changes in Net Assets Revenue Church contributions \$968,867 \$1,00 Donations/Grants 2,739,214 2,34 Sales 131,693 8 Government assistance 158,765 51 Government assistance 158,765 51 Staffing 414,266 55 Staffing 59ecific programming costs 1,863,896 2,23 Support of outside agencies 1,245,091 70 Total contributions 1,245,091 70 Contributions	95,500
Deferred contributions 3,376,155 4,67 Deferred contributions 633,406 96 Net assets: Restricted for endowments 1,367,064 1,36 Unrestricted (1,121,437) (1,34 245,627 1 \$4,255,188 \$5,65 Non-consolidated Statement of Operations and Changes in Net Assets 2021 202 Revenue Church contributions \$968,867 \$1,00 Donations/Grants 2,739,214 2,34 Sales 131,693 8 Government assistance 158,765 51 3,998,539 3,95 Expenses Cost of sales 46,565 4 Staffing 414,266 55 Staffing 59ecific programming costs 1,863,896 2,23 Support of outside agencies 1,245,091 70	31,739
Deferred contributions 633,406 96 Net assets: Restricted for endowments 1,367,064 1,36 Unrestricted (1,121,437) (1,34 245,627 1 \$4,255,188 \$5,65 Non-consolidated Statement of Operations and Changes in Net Assets 2021 202 Revenue 2021 202 Church contributions \$968,867 \$1,00 Donations/Grants 2,739,214 2,34 Sales 131,693 8 Government assistance 158,765 51 3,998,539 3,99 59 Expenses Cost of sales 46,565 4 Staffing 414,266 55 Specific programming costs 1,863,896 2,23 Support of outside agencies 1,245,091 70	12,840
Net assets: Restricted for endowments 1,367,064 1,367 Unrestricted (1,121,437) (1,344) 245,627 1 \$4,255,188 \$5,65 Non-consolidated Statement of Operations and Changes in Net Assets 2021 202 Revenue 2021 202 Church contributions \$968,867 \$1,00 Donations/Grants 2,739,214 2,34 Sales 131,693 8 Government assistance 158,765 51 3,998,539 3,95 Expenses 46,565 4 Cost of sales 46,565 4 Staffing 414,266 55 Specific programming costs 1,863,896 2,22 Support of outside agencies 1,245,091 70	70,079
Restricted for endowments	50,996
Unrestricted	56 526
245,627 19	-
Knon-consolidated Statement of Operations and Changes in Net Assets 2021 2022 Revenue \$968,867 \$1,00 Church contributions \$968,867 \$1,00 Donations/Grants 2,739,214 2,34 Sales 131,693 8 Government assistance 158,765 51 Expenses 2 3,998,539 3,95 Expenses 46,565 4 Staffing 414,266 55 Specific programming costs 1,863,896 2,22 Support of outside agencies 1,245,091 70	19,715
Non-consolidated Statement of Operations and Changes in Net Assets 2021 2022 2	-
Revenue Church contributions \$968,867 \$1,00 Donations/Grants \$2,739,214 2,34 Sales \$131,693 8 Government assistance \$158,765 51 3,998,539 3,95 Expenses Cost of sales \$46,565 \$4 Staffing \$414,266 55 Specific programming costs \$1,863,896 2,23 Support of outside agencies \$1,245,091 76	
Revenue Church contributions \$968,867 \$1,00 Donations/Grants 2,739,214 2,34 Sales 131,693 8 Government assistance 158,765 51 3,998,539 3,95 Expenses Cost of sales 46,565 4 Staffing 414,266 55 Specific programming costs 1,863,896 2,21 Support of outside agencies 1,245,091 70	
Church contributions \$968,867 \$1,00 Donations/Grants 2,739,214 2,34 Sales 131,693 8 Government assistance 158,765 51 3,998,539 3,95 Expenses 46,565 4 Staffing 414,266 55 Specific programming costs 1,863,896 2,21 Support of outside agencies 1,245,091 70	0
Donations/Grants 2,739,214 2,34 Sales 131,693 8 Government assistance 158,765 51 3,998,539 3,95 Expenses 46,565 4 Staffing 414,266 55 Specific programming costs 1,863,896 2,21 Support of outside agencies 1,245,091 70	15 77/
Sales 131,693 8 Government assistance 158,765 51 3,998,539 3,95 Expenses 46,565 4 Staffing 414,266 55 Specific programming costs 1,863,896 2,21 Support of outside agencies 1,245,091 70	
Government assistance 158,765 51 3,998,539 3,95 Expenses 46,565 4 Cost of sales 46,565 4 Staffing 414,266 55 Specific programming costs 1,863,896 2,21 Support of outside agencies 1,245,091 70	,5,56. 39,946
3,998,539 3,95 Expenses Cost of sales 46,565 4 Staffing 414,266 55 Specific programming costs 1,863,896 2,21 Support of outside agencies 1,245,091 70	-
Expenses 46,565 4 Cost of sales 46,565 4 Staffing 414,266 55 Specific programming costs 1,863,896 2,21 Support of outside agencies 1,245,091 70	12,740 52,045
Cost of sales 46,565 2 Staffing 414,266 55 Specific programming costs 1,863,896 2,21 Support of outside agencies 1,245,091 70	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Staffing414,26655Specific programming costs1,863,8962,21Support of outside agencies1,245,09170	10,192
Specific programming costs1,863,8962,21Support of outside agencies1,245,09170	58,878
Support of outside agencies 1,245,091 70	
• • • • • • • • • • • • • • • • • • • •	07,882
Office expenses 108,643 11	17,874
	38,473
Public relation consts 1,867	4,179
	29,128
Evenes of revenue over expanditures 335 374	2 04-
·	2,917
Net assets at beginning of year 19,715 (20 Reinvested endowment earnings during the	
)4,286
year 538 Net assets at end of year \$245,627 \$1	1,084

Assets

CCMBC's total assets decreased by 7% to \$4.3 million (2020 - \$5.7 million). Of the \$1.5 million decrease in cash to \$3.5 million (2020 - \$5.0 million), \$900,000 was paid to Legacy to satisfy a portion of the due to related party amount. A further reduction of \$561,000 relates to the pension and benefits plan, which is now reflected in due from related party as Legacy has taken over the administration of these plans. The decrease in accounts and other receivables to \$65,000 (2020 - \$457,000) is primarily due to three factors: a \$160,000 reduction in receivable for non-registered church plants, a \$70,000 reduction related to benefits receivables now administered by Legacy, and a \$170,000 reduction in the receivable relating to government assistance. The decrease in capital assets to \$50,000 (2020 - \$106,000) relates primarily to non-registered church plants.

<u>Liabilities, Deferred Contributions and Net Assets</u>

Total liabilities decreased by 28% to \$3.4 million (2020 - \$4.7 million). This is primarily due to the \$900,000 repayment of the due to related party.

The decrease in deferred contributions to \$633,000 (2020 - \$961,000) is primarily related to non-registered church plants.

Net assets increased to \$245,627 (\$2020 - \$19,715) with the 2021 surplus.

Non-Consolidated Statement of Operations

Unlike the Statement of Financial Position, the Statement of Operations paints a picture of what happens over a period of time, in this case the year 2021.

Revenue

Total revenue of \$4 million (2020 - \$4 million) was recorded for 2021. Church contributions received from provincial

conferences through single-stream funding for 2021 at \$970,000 was 96% of 2020 levels.

Grants and donations of \$2.7 million (2020 - \$2.3 million) includes \$1.5 million (2020 - \$1.6 million) received by the non-registered church plants and almost \$953,000 (2020 - \$467,000) of flow through donations received as gifts of securities (GOS), which is offered as a service to MB churches and agencies who do not have their own brokerage account. These two amounts are fully offset in expenses and do not impact the surplus.

Sales of \$132,000 (2020 - \$90,000) reflect an increase in Kindred Production sales and registration for Pastors Credentialing Orientation (PCO) and EQUIP Study Conference, both events that did not take place in 2020 due to COVID.

Government assistance of \$159,000 (2020 - \$513,000) relates to assistance received under the Canada Emergency Wage Subsidy.

Expenditures

Total expenditures of \$3.8 million (2020 - \$3.7 million) was recorded for 2021.

Staffing expenses of \$414,000 (2020 - \$559,000) is a decrease from 2020 due to staff adjustments, including a medical leave of the National Faith and Life Team (NFLT) Director. Specific programming costs of \$1.9 million (2020 - \$2.2 million) include the \$1.5 million (2020 - \$1.6 million) non-registered church plant expenses offset by donations. Support of outside agencies of \$1.2 million (2020 - \$708,000) include the \$953,000 (2020 - \$467,000) GOS flow through.

Excess of revenue over expenditures

We want to thank you for continued support of your conference, which allowed us to finish the year with an excess of revenue over expenditures of \$225,374.

Respectfully submitted by Bertha Dyck, CFO