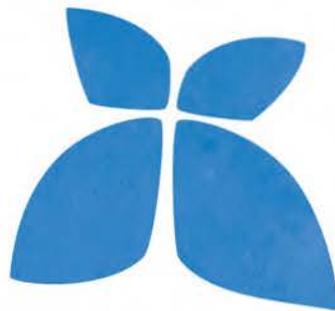


WE ARE 246 CHURCHES SPREAD  
ACROSS A COUNTRY THAT SPANS  
5,000 KILOMETRES. WE ARE 33,682  
MEMBERS, LED BY MORE THAN  
2,500 LEADERS, IN A MOVEMENT  
WITH A 150-YEAR HISTORY. WE  
ARE RURAL AND URBAN. WE ARE  
YOUNG AND OLD. WE ARE FROM A  
VARIETY OF CULTURES AND WE  
SPEAK MANY LANGUAGES. WE ARE  
A DIVERSE COMMUNITY OF PEOPLE  
UNITED BY A COMMON CONFESSION  
OF FAITH. WE ARE **ONE CHURCH**,  
SERVING **ONE LORD**, CALLED TO  
**ONE MISSION**. WE ARE THE  
CANADIAN CONFERENCE OF  
MENNONITE BRETHREN CHURCHES.  
WE ARE 101-YEARS YOUNG, AND  
WE ARE....ALL OF US!

**GATHERING 2012**



**ONE LORD ONE CHURCH ONE MISSION**  
**WINNIPEG CONVENTION CENTRE - JULY 11-14, 2012**

**YEARBOOK**



**CANADIAN CONFERENCE**  
of Mennonite Brethren Churches

# Gathering 2012 Yearbook

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**Canadian Conference of Mennonite Brethren Churches  
Minutes for Annual General Meeting, Gathering 2012,  
July 12-14, 2012, Winnipeg Convention Centre; Winnipeg, Manitoba**

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Thursday, July 12, 2012 8:30am - 12 noon, Business Session

Friday, July 13, 2012 8:30am - 12 noon, Business Session

Saturday, July 14, 2012 8:30am - 12:30pm, Business Session

**Business Session -Thursday, July 12, 2012**

**8:30am - 12:00 noon**

Phillip Vallely, our host for the weekend, welcomed the delegates to the business session.

**1. Executive Board Report – Paul Loewen, Moderator of CCMBC (Appendix A, page 37)**

Paul shared from 1 Peter 2:9-10, asking, “How can we come together to do the mission that God has called us to?”, and shared of the privilege to be discussing this as a board over the past months.

A. Main “Big Rock” Items.

- a. Finding an Executive Director. (searched for and discerned - Willy Reimer)
- b. The creation of a Seminary. (MBBS, at ACTS & CMU)
- c. National/Provincial Collaboration - In progress and in process
- d. Stewardship Review – Not yet done, but a main priority going forward

B. “Big Rock” Priorities Moving forward:

- a. Stewardship and Financial Review.  
Executive Board has mandated an independent review of our financial processes.
- b. Provincial-National Mission Focus.  
What are the things that we can do better together? Further evaluation & consultation is ongoing.
- c. Communication.  
Sometimes communication is not clear or is not done often enough. Can we better inspire to mission and celebrate what God is doing?

Paul expressed his appreciation for Willy and of the privilege it is to work with him.

**2. Executive Director’s Report - Willy Reimer, Executive Director of CCMBC (Appendix A, page 33 )**

Willy expressed thanks to his wife Gwen for all of the support to him over this past year of transition, and a thanks to many for prayers and notes and expressions of encouragement. Willy referred to his report (see attachment). He explained the process of hiring an outside consultant, Terry Mochar, to assess the effectiveness of the National Office. He acknowledged the difficulty in moving through change, and encouraged the delegates that the process can have stages of destabilization and disorientation, but that we are moving forward together. Willy summarized what he feels is standing in our way, and reviewed the “9 challenges” in his executive director report. He then gave a summary of what the desired

response from leadership should be, in terms of the desire and expectations that he has been hearing, as listed in his report. Willy concluded with the statement that we need to realize Canada is unique and needs unique approaches, and he encouraged the development of ideas from the grass roots upward, and for leadership to be main catalysts in leading the way.

**3. National Office Review - Terry Mochar (Appendix E, page 120 – “Four Messages from the Heart of God to the Churches”)**

Introduction and history - Paul Loewen: Paul introduced Terry Mochar, and gave a history of what had preceded this report. In the fall of 2011, Mochar started this project, meeting with many members of the CCMBC all across Canada, at different levels of leadership. In January 2012, a full report was given to the Executive Board, and in April 2012, a summarized report was given at the Provincial Moderators Summit.

Terry Mochar then shared, stating that there is a mystery when we come together collaboratively, and spoke of his own history in the MB church at Forest Grove, SK. In May of this year, he attended the BCMB Conference and was encouraged with a renewed excitement that God is inviting us to dream again. When God says that he will do abundantly beyond what we ask or think – do we dare to dream big? This is all about His business, and all about God moving amongst the lost, and about all that He will work in our lives.

Terry accepted the fact that there is not a lot of context for the delegates as he shared this summary, stating that this reflection is what overlays the whole report, and gave background to what led him to share these “Four Messages” stressing to delegates that there has only been a handful of times that he has felt that the Lord has had him share in this way. He told the delegates of his deep respect and honor he has for the people in this denomination.

The full 139 page National Office Review /Ministry Effectiveness Report: Terry shared of his background in international business and consulting - he is currently retired and working in the non-profit sector. Out of a deep love for Willy and for our denomination, he agreed to take on the task of assessing the effectiveness of the National Office - keeping the scope to the National Office itself. From September 2011 to January 2012, he conducted interviews across all of the provinces, compiling extensive data. In January of 2012, he shared the findings with the Executive Board, and in April 2012 he shared with provincial leaders at the Provincial Moderators Summit. At both times, there was a full embracing of the report. “But, at the end of the day”, Terry mentioned, “it is just a report. If you want to reach the lost – it will be because you are a group of impassioned believers that want to reach their country for Christ”.

Four messages from the heart of God to the churches of CCMBC:

From this document, Terry stressed two themes:

A. A significant moment in time.

In the very first few weeks of this project, Terry felt the Lord say that he was to listen

carefully and to be very careful about what he wrote and said. He also felt the Spirit of God speaking to him as he moved throughout Canada, that this is about a moment in time that God has provided. He believes there are already fires burning across the country; however, the fires have not yet been ignited as a unified movement. He said that he feels it is no mistake that God has gifted us with skills & influence, schools, leadership & financial resources, and with MB Mission, and that God has been igniting fires in people's hearts of holy discontent. What stood out to him was the consistency of this message, as he spoke with many. God has been at work for many decades preparing us for this moment, and he reminded us that we are highly gifted and loved by God, and that we will be held to account.

- B. We lack an intimate understanding of who the "lost" are in Canada. Christ said to the disciples when speaking about the harvest, "Open your eyes and look", because the disciples weren't seeing that the harvest was white. In Terry's observations looking at churches in the US where God is moving significantly, there are two things that are prominent: a prayer movement and a passion to reach the lost. There are significant shifts happening around us in Canada, and we are not always aware of those shifts happening around us that will change the climate of our world. We need an awareness to bring clarity on who the lost are in Canada:

- According to recent statistics, of the 34 Million Canadians here today, approximately 31-33 million people are probably heading to a Christless eternity
- 500 people per day are dying in Canada, and many are heading into a Christless eternity
- Islam, Buddhism, and Hinduism, are currently the fastest growing religious groups in Canada
- Many international students are heading to Canada - a fantastic opportunity for us

Terry concluded by saying he believes that God is igniting a fresh move of the Spirit and that he longs to see a demonstration of a spirit of unity. He believes that God will use this denomination as an "igniter" of a move of His Spirit to reach the lost in Canada, if we embrace what He is doing in a spirit of humility.

As well, Terry expressed personal thanks for what the Mennonite Brethren have given as a denomination to him and his family, and wished us blessing in the days ahead.

#### Provincial Moderator's Reflections:

Rob Thiessen, BC Moderator, shared that a highlight of the past couple of years has been hearing Terry speak, and he believes that Terry has sounded a trumpet call. At times it has felt like BC has been isolated, busy doing God's work - but we have been challenged to work together across Canada. Hearing that we can do this together, and to make room for each other is a blessing.

Kerry Dyck, Alberta Vice-moderator: The stirring across Canada has been exciting to see. In Alberta, not all churches planted under the Key Cities Initiative exist to this day, and we are leaning in to new opportunities with C2C to help ignite the passion for reaching out in Alberta. We affirm the process and are asking and exploring as to how we can partner with others.

Harold Froese, Manitoba Moderator: Harold shared that the two main themes seem to be the vision of culture change and rebuilding trust - and this both excites him, and challenges him. "How can we focus on ministry opportunities on the ground, and how can we get behind the things that God is doing?" Harold asked. He recognizes that trust doesn't get rebuilt just because we make a change, and that it is harder to rebuild trust when we are not telling people exactly where we are going, because plans are still in formulation and dialogue is in process. Harold encouraged lots of dialogue, recognizing that this process will take time. But, he believes that it will be worth it!

#### **4. C2C Report - Gord Fleming, Executive Director C2C Network (Appendix A, page 41)**

Gord Fleming introduced the national staff team of C2C Network.

##### C2C Network National team:

Ewald Unruh - C2C associate director

Denise Kneebone - C2C executive assistant

Bill Hogg, C2C missiologist - recently hired to work with C2C's established churches C2C

##### Regional Directors:

BC - Chris Douglas and Ron Leonard

MB - Russ Toews

AB - Johnny Thiessen

ON - Terry Wiseman

SK - Dwayne Barkman

QC - Patrice Nagant

This staff will oversee different areas, but they share the national resources and the assessment centre for church planters. Gord encouraged us to love the lost and ask God for a new heart of passion - it will not just happen, and it definitely will not "just happen" without prayer.

Reflections from some of our regions followed.

Patrice Nagant, Quebec: In Quebec, they first had 6 churches, and have added 2 more, and then 4 more after that. Last year, they prayed for planters, and are now seeing people coming to Quebec, and are excited to have 12 churches. There is a young man currently gathering with 25 people in his living room, and another who wants to start a work north of Montreal. Others have ideas for a French church in Montreal and an English one as well. Seven million people live in Quebec, and most of the Christians are not in churches.

Terry Wiseman, Ontario: One third of the country lives within a 100 mile radius of the CN tower. Terry shared of a young couple who moved into the downtown of Toronto to work in a

ministry called “STAND” (acronym for: sex trade and new directions). They noticed that more than half of the people they worked with were with our first nation’s people, and they transitioned their ministry to Parry Sound. There are 9 reserves within the Parry Sound area, and in a very short time, they have had favor and a majority of the bands have invited them in. They want to raise up indigenous leaders in this area. Please pray for them and for new workers.

Dwayne Barkman, Saskatchewan: We are working as prairie region and growing as a team - with the prairie leaders meeting together. Sharing that though sometimes it can feel like plodding along, Dwayne has been impressed about timing. We cannot change what has happened until now, but we can change what will be, and he believes that God is showing us something - our unique responsibilities. We have plodded along with our own thoughts, and now we have the resources to work together, and it is so important to build teams around church planters. He is excited to be planting through the churches in Saskatchewan.

#### **5. Budget Proposal - Len Penner, Audit Committee Chair (Appendix A, page 46)**

Len gave an overview of the budget summary for delegates, and presented the budget. The biggest change in this year’s financial proposal is largely for the team with C2C working on evangelism, church planting and growth. Len said that they asked themselves as an executive board how they could capture opportunities & provide the resources to do them. Their intent was to create an awareness of our resources that the Lord has blessed us with, and to show our commitment to a major increase in evangelism (through C2C) which is being shared provincially and nationally.

Len encouraged the delegates to listen to the stories of people working in reaching Canada, and explained that time has been given to look at the budget and prayerfully consider it, discuss it, and that the vote on the budget will be on Saturday.

Break

#### **Business Session, continued - 11:00am - 12 noon -**

Delegates were called together again, as the regular sessions were changed from the schedule to allow for more discussion on the National Report.

#### **6. Breakout Session - Executive Board & National Office Effectiveness Report, continued - Terry Mochar & Paul Loewen**

Terry continued summarizing his report, stating that we will want to re-organize now, so that we are where we want to be 10 years from now. As he conducted research, Terry observed what seemed to be missing was a compelling reason to change. This compelling need, that needs to be cultivated and “created”, is seeing Canada reached for Christ. From the 31 recommendations and 53 Observations in the full 139 page report, he highlighted a few:

- A. Institutionalism at the conference level: A general observation Mochar has perceived, is that when an organization loses their vision, they can get complex and independent in

place of vision. Terry observed that institutionalism in the National Office has crept in – and in significant ways. He stated that pastors and grass roots leaders can usually respond more quickly to needs and often in more cost-effective ways.

- B. Silos: There is not a lot of cross collaboration in how things are done in the denomination, especially in national-provincial scenarios, and this has led to mistrust.
- C. The allocation of resources, and how money flows in and out:  
Although Terry did not do a study of the entire finance department; he did note areas of duplication and waste. We need to make sure that kingdom money goes to where the needs are.
- D. Culture: We have 2 distinct cultures in our midst.
  - a. A strong and long heritage of older men and woman who know how to give – they have strong character, they sacrificed, and this needs to be celebrated and honored. However, this group can have a tendency to look inward.
  - b. There is a new, younger, non-traditional culture of people that are very missional and outward focused. They are thinking about giving out, but not necessarily focused on giving to the denomination. They often focus on para-church organizations, and may not honor the sacrifice of the previous generation.

Paul Loewen then assembled the executive board task force (consisting of Paul Loewen, Harold Froese, Len Penner, Rob Thiessen, and Nancy Boese), along with Willy Reimer and Terry Mochar for questions during the open microphone session:

Q – A member from Mclvor MB, Winnipeg, Man., had a significant concern regarding the restructuring within CCMBC at the executive level without consultation as a result of the Mochar report.

A – Len Penner: Terry’s report has not been widely distributed, as it is an internal report. A lot of interaction at the provincial level has occurred, and we have had to look at how we cascade that information out. The challenge is that it is really not the document, it is the conversation.

A – Harold Froese: We understand the need for improved transparency and communication. There have been meetings with the executive board, with provincial conference ministers & executive directors, with moderators and with other leaders to get input on the report released in January. The boards make decisions at the provincial and national levels.

Q - A member from Neighborhood Church, Nanaimo BC, said it appears that the restructuring is happening, but we are a conference of churches, we are not a conference of provincial moderators. A question was posed for Terry Mochar - a “word from God” without the background of having this report - how can we analyze the word from God? The member asked for the contents of the report to be distributed.

A - Terry Mochar: The provincial moderators have had this shared with them, and the provinces got involved in this way to process the findings. Terry said “I am not a prophet”, and realizes the severity of that report, because this places a great weight on you, and also recognized that this thin overlay does not give the complete context. However, this report and “prophetic word” were delivered to the executive board.

A- Harold Froese shared on how the process went to the provinces, arising from a desire to be

transparent and to get input and to process together. Some of the executive board task force members spoke at the provincial conventions. Another step in processing together is at this Gathering.

Comment - A member from Bakerview MB Church, Abbotsford, BC, recalled a similar situation for women in ministry, in which listening sessions were done for 2 years, and a decision was made 2 years later. A suggestion was made to slow this process down, and involve the lay people.

Q - A member from Mclvor MB, Winnipeg, Man., asked "Is there a resolution coming from this?" He read from the bylaws, stating that if there is a new ministry, then it should be ratified by the delegation. Part of the problem, is that there is nothing to approve, and if that is true, then why is there nothing to approve?

A - Len Penner: There are no new initiatives being given today. The changes in leadership, with Willy's recent hires, are executive director initiations. Church planting is not a new initiative. We have chosen C2C as a process for church planting. It is not a change, but it is increasing the focus on evangelism.

A - Rob Thiessen: What is the specific structural change that is a concern? He stated that there is no master plan, out of respect for process, because we have asked ourselves "What is the best way to give this to process?" We have gone to each provincial convention. Rob believes that Terry has outlined the heart of this report very well – which is, "God has called you, but here are some inefficiencies".

Comment - A member from River East, Winnipeg, Man., shared a memory of strength in 1999 where we had a revision of the Confession of Faith. Every church gave feedback, and over and over we heard God's spirit speaking - God speaks through his people when we speak to each other.

Comment - A member from Fraserview MB, Richmond, BC, noted that our constitution states that the executive board has authority to govern and is accountable to the conference. This shall come from resolutions approved by the conference at Gathering. His suggestion was to go back to the churches for conversations.

Comment - A member from Mclvor MB, Winnipeg, Man., said that there are 3 ways in which we can punctuate - with periods, question marks and exclamation marks. He saw periods and exclamation marks, and had concern around the exclamation marks. Communication is important, and the executive board should be a body that discerns things at the grass roots level. He encouraged the use of question marks.

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## **Business Session - Friday, July 13, 2012**

**8:30am - 12:30pm**

Paul Loewen called upon the members of the executive board to join him on the stage, and they introduced themselves, stating their role and the length of time they have served.

Regarding the National Office Review (Ministry Effectiveness Report), Paul explained that this report was created for and primarily to the national CCMBC executive board. The repentance piece starts with the executive board, and Paul said, "We are repenting to you of creating mistrust. We confess this to you, as it was a primary theme coming out of this report. Without exception, we had emotion when this report was given, and we have come to the conclusion that we cannot stay where we are. You have appointed us to serve you forward."

More of the report's recommendations were shared, stating that not all of the recommendations apply in this setting. The recommendations focus on reducing complexity, redundancy, competitiveness and wastage for the purposes of greatest kingdom impact towards reaching the lost.

The recommendations can be summarized as follows:

1. Greater clarity
2. Functioning more as a unit
3. Unified "functional thought leadership"
4. Comprehensive 21<sup>st</sup> century communications strategy. Paul acknowledged that there have been missing pieces along the way, and stated to the delegates, "I am sorry."
5. Greater financial efficiency in flow of church contributions.

What is not being recommended:

1. Changes to who we are - as a denomination, our mission, or our Confession of Faith
2. Changes to board structures, schools, camps, MB Mission, etc.
3. No new initiatives or structural plan at this time

Our next steps:

1. There is a desire to learn, to dialogue, to process
2. The board will develop a communication strategy to bring this more into the "frontline".

Continuation of Business Discussion:

Comment - Nancy Boese, Executive Board, said that if you are hearing an exclamation mark, it is because we have a new passion of reaching Canada for Christ – you are hearing excitement. We have been processing this report at various levels for 6 months, and we have a passion to reach Canada for Christ.

Q - A member from Greendale MB, Chilliwack, BC, thanked the executive board for their work and their humility, stating "As a delegate, I receive that apology. Thank you for giving information to our conferences. You have done a great job in trying to communicate with us." He encouraged all to have coffee and talk to face, asking good questions, without assuming motives, both earning trust and offering trust. He also stated affirmations of trust for the leaders that have been elected, along with thanks.

He then asked, "How has the Regenerate 20-01 Report influenced the recommendations to the executive board?"

A: The recommendations speak more to the ways in which we will do ministry in the future. The Regenerate report feedback was similar to the Mochar report.

Q - A member from Fraserview MB, Richmond, BC, believes that peace and solutions are based on allowed discussion. One of the things that we need is a theology of conflict, wrapped around our understanding of peace. He has not felt safe to disagree, and today he felt increased safety to do so. He asked, "How can church planting be better done through the local church vs. the C2C model?" He also stated, "I love the MB church, and I am committed to making it a sparkling bride."

Q - A member from Saanich Community Church, Victoria, BC, gave thanks and affirmation to Paul, Terry, and Willy for their leadership and self-disclosure, and for putting the first things first at the national level.

Concerns: A concern for the language that is deployed when laying out a dualistic world view of who is and who is not lost. He was also uncomfortable with statements such as, "the Lord said", and "the Holy Spirit said to me", and encouraged a "wise use of words". He shared a concern that we have been coerced with urgency, stating, "We have been asked to act expediently without resolution. What are we deciding? What are we recommending?" He appealed for a period of time for decisions. Other concerns were a need to imbed C2C in our Confession of Faith and conference structure, and a challenge to the board to have CCMBC function on church contributions alone, splitting stewardship revenue between ICOMB and MB Mission.

A - Paul Loewen: The board has been looking at reviewing the financial revenue, as well as the use of words. At this time we are working through the implications of the Mochar report, and we come with no recommendations to you.

Q - A member from Grantham MB, St. Catharines, gave thanks for sharing parts of the Mochar report and encouraged all to move forward, stating that he has personally discovered a missional impetus since joining the denomination. As well, he challenged the executive board for a clarification on terminology.

Comment - A member from River East, Winnipeg, Man., stated that this "prophetic word" from Terry was published in the Herald and was on the web. We were asked to respond to this and he proposed that the BFL take this and discern it.

Comment – A member from Forest Grove Community Church, Saskatoon, SK, gave thanks to the board for asking the hard questions – such as, are we good better, or best with our finances? In our activities, are people deployed in the right spots? Do they align with the mission that God has called us to? He affirms the board for asking these questions.

Q - A member from Highland Community Church, Abbotsford, BC, gave thanks for clarifying that this was a report for the national office. He has heard disparaging remarks about his church in the past, and he is eager to maintain the unity of the faith, and appreciated the apology and the humility, and encouraged continued communication and conversations.

#### Budget Discussion

A member from Northview Community Church, Abbotsford, BC, shared budget questions:

Q - Evangelism – is the increase all to C2C? A better breakdown would be appreciated.

Q - Regarding the transfer of monies from the Stewardship Fund - what is the rationale?

A - Len Penner: The transfer of money was done to be transparent, but we hear that you would like more detail. We will get a breakdown of what is in the “buckets” for you.

Q - Stewardship Funds – what are the purposes of the restricted funds?

A - Len Penner: We have these funds available for investors, set aside as a cushion, and plans are to have it remain there.

Q - Are we also voting on the budget for 2013 year?

A - Len Penner: Right now, it is very difficult in this time of change to look forward properly, so we decided that we present only one year, focusing on evangelism.

Q - What are “Other Agencies”?

A - Len Penner: The largest part of that is for MBBS Canada- this will need to be renamed for clarity. There are also amounts for ETEM, MWC and for ICOMB.

Q - A member from Richmond, BC, shared concern about the Stewardship Fund from the point of risk, as it is based on debt, and that responsibility rests with the conference. He feels it is a highly precarious situation, and would like to see the reserves being built up more quickly. He also feels that we are in “business”, and that we need to evaluate that risk very carefully. He is encouraged that the executive board is looking at this as was promised 2 years ago.

Q - A member from Blain Lake Gospel Chapel, SK, said that he has heard from the board that there are no new initiatives, but he considers C2C an initiative. What is the rationale for the increase in funding for them?

A - Harold Froese: About \$800,000, which was formally church planting at the provincial levels, is now being placed under the national umbrella. Adding the 1.3 million from the Stewardship Fund - this is a one-time opportunity from built up revenue. The fund review by the executive board is a high priority, both assessing the fund, and how it is to be used. This is the first year that the stewardship fund generated more revenue than the revenue from churches.

Q- A member from The Meeting Place, Winnipeg, Man., stated that \$2 million for church

planting is remarkable - are these our ongoing commitments? We will need to keep these in mind as future commitments.

Q - A member from Waldheim, MB, Waldheim, SK, asked about a budget breakdown.

A - Len Penner: There are hard copies available at the table, and more detail will be coming on Saturday, in response to delegate requests.

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## **Business Session - Saturday, July 14, 2012**

8:30am - 12:30pm

Opening - Philip Vallely

### **A. MBBS Canada Report - John Unger & Bruce Guenther (Attachments “Treasure in Clay Jars” and Appendix A, page 49 )**

John Unger, executive board representative to MBBS Canada, gave a history of recent activity of the seminary and its transitions, reflecting on the past and thanking God for the impact that MBBS, Inc. has had on many in our denomination, and on those around the world. He referred to the attachment “Treasure in Clay Jars”, and a gift of chocolate covered raisins from California was given to each of the delegates as a final act of remembrance.

- Partnership with the US was dissolved 2010, and the dissolution of MBBS, Inc. has been completed.
- Fresno Pacific endowment has been used to develop and present on-line seminary courses, grants to Tabor College and others.
- The first 4 courses are designed to be rolled out this fall
- A long list of leaders in our conference who attended MB Seminary was mentioned - the dividends of seminary have been felt here and all around the world.
- We will miss what was, and we are thankful, but when one season ends, another begins.

Bruce Guenther, President of MBBS Canada, shared of more recent and future activity: In June 2011, MBBS started and is the first seminary to be started in the 21<sup>st</sup> Century in Canada. One of the very first tasks was to define very clearly why it is that we exist. A new logo summarizes our heritage as people of the book, and includes the Canadian North Star, with a cross at the centre of it all. Bruce said, “We are your seminary, and we are here to serve you.” Early on, we decided to not build a centre but to partner with ACTS and CMU. The addition of two new staff at ACTS and one at CMU is forthcoming.

3 key priorities and commitments:

1. Cost Effectiveness - Investing in missional partnerships with existing facilities - giving access to 10 other degree programs, and having a flexible and accessible faculty team.
2. Making our faculty resources available - MB Missions involvement, and BFL for credentialing. Wherever there is a need, they want to be a resource.
3. Adding non-formal, professional development - moving from seminary as a place, to seminary as a presence. Leadership development needs to be done together.

Bruce acknowledged board members who have worked tirelessly, and the MBBS faculty – introducing newest faculty members Brian Cooper and Andrew Dyck. Two students were profiled via video – Kap Sharma, and Luke Haidle, MB Mission. He acknowledged gratefulness to God for what has been accomplished and shared his excitement for the future.

**B. MB Schools - Greetings from other institutions followed, with each giving greetings and a short report:**

1. Earl Davy, Canadian Mennonite University (CMU): Earl shared that CMU exists as a confluence of the two streams of Mennonite heritage. He reported on the new Redekop School of Business, developed from a gift from the Redekop family in BC. Another new development is the Graduate School of Theology and Ministry - developed in affiliation with MBBS Canada. Our first official act together, was the hiring of Andrew Dyck. Earl said that he observes a conspicuous working of the Holy Spirit at CMU, and sees daily evidence of this in people's ideas, conversation and action. He invited our prayers for the school, encouraging prayer for the faculty, giving a challenge to find them on the website, and pick out one, and pray for them daily. He reminded us that they seek your support and prayer as they mentor youth in the kingdom of God.
2. Ron Penner, Columbia Bible College (CBC): Ron shared that it is tough being 18-30 years of age these days. Students live in a world of options, and for some, faith is an option. With so many distractions in our world, in the midst of these options, young people still want to have a place where they can ask the questions of life. Over 1000 students come to CBC each year, in both part-time and full-time capacities. When you think of 1000 per year over a lifetime – the effects are invaluable. We are building bridges with other schools – Trinity Western University and CMU. Dr. Bryan Born has been appointed as president, and the AGM will be asked to affirm this appointment in the fall. There is much excitement in having Dr. Born at CBC. Ron concluded with asking delegates to continue investing in the next generation – they are worth it.
3. Howie Wall, Bethany College: Howie shared a scripture from John 4, saying that as people of faith, we want to help young people and to see their faith become their own. The mission of Bethany College is to nurture disciples and train leaders to serve. They are a small college, and they live in community. They are excited about their new kitchen renovation - and much community is around food. Their small size also can help students really wrestle with questions. Their size also adds flexibility, sometimes bringing programs together. Part of their service orientation is ministry to our first nations, and they have 10 years of history in this ministry.
4. Kristen Corrigan, École de théologie évangélique de Montréal (ETEM): Kristen shared of a time four years ago at Gathering, where she received "a tap on the shoulder" from the Lord to go back to Montreal, and of her recent excitement of what God has been doing at ETEM. They have been working through the loss of Eric Wingender (SP?), and throughout this time the Quebec Conference, CCMBC, and CMU have all been very affirming. They are excited about the upcoming year, and its possibilities. She spoke of their new relationship with the University of Laval - a full bachelor's degree is now offered, and the financial benefits of this relationship have been very helpful. She shared of their recent student recruitment strategy, of new faculty and staff members, and of some new courses that they plan to launch in 2013 - including a master's degree program. Kristen concluded with stating that historically, they have not had enough

workers in Quebec, and to pray about this, and to be involved in whatever way God calls you to.

**C. MCC Canada - Don Peters, MCC Canada Executive Director, and Terrance Froese, BFL Vice-Chair.**

Don shared of MCC's considerable restructuring with the separation of MCC Canada and MCC USA last year, all of which is now completed. There are 7 Anabaptist denominations within MCC Canada, and Don said "The work of MCC is the work of the church – by the mammoth efforts of the people, the churches, and those in this room".

Terrance Froese outlined our new responsibilities to MCC Canada and their new structure, with two ways to connect our representatives:

1. Delegate Assembly - 2 members that we appoint as needed. There is no term maximum in this assembly. We will need to appoint someone prior to their September AGM, when there are vacancies in our appointments.
2. Resource pool - for members to be elected to the Board of Directors. Four board members have been chosen from a pool from the CCAL churches. Moving forward, when there is a vacancy on this board, CCAL will notify us. There are also 4 positions for Members at Large on the Board of Directors, and we may be approached to affirm positions, as needed.

Our CCMBC representatives are Neil Janzen, who is a member of the Delegate Assembly, and he has no term limit in this group. Scott Siemens has been appointed to the Board of Directors, as a member at large, and his term ends in 2014. David Chow has been affirmed by the board as an additional Delegate Assembly member, and will attend the AGM in September.

Terrance shared a "thanks" to Don for all the work that he has done. MCC Canada wants to re-connect with the church, though they have always been connected, and he appreciated that they want to affirm it more and more.

## **Annual General Meeting - July 14, 2012**

**9:45am- 12:30pm**

Paul Loewen explained that our previous business sessions were designed for discussion and that we would now enter the more formal decision-making portion of our Gathering.

### **1. Call to Order**

Ginette Bastien, Quebec Moderator, opened the meeting in prayer.

Paul Loewen, CCMBC Executive Board Moderator, called the meeting to order, presenting the rules of order.

Parliamentarians: Kristen Corrigan and Lorraine Dick

### **2. Agenda Affirmation**

**Motion 2012-07-01:** To approve the agenda. **SC**

### **3. Approval of Minutes, Gathering 2010**

The minutes were distributed previously to all of the churches.

**Motion 2012-07-02:** To accept the minutes of Gathering 2010, as distributed. **SC**

### **4. Receive Reports**

Additional Information regarding reports

Board members Ron van Akker, Rob Thiessen, John Unger and Terrance Froese presented additional information and context about the “Four messages” (the “prophetic word”) from Terry Mochar.

- Ron gave a perspective from the BC Pastor’s & Spouse conference about their time with Terry there (for a 2 hour summary of the report), stating that there was an overwhelmingly positive response to it (with a few cautionary voices), and also about how it was processed at the local, provincial and national levels. Ron commended the executive board, Willy Reimer and Terry Mochar for their tremendous work thus far.
- Rob Thiessen, BC Conference Moderator, shared that a prophetic word is meant for encouragement (1Cor 14:3) and that this was a message from Terry’s heart as a brother in Christ, and that the response from the board was prayer, tears, and repentance.
- John Unger shared that Terry’s full 139 page report will not be distributed since this was an internal report and there are sensitivities inherent in it - he likened it to sharing a personal job performance review to the whole nation. He said that Terry has made himself vulnerable as a brother in giving us this word (the “Four messages”), and read from 1 Thess. 5:19-21, stating that God has given us an opportunity to humbly grasp the moment.
- Terrance Froese, BFL Vice Chair, shared that prophetic words are for our strengthening, encouragement and comfort (1 Cor. 14:3) - saying that we need to discern if this is what the Lord is saying, or not. He believes that God has given us all the gifts to discern together what the Lord is speaking.

**Motion 2012-07-03:** To receive reports as circulated and presented. **SC**

Q – A member from Highland Community Church, Abbotsford, BC, asked for an amendment to accept the reports with the understanding that the Board of Faith and Life first review the Mochar Report and report back the Exec board before implementation.

Comment - A member from Mclvor MB, Winnipeg, Man., clarified that this is report acceptance, not report approval.

Comment - A member from Greendale MB, Chilliwack, BC, recommended rejection of amendment.

Comment - A member from West Portal Church, Saskatoon, SK, stated that there have been no discussions on some of the reports, such as BFL and C2C.

A - Brian Cooper, BFL Chair, said he has read the full report and has been involved in all discussions - he feels that there is little value for BFL to review the Mochar report, as it is not primarily a theological document.

Ruling: Kristen Corrigan clarified that receiving the report allows for discussion. This amendment is ruled out of order.

#### **Amendment rescinded as out of order**

Comment – The member from Highland Community Church, Abbotsford, BC, said that the report was supposedly a resource piece, but that it is coming to us as a prophetic message. Clarification from Paul Loewen: The 139 page Mochar Report, and the “Four messages” (“prophetic word”) are two separate documents.

**Motion 2012-07-04:** To have BFL take the lead to discern the Prophetic word from the Mochar report. **SC**

Discussion on this motion:

Comment - Rob Thiessen, Executive Board, spoke against the motion, as the executive board has had much input into the implications of the report which is separate from the prophetic word. BFL representatives who sit on the executive board have already worked through the report and given their assessment.

Q – A member from Grantham MB, St. Catharines - If factual data in the report is in error, does receiving of the report preclude acceptance? Are there theological items in the report, or do they have theological implications?

Q - A member from Mclvor MB, Winnipeg, Man., is in favor of motion, as the role of the BFL is discernment of the theological direction.

Comment - A member from Fraserview MB, Richmond, BC, said that support by executive board members (of this “prophetic word”) has created unease which may create winners and losers in this situation.

Comment - A member from Mclvor MB, Winnipeg, Man. - It has been said that the data collected in the report is not significantly theological, but he thinks it is, and needs to be reviewed theologically.

Comment - John Unger, Executive Board, clarified that his plea was for testing the prophetic word.

Q - A member from Killarney Park MB, Vancouver BC, asked “What are the repercussions of not accepting this report?”

Comment - Bruce Guenther, MBBS President, shared that as president he asked for this report and had reviewed the entire document. It has not been written as a theological document but it does have theological implications.

Q – A member from Fraserview MB, Richmond, BC, said he thinks that part of this is a process problem. “When I think that I am behind, I become uneasy”, he said, and encouraged that churches be better informed ahead of time.

**Break: 10:40am -11:00am**

**5. CAN-AM BFL – MOU - Brian Cooper, BFL Chair (Appendix C)**

This Memorandum of Understanding will allow authority of each of the Canadian and USA Boards of Faith and Life to separately develop their own Confession of Faith. This will be taken to the US conference later in the month.

**Motion 2012-07-05:** To approve the CAN-AM BFL- memorandum of understanding. **SC**

**6. Recommendations**

**a. Approval of 2011-2012 Audited Financial statements - Len Penner, John Wiebe, Harold Froese. (Appendix B)**

A review of the financial statements and proposed budget was given. Auditors have confirmed that there is accuracy and a good control environment of finances, along with exceptional staff support. John Wiebe opened in prayer and stated that we are delighted at how God has blessed us, and he gave us a reminder to be humble. He presented financial statements ending May 31, 2012 for CCMBC, Stewardship Fund, CCMBC Pension plan, and The Christian Press with comments regarding risk management and sustainability (on file) – 8-9% in reserve at present with 16% in

reserve if current market value of real estate holdings is realized.

**Motion 2012-07-06:** To accept the audited consolidated statements for CCMBC (Financial statements CCMBC, Stewardship Fund, and CCMBC pension plans with year end of 31 May 2012, and Christian Press with year end of 31 Dec). **SC**

Discussion:

Q – A member from West Portal Church, Saskatoon, SK, asked for more information on investment policy regarding ethics. He would also love to hear more about how the investments are impacting the kingdom.

A - John Wiebe: We do have policy on this that John will make this available.

Comment – A member from Eagle Ridge Bible Fellowship, Coquitlam, BC, gave affirmation for the detail provided by John Wiebe.

**b. Approve Budget for 2012-2013 - Len Penner, Finance Committee, and Audit Committee Chair.**

Len highlighted that radical changes have not been made. The biggest change is the sense of opportunity that arose to consider more effective operation of evangelism efforts -coordinating provincial and national efforts. This decision was made as an executive board, and it does reflect their comfort level. They thought that the best decision, as we have been under new leadership and refocusing, is to not change too many things or structures. We do not have the full picture over the next two years, so in this time of transition, we will increase evangelism. Len said, "I trust that you have taken this to the Lord in prayer".

Gord Fleming, C2C National Director, explained the budget of C2C in more detail, and the breakdown of this province by province.

Harold Froese, Finance Committee: We have received affirmation, and challenges, and confirmation. These numbers represent ministries. We don't want to hold ministry back, and we want to keep moving forward. We need to feel the excitement and to catch the vision, and it starts in our heart and goes down to our wallet.

**Motion 2012-07-07:** To accept the budget for 2012-13. **SC**

(The ballot vote is requested but rejected, carried by hand vote with 2/3 against the ballot vote. The budget was accepted with hand vote of 2/3 accepting and 1/3 against.)

Discussion:

Comment – A member from River East, Winnipeg, Man. stated that the theology of holistic mission is missing from the C2C statement and needs to be articulated.

Comment – A member from Neighborhood Church, Nanaimo, BC, feels conflicted because time is constrained for discussion. There is an absence of MBBS on budget lines, and an explanation was requested.

**c. Approve Budget Year-End from May 31 to December 31: Len Penner**

With growth, it is getting close to impossible to have everything ready for Gathering, as our year end is May 31, and this leaves us less than 6 weeks to finalize the books, receive auditor's reports, and distribute information to the delegates.

Discussion:

Q – A member from Mclvor MB, Winnipeg, MB asked, "Why is the change for 5 months?"

A - Len Penner: This break is needed to provide space between the year end and Convention. We also need to be aware that if we move Convention in the future, we cannot move it too early in the year (prior to May) or we will have the same problem.

**Motion 2012-07-08:** To move our fiscal year-end from May 31 to Dec 31, subject to acceptance by Revenue Canada. **SC**

**d. Appoint Auditor for 2012-2013**

**Motion 2012-07-09:** To appoint BDO as auditors for the 2012 year end and the 2013 year end. **SC**

**e. Approve Mennonite Brethren Herald subscriptions for its members in 2012-2013**

**Motion 2012-07-10:** To approve the purchase of MB Herald subscriptions for members in 2012 and 2013. **SC**

**f. Election of New Board Members: Don Petker, CCMBC Assistant Moderator, and Nancy Boese, Secretary (Appendix F)**

For the election of board members, the slate was presented by Nancy Boese, and this portion of the meeting was chaired by Don Petker.

A. Executive:

- i. Paul Loewen – Moderator
- ii. Len Penner – Assistant moderator
- iii. Vic Martens - Secretary

B. Executive board:

- iv. Nancy Boese - MAL
- v. David Marshall (Waterloo, ON) and Rick Goossen (Willingdon, BC) – MAL
- vi. Two vacancies on MAL – contact Vic Martens

- vii. Two vacancies on BFL - No new members - contact Brian Cooper
  - viii. Neil Janzen (Delegate Assembly) – David Chow (Resource pool) to MCC Canada  
Terrance Froese outlined the changes to the structure and voting for MCC Canada. We will now appoint 2 members to the delegate assembly and members to the resource pool for the Board of Directors when requested.
  - ix. MBBS – no new members to be ratified.
- C. Committees: Chaired by Vic Martens
- x. Nominations: One MAL vacancy– contact Vic Martens
  - xi. Historical commission – one vacancy – contact Vic Martens

**Motion 2012-07-11:** To approve the nominations as presented. **SC**

### **7. Adjournment:**

Don Petker gave thanks to Paul Loewen for his leadership, and for leading us well. Paul closed in prayer, and meeting was adjourned at 12:30 pm

Willy led the final time of communion, and gave thanks to the CCMBC staff and convention volunteers. He commended the delegates, stating we are not here to win or lose but to give expression to God’s redemption. Preparation for communion allowed for a time of examination including prayer on our knees, asking “What is the Lord saying to us?” Communion was served to the delegates after this time.

Philip Valletly was thanked for his service as host. Philip thanked the C2C church planters worship team, Paul Loewen, Willy Reimer, the executive board, and Steve Dyck and his production team for a job well done. An encouragement was given to the delegates to complete their evaluation forms.

Paul Loewen, moderator of the CCMBC, closed Gathering 2012 in prayer.

### **Summary of Motions:**

**Motion 2012-07-01:** To approve the agenda. **SC**

**Motion 2012-07-02:** To accept the minutes of Gathering 2010, as distributed. **SC**

**Motion 2012-07-03:** To receive reports as circulated and presented. **SC**

**Motion 2012-07-04:** To have BFL take the lead to discern the Prophetic word from the Mochar report. **SC**

**Motion 2012-07-05:** To approve the CAN-AM BFL- memorandum of understanding. **SC**

**Motion 2012-07-06:** To accept the audited consolidated statements for CCMBC (Financial statements CCMBC, Stewardship Fund, and CCMBC pension plans with year end of 31 May 2012, and Christian Press with year end of 31 Dec). **SC**

**Motion 2012-07-07:** To accept the budget for 2012-13. **SC**

**Motion 2012-07-08:** To move our fiscal year end from May 31 to Dec 31, subject to acceptance by Revenue Canada. **SC**

**Motion 2012-07-09:** To appoint BDO as auditors for the 2012 year end and the 2013 year end. **SC**

**Motion 2012-07-10:** To approve the purchase of MB Herald subscriptions for members in 2012 and 2013. **SC**

**Motion 2012-07-11:** To approve the nominations as presented. **SC.**

**Annual General Meeting  
October 27, 2011  
Kitchener MB Church – Kitchener, ON**

The meeting was called to order by Paul Loewen at 4:42 pm. We can do better together what we can't accomplish by ourselves. We have a mission to reach Canada for Christ and are putting our resources to work on it.

**1. Financial Presentation – Frank Wiens, Finance Committee Chair**

The Finance committee also serves as the audit committee to present the financial statements and the budget for the coming year. Frank thanked the finance staff and stewardship department for their diligent work. Frank gave a brief overview of the Financial Audited Statements which included: CCMBC, Christian Press, Stewardship and CCMBC Pension Plan.

- a. Bertha Dyck, CCMBC Controller, gave a summary of the financial statements for the fiscal year ending May 31, 2011. Church contributions were similar to 2010. Monies administered by Stewardship are in trust or on deposit.  
Question: Clarification of Special Expenses. (Those are things like: publications, ministries and conferences).  
Question: Are we comfortable with contributions from churches only being about 1/3 of the total budget? (Stewardship monies allow CCMBC to do more).  
Question: How can we communicate well that the church contributions are valued even though the Stewardship department funds much of the activity of the conference?  
Question: How can we encourage each other to give to the conference?  
Comment: Tithing is an important thing. Stewardship is like an inheritance, a trust from God and gives us an opportunity to do so much more.
- b. Bertha presented the budget for 2011-12. The budget includes \$200,000.00 each to MBBS Canada and ICOMB. Finance was asked to prepare a status quo budget so budget income is based on actual income for 2010. A transfer of \$2.125 million from Stewardship revenue produced a balanced budget.  
Comment: Stewardship revenue should be reduced by 25% (5% for 5 years) by reducing mortgage rates to churches and pastors and encouraging churches to increase their contributions.  
The Executive Board is looking at the Stewardship fund issue and how much of it is being used for what and where it is going and why.
- c. The Executive Board has reviewed the financial reports and recommends their acceptance.
  - i. **Motion:** To accept the financial statement for the fiscal year ending May 31, 2011. **SC**
  - ii. **Motion:** To approve the budget for 2011-12. **SC**
  - iii. **Motion:** That BDO Dunwoody be approved as auditors for 2012. **SC**
- d. Announcements
  - i. Transfer arrangements to the airport need to be finalized with Helga Kasdorf.
  - ii. The evening service is at 7:30 pm, dinner at 5:45 pm.

**JOIN US**

**HEAR THE VISION**

**AND WORK OF THE CONFERENCE.**

**BUILD COMMUNITY.**

**CONTRIBUTE**

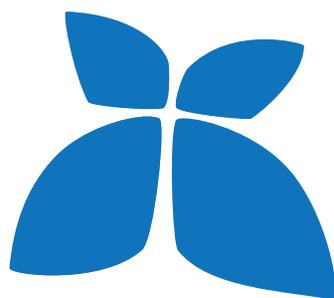
**TO DISCUSSIONS AND DECISIONS**

**THAT SHAPE OUR MINISTRIES.**

**WORSHIP TOGETHER**

**THROUGH MUSIC, COMMUNITY AND TEACHING.**

**GATHERING 2012**



**ONE LORD ONE CHURCH ONE MISSION**

**WINNIPEG CONVENTION CENTRE – JULY 11–14, 2012**

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**CANADIAN CONFERENCE**  
of Mennonite Brethren Churches

## SCHEDULE

### WEDNESDAY, JULY 11

- 10:00 am – 3:00 pm** Registration in Delta Winnipeg Lobby
- 5:00 pm – 7:00 pm** Registration in Lobby at Winnipeg Convention Centre
- 7:00 pm – 9:00 pm** Celebration service – open to the public (Meeting Rooms 3-4)  
Worship – Church Planting Band  
Speaker: Willy Reimer
- 9:30 pm** Concert with Steve Bell (Meeting Rooms 3-4)

### THURSDAY, JULY 12

- 8:30 am – 10:30 am** Business session (Meeting Rooms 3-4)
- 11:00 am – 12:00 pm** Business Discussion Breakouts  
*Executive Board facilitated by Paul Loewen (Meeting Rooms 3-4)*  
*Church Planting Movements in the Far East with MB Mission (Meeting Room 5)*
- 12:00 pm – 6:30 pm** Experience Winnipeg and supper at Manitoba & MB Mission offices
- 7:00 pm – 9:00 pm** Celebration service (Meeting Rooms 3-4)  
Worship – Church Planting Band  
Speaker: Gord Fleming

### FRIDAY, JULY 13

- 8:30 am – 10:30 am** Business session (Meeting Rooms 3-4)  
Speaker: Bruce Guenther
- 11:00 am – 12:00 pm** Business Discussion Breakouts  
*Executive Board (Stewardship & Budget) facilitated by Paul Loewen (Meeting Rooms 3-4)*  
*Board of Faith & Life facilitated by Brian Cooper (Meeting Room 13)*  
*C2Cnetwork with Gord Fleming (Meeting Room 5)*
- 12:00 pm – 1:30 pm** Lunch (Meeting Rooms 1-2)
- 1:30 pm – 3:00 pm** Equipping Workshops  
*Praying for the Lost with John Smed (Room 11)*  
*MB Distinctives with Gord Fleming (Room 12)*  
*Business as Mission: Called to the Marketplace with Rick Goossen (Room 13)*  
*'RECALIBRATE' with Bill Hogg (Room 5)*
- 3:30 pm – 5:00 pm** Equipping Workshops  
*Praying for the Lost with John Smed (Room 11)*  
*MB Distinctives with Gord Fleming (Room 12)*  
*Worlds Apart: Business and the Church with Rick Goossen (Room 13)*  
*Making Each "Mission" Event Count with Ricky Sanchez (Room 5)*
- 5:00 pm – 7:00 pm** Supper on your own
- 7:00 pm – 9:00 pm** Celebration service (Meeting Rooms 3-4)  
Worship – Church Planting Band  
Speaker: Randy Friesen

### SATURDAY, JULY 14

- 8:30 am – 10:45 am** Decision Making Session (Meeting Rooms 3-4)
- 11:00 am – 12:00 pm** Closing Session (Meeting Rooms 3-4)  
Worship – Church Planting Band  
Communion & Commissioning

[Winnipeg Convention Centre Map - Page 29](#)

#### Emergency Contact Information

In case of emergency please call Michelle Penner at 1-204-995-3018 (cell) any time.

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Communion & Commissioning

[Winnipeg Convention Centre Map - Page 29](#)

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# WELCOME TO GATHERING 2012!



Welcome to Gathering 2012! My greatest hope and prayer is that our next few days together will serve unify us in spirit and mission for God's glory. I believe Canadian Mennonite Brethren are living in a time of great opportunity as we surrender our lives to Him and give ourselves to His purposes in our lives and in our churches.

Over the next few pages, you will gain a picture of

what we'll be processing over the next days. Leaders from coast to coast have been hard at work to give expression to the new things God is doing among us. The 2012-13 budget reflects the new priorities and partnerships discerned by the executive board in conjunction with the feedback received through the ministry effectiveness project. A highlight of the ministry effectiveness project enclosed is the four critical messages our consultant Terry Mochar presented to us.

I invite you to pray that God will prepare your heart for what he wants to do in you individually and through us corporately in the days ahead. Pray for God's Spirit to speak through presenters, workshop leaders, and plenary speakers, and into the hearts and minds of all the attendees.

For his glory,

**Willy Reimer**

Executive Director  
Canadian Conference of Mennonite Brethren Churches

**Welcome to the Biennial Convention of the Canadian Conference of MB Churches!**

A hearty welcome to all of you to Gathering 2012 in Winnipeg! Not only are we expecting to hear from God through one another as we listen, learn, and speak up at our plenary sessions and workshops, but also as we experience stronger family and ministry bonds that will be made. We believe God is calling us for greater impact and more generous sacrifice for those in Canada and beyond who still have not heard the Gospel of Jesus Christ. Welcome to Gathering 2012! May you be encouraged as you also encourage others.

**Paul Loewen**

Moderator  
Canadian Conference of Mennonite Brethren Churches

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**Welcome to Friendly Manitoba!**

On behalf of the Manitoba conference of Mennonite Brethren churches, I wish to warmly welcome you to Winnipeg. We have anticipated your arrival with excitement. We are expecting that together we will hear from God, and be energized in the strength of His spirit. My hope for you is that you will be able to revisit old friendships and develop new ones. More than anything else, I pray that we find unity in mission and in purpose as we reach Canada for Christ.

**Elton Dasilva**

Executive Director  
Manitoba Conference of MB Churches



**Willy Reimer,**  
executive director, Canadian  
Conference of MB Churches

*Celebration Service*

**Wednesday, July 11, 2012  
at 7:00 pm**

Executive director of CCMBC since 2011, Willy is known to the Canadian MB community for his service as national moderator 2006-2008, and his oversight of Ministry Advantage, a leadership coaching program for pastors.

Willy is founding pastor of SunWest Christian Fellowship (MB) in Calgary where he has served as lead pastor for the last 15 years. Having transitioned through several meeting places, the church now worships in multiple satellite venues. Through an arrangement with SunWest, Willy continues to use his gifts and passions in the areas of leadership, vision, strategy, and occasional preaching. Willy and his wife Gwen live in Calgary and have three sons.



**Randy Friesen,**  
general director,  
MB Mission

*Celebration Service*

**Thursday, July 12, 2012  
at 7:00 pm**

Randy currently serves as general director of MB Mission (formerly known as MB Mission & Services International), the global mission agency of the Mennonite Brethren churches of North America. As director of YMI (1989-2002), Randy gave leadership to the development and growth of mission programs for teen and young adult participants. From 2002-2004, he was director of short term ministries, including YMI, and intergenerational programs DMI and GAP. When not travelling to mission projects around the world, Randy speaks to audiences across North America, calling MBs to a life of risk and sacrifice in an eternal direction.

Randy has a BA in international politics, a MTh from Tyndale Seminary in Toronto and a DTh in Missiology from the University of South Africa. Randy and his wife Marjorie live in Abbotsford, B.C., with their two children.



**Gord Fleming,**  
director,  
C2Cnetwork

*Celebration Service*

**Friday, July 13, 2012  
at 7:00 pm**

Gord is director of C2Cnetwork. Before serving in this role, Gord sat on the leadership team of Church Planting BC as a volunteer and served several years as chair. In 2006, Gord experienced God's call to give leadership to Church Planting BC. The vision and resources that Gord developed during his career in the marketplace have been instrumental in the exponential growth of C2Cnetwork in B.C. and Canada. Gord and his wife Marcy live in Langley, B.C., and attend North Langley Community Church. The Flemings have three adult daughters, two sons-in-law, and a granddaughter.



**Bruce Guenther,**  
president,  
MBBS Canada

**Friday, July 13, 2012  
at 8:30 am**

Bruce has a particular passion for helping students to think critically about their faith experience without becoming cynical, to historicize their church tradition without discrediting it, and to recognize the relationship between cultural forces and the work of the Holy Spirit in the life of the church. He strives for excellence, both as a competent scholar within the discipline of church history, and as a capable communicator and guide to learning in the classroom. Bruce Guenther has a PhD from McGill University, Montreal. He is president of MBBS Canada, and associate professor of church history. He and his wife Lois have three children.



# EXPERIENCE WINNIPEG

**Every city has claims to be unique, and  
Winnipeg is the same as the rest in that regard!**

Located near the longitudinal centre of Canada, the city is a minimum of 700 km in any direction from a comparable population centre, granting it big-city advantages with small-town character. Centred around the confluence of two rivers, Winnipeg has been a meeting place since time immemorial, and its multicultural flavour begins with formal settlement by French and British fur traders, Métis families, and landless Scottish farmers. Today, it's sprawling core neighbourhoods are home to trendy hipsters and young professionals; environmental activists and leftover hippies; Chinese and Indian immigrants; refugees from China, Somalia, Eritrea, Sudan, DR Congo, Iraq, and Nepal; First Nations peoples; and even a few Mennonites.

Experience Winnipeg will offer you a small taste of how some MB initiatives operate in these diverse contexts. Ministry representatives will share with you their passion for their neighbours to experience Christ in life-transforming ways. You will have opportunity to pray for specific needs “on location” and for inspiration to respond creatively to those in your home context.

According to the 2005 City of Winnipeg census data, 65% of residents in the West Broadway neighbourhood have never married, the average household income was \$24,468 (citywide average \$63,023), and more than half of the neighbourhood's adults do not own cars – 29% list walking or biking as their mode of transportation (city average 8%) with a further 31% listing bus (city average 14%). In the heart of this eclectic neighbourhood is House Blend Ministries, where likeminded folk gather as residents and friends to encourage each other in rhythms of life that leave room for gardening, friendships, volunteering, justice, a place to sleep, and a cup of coffee as they follow Jesus' calling to be agents of reconciliation.

In most cities, “the West End” is the trendy area where the rich and powerful play. But in Winnipeg, the West End is a vibrant neighbourhood of working class and otherwise.

The diversity of the West End is apparent in the students and programs of Hugh John MacDonald School. The junior high sponsors Eagles' Circle, an off-site alternative program of individualized programming for aboriginal students Grades 7–9, and hosts Peaceful Village, a program that draws the community – particularly refugee families from its multicultural student body – into learning together through mentorship, the arts, and cooking. It's also where MB visitation ministry Walls of Freedom meets weekly for a family worship gathering and youth activities.

The “North End” is probably Winnipeg's most notorious neighbourhood. It was a haven for poor immigrants from Eastern Europe for much of the 1900s and its residents featured prominently in the famous general strike action of 1919. More recently, it is characterized by First Nations residents, and much of the city knows it only by news reports of gang activity. Here, every spring break, MB Mission lets loose scores of teenagers to discover beauty amid the brokenness as they walk through this neighbourhood in preparation for a week of partnering with a local ministry for service learning, often through children's club programming.

Manitoba's expansive legislative building and grounds occupies pride of place in the city – and makes a great venue for protests and a convening site for demonstrations and parades. Take time here in the geographical centre of Canada to pray for the needs of the city and ministries operating here, the government decision-making processes affecting the whole province, for faithfulness and unity in the church of Christ in Canada as we live out mission locally and globally.

The tour will wrap up with a classic Prairie supper (pig roast) at “MB central” – a corner housing offices of Mennonite Brethren Church of Manitoba and MB Mission, the hub of Family Life Network, the ever-growing campus of Mennonite Brethren Collegiate Institute for Grades 6–12, and two MB churches.

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## BUSINESS DISCUSSION SESSION OPTIONS

### COLLABORATING FOR COMMON MISSION: EXECUTIVE BOARD DISCUSSION

**PAUL LOEWEN**

**Thursday, July 12 at 11:00 am**

**Friday, July 13 at 11:00 am**  
(*Stewardship & Budget*)

Come prepared to contribute to the common MB mission of “reaching Canada for Christ.” God is calling us to align resources and ministries so that the Good News of Jesus Christ can be more effectively and efficiently shared with people in our sphere of influence – locally, nationally, and internationally. You are invited to pray with us, listen to the Spirit’s leading, share ideas, and ask questions on how we can increasingly function as a unified ministry for this common purpose. You will have opportunity to engage regarding the implications and decisions based on the findings of the “ministry effectiveness project” and related budget plans. We will take time during this session to pray together and listen for the Spirit’s leading for our future.

### CHURCH PLANTING MOVEMENTS IN THE FAR EAST – WHAT WE CAN LEARN?

**MB MISSION**

**Thursday, July 12 at 11:00 am**

An MB Mission staff member based out of the East will attend Gathering 2012. Pastors and leaders are encouraged to join this breakout to hear firsthand stories from those involved in the Church Planting movement in the East. This staff member is an internationally respected church planter and leadership trainer with more than 20 years’ experience. The session will focus on discussion around the lessons learned, evolving leadership development strategies, and how all this can be transferred into the North American context.

### WHAT DOES A COMMUNITY HERMENEUTIC LOOK LIKE? THE MINISTRY OF THE BOARD OF FAITH AND LIFE

**BRIAN COOPER**

**Friday, July 13 at 11:00 am**

For people who wonder what the Board of Faith and Life is, and even more, what it does, this session will walk participants through the makeup and mandate of the BFL. We’ll talk about who we are, what we do, and also about how things like the Study Conferences and Confession of Faith figure in shaping our theological identity as Mennonite Brethren

### MISSION, VISION, VALUES & STRATEGY OF OUR C2C CHURCH PLANTING NETWORK

**GORD FLEMING**

**Friday, July 13 at 11:00 am**

Gordon Fleming, national church planting director will explain the systems, procedures, and strategies for church planting in Canada. Lots of time will be allocated in this session for questions and answers from our delegates.



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# EQUIPPING WORKSHOP DESCRIPTIONS & PRESENTER BIOGRAPHIES

## PRAYING FOR THE LOST WITH JOHN SMED

Friday at 1:30 pm and 3:30 pm

Today there is an undercurrent of thirst for spiritual experience. Prayer is a common current to all faiths and is a bridge to the seeker. This session will explore a simple way to connect with seekers and engage them directly with God through prayer – from praying for seekers, teaching seekers how to pray, and praying directly with seekers to introduce them to Jesus.

## HOW MB DISTINCTIVES ARE IMBEDDED IN THE C2C NETWORK WITH GORD FLEMING

Friday at 1:30 pm and 3:30 pm

What are our MB distinctives, and how does this relate to Church Planting in Canada? During this workshop, national MB director of church planting, Gord Fleming will share the distinctives between the MB church, and other denominations, helping people understand what our points of difference are, and why we as a family, are so passionate about missions, locally, nationally, and globally. These values lead us into partnerships and opportunities with other denominations in our country, and lead us to keep our eyes focused on Christ, and His Great Commission.

## BUSINESS AS CALLING: THE MINDSET OF BUSINESSPEOPLE IN THE CHURCH WITH RICK GOOSSEN

Friday at 1:30 pm only

How do individuals in business live out their faith in the marketplace? A core concept for businesspeople is the notion of calling which provides them with purposeful direction for integrating faith and work. The presentation will help attendees understand the perspective of businesspeople attending their church through the following discussions:

- The big question: “What is the meaning of my life?”
- How does the broader framework of meaning in life relate to work?
- Approaches to work: traditional, humanist, and Christian models
- Five common misunderstandings with respect to calling
- The three Ps of calling: passion, purpose, & priorities
- Conclusion: Are you worthy of his calling?

## RECALIBRATE: GETTING YOUR FLOCK TO FOLLOW JESUS INTO THE CANADIAN MISSION FIELD WITH BILL HOGG

Friday at 1:30 pm only

Jesus word to us is “As the Father has sent me – so I am sending you!”

Bill Easum claims that, “The whole point of the Christian life is following Jesus onto the mission field.” And the late missional sage Lesslie Newbigin stated, “The Church must be seen as the company of pilgrims on the way to the end of the world and the ends of the earth.”

How do we encourage, motivate and deploy our people to live faithfully on mission with and for Jesus? This workshop will explore missional theology, missional spirituality and leadership and approaches to releasing the people of God for the mission of God in our Canadian mission fields.

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## WORLDS APART: AS MISSION OR BUSINESS AS ATM?

Friday at 3:30 pm only

Businesspeople (entrepreneurs, in particular) and church leadership sometimes view kingdom-building activities quite differently. For businesspeople, the workplace is where they live out their faith and strive to make a difference. This approach often comes under the rubric of “business as mission”: business is an avenue to make a Christ-inspired difference in the world. For church leadership, businesspeople are often regarded mainly as a source of financial skills and money – like an ATM. My research on more than 250 Christian businesspeople shows a conundrum: businesspeople are actively engaged in implementing their faith in the marketplace, and yet are often disengaged from their own church and denominational structures. This presentation addresses the following:

- “Business as mission” vs “Business as ATM”
- Who are entrepreneurs? (a profile of their marketplace environment)
- Who are Christian entrepreneurs? (a summary of how they practice their faith)
- What are the church’s challenges for engaging businesspeople ?
- What are the church’s opportunities?
- How to harness the entrepreneurial spirit.

## MAKE EACH “MISSION” EVENT COUNT! WITH RICKY SANCHEZ AND SAM DICK

Friday at 3:30 pm only

Ricky Sanchez, missionary in Thailand, has hosted hundreds (perhaps even 1,000s now) of short-term teams from North America including families, young adults, and seniors. People from all walks of life are trying their hand at short-term mission and trying to figure out how they can bring it home. Almost every church today is investing in short-term mission programs of some kind. Short-term mission teams (and individuals) can have an impact, but it just doesn’t happen without an intentional strategy. There are some best practices that will ensure a short-term mission team has a long-term impact within your church and those they are visiting. Ricky Sanchez along with Sam Dick (MB Mission, Short Term Program Coordinator) will unpack a discussion with some stories and practical tools for pastors and leaders.

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## EXECUTIVE DIRECTOR REPORT

Over the past 12 months, I have had the privilege of meeting with pastors and leaders from across Canada. A consistent message I received was the call for Canadian Conference of Mennonite Brethren Churches (CCMBC) to organize around the mission of reaching Canadians with the Gospel. Leaders encouraged me and the executive board to focus our countrywide efforts on those things we can only accomplish if we work together. God seems to be raising up leaders who have both a holy discontent with the status quo and a willingness to work together for the sake of reaching Canadians with the gospel of Jesus Christ; leaders who recognize that we are called to be faithful stewards of God's gifts for his glory to bless the Canadian and global church as we work together to reach those who do not yet have a personal experience with Jesus Christ.

I believe MBs are positioned to make a significant contribution for Christ at this time in history. Even though MBs today come from a great variety of backgrounds, the legacy of those who shaped our theological, relational, and missional foundations still reverberates throughout our churches. Our history is filled with spiritual pioneers who were Spirit-led, filled with faith and courage, risking life and limb for the sake of spreading the good news of Jesus Christ. Our calling is not to relive our past, but to gather strength from the stories of leaders who obeyed the promptings of the Spirit to bring glory to God and bring good news to people by introducing them to the transforming reality of Jesus Christ.

Mennonite Brethren have an increasing sense of urgency that now is the time to act; now is the time to partner, to put aside the things that divide us and focus on the major things that unite us: our core beliefs, our missional hearts, and our shared resources. We serve one Lord, we are one church, and we have one mission.

Jesus knew that the greatest obstacle to the bride of Christ fulfilling the mission of Christ would be the unity of the bride. His prayer for us as recorded in John 17 articulates Jesus' concern for his church: "I pray that they will all be one, just as you and I are one – as you are in me, Father, and I am in you. And may they be in us so that the world will believe you sent me" John 17:21 (NLT).

Jesus prays that his followers would be so united in him, so obedient to the Father, so relationally healthy that people would look at them and say, "Obviously Jesus did what these followers of his claim." Jesus prayed that the very way we do life and mission together would be proof of Jesus' life and ministry on earth. When we work together for the cause of Christ and for His glory, we reflect the truth of the transforming power of the Gospel. We have a tremendous opportunity; God is on the move and inviting us to work together as churches and provinces for the sake of the Gospel.

As I connect with pastors and leaders from across Canada, I am increasingly convinced that we are living in a time of great spiritual opportunity. Their desire to partner with like-minded leaders and churches to fulfil the Great Commission and Great Commandment is strong and increasing.

Over the past two years, God has been at work among MB leaders to move us beyond our current ministry mindset. The desire to be effective, community-transforming Christ followers burns bright in our pastors and leaders. They repeatedly and passionately express a hope that our churches will be agents of personal and community transformation. Leaders have expressed a growing urgency and restlessness – a "Holy Spirit discontent." This restlessness has led to the beginnings of change on multiple levels. We are lowering interprovincial ministry barriers and developing new partnership – and slowly historic mistrust is dissipating as we move forward in ministry for the glory of God and sake of the millions of Canadians who do not know Jesus.

In an effort to gain a better understanding of the issues, needs, and opportunities that exist within our constituency, we commissioned a national ministry effectiveness project to review the work of the CCMBC national office. The project identified nine "burning platforms" standing in the way of CCMBC fully realizing our God-given calling and mission. While it was not easy to hear the ways in which CCMBC has struggled to accomplish our mission, the clarity of feedback from Canadian MB leaders has been very helpful in charting the way forward.

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These nine challenges are:

## **AWARENESS**

CCMBC lacks an intimate awareness of who the lost are in Canada.

## **MISSION**

CCMBC has not clearly communicated what it is that we do together as churches.

## **UNIFYING CENTRE**

CCMBC is lacking a theological and missional centre that unites churches in collective mission.

## **INSTITUTIONALISM**

CCMBC is seen to be program-driven versus mission-driven.

## **MISTRUST**

There are multiple areas of mistrust throughout the denomination – between local churches, and between all levels of leadership bodies.

## **SILOS**

National office, provincial conferences, and churches function independently of one another.

## **STRUCTURE**

the current national structure has developed independent of the mission; and is complex, costly, and competitive. CCMBC lacks skilled resources at multiple levels.

## **CULTURE**

CCMBC is perceived to have a DNA of wanting to reclaim roots and inward-looking distinctives versus a missional DNA of reaching out to the lost.

## **FINANCIAL RESOURCES**

Financial resources are not collectively deployed to critical ministries. Leaders perceive CCMBC to be hoarding resources at multiple levels resulting in wastage and duplication.

It is vitally important that we stare reality in the face and tackle these challenges. Left unaddressed, they will hinder our ability to maximise the ministry opportunities before us. The executive board embraced the reality of these challenges as well as the opportunities expressed by leaders who are asking CCMBC to be a rallying force for national mission. As a result of consultant Terry Mochar's work, we heard clearly that CCMBC should be a voice calling us to do together what no church can do alone. Leaders expressed a desire and expectation that CCMBC:

- 01.** Create an awakening to the needs within Canada that inspires people to mission.
- 02.** Cast a vision and mission about what we can do together as churches to transform Canada with the good news of Jesus Christ.
- 03.** Bringing unifying clarity to our theological and missional centre that results in common confession and demonstration of the gospel.
- 04.** Provide support for development of pastors, first as disciples, then as effective leaders, so that they can live balanced lives and lead healthy churches.
- 05.** Develop financial services that release congregations and denominational staff to do ministry and release stewardship funds to ministry priorities.
- 06.** Facilitate ministry collaboration across churches and provincial conferences.
- 07.** Develop, broker, and facilitate programs, networks, and affiliations through a bottom-up development process delivered through provincial conferences and aligned to our missional goals.
- 08.** Lead the way in the denomination for 21st-century communication that reaches the broadest constituent base possible, inspiring people to mission and to celebrate what God is doing.
- 09.** Be the main catalysts of a national unifying prayer movement that calls us to dependency upon God. Create an excitement and expectancy that God will do abundantly above what we ask or think.

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## EXECUTIVE DIRECTOR REPORT CONTINUED

The consultant also provided the executive board with numerous recommendations to move us toward becoming a missional movement of Canadian churches. At a moderators summit, participants (executive board, 3-4 representatives of each provincial leadership team) approved recommendations in principle, guiding the steps toward the new reality into which we believe God is calling us. The following outlines the key leadership action steps that have been initiated:

- Ron Toews was hired as CCMBC director of leadership development.
- CCMBC is interviewing candidates for director of human resources. This position will not only serve CCMBC staff but also resource Canadian MB churches.
- The search continues for a CCMBC director of communications to lead the way in 21st century media. The director will give leadership to all CCMBC communication efforts and serve as a resource and support for provincial/regional needs.
- CCMBC continues to search for national prayer movement leader.
- The finance team of the executive board is reviewing all CCMBC financial policies relating to CCMBC deposit funds. This work is being done as part of the ongoing work of the executive board as well as in preparation for new finance staffing as John Wiebe retires in 2013 and a new finance team leader is hired.
- As a result of the moderators summit, provincial conference ministers and/or provincial executive directors are joining the national senior staff team meetings to unify ministry development.
- Prairie leaders have been meeting to discern how they can work together more effectively and efficiently as a prairie region.
- In addition to the steps taken to develop a staff team for the future God is leading us into, we are also reviewing the allocation of financial and human resources to aligned with God's direction for us. We will explore the consultant's recommendation to devise a single source financial support for ministry, rather than giving to both provincial and national bodies
- As we work to increasingly behave as a mission with organization rather than an organization with a mission, we are locating staff that serve our national family of churches across Canada. C2C Network director Gord Fleming and leadership development director Ron Toews will work out of the B.C. office, HR, finance and communications will be based in Winnipeg, and I continue to work out of the Calgary office.

Why should we put so much energy and resources into a national movement of churches at this time in history? I believe that God is raising up the church for just "such a time as this" (Esther 4:14).

The Canadian religious landscape is changing rapidly. The world is coming to our doorsteps. Younger people who were raised in the church are looking for dynamic expressions of faith community in which to live, serve, and be disciplined. Canadians are looking for hope in the face of global economic uncertainty. They are looking to find who they are in community amid systemic family breakdown. They are searching for spiritual meaning and truth in the wake of postmodernity's deconstructionism.

Now is the time for the church to move beyond the status quo to give a true picture of what it means to follow Jesus in life and mission. Now is the time for the church to demonstrate the power and reality of Jesus Christ through a unified declaration and demonstration of the power and truth of the Gospel. Now is the time for the church to think and serve beyond our personal agendas.

We must demonstrate the obvious message of Christ through our self-sacrificing service for others. As Canadians grope for truth, the church must be absolutely clear on what we believe, how we live out our faith, and the implications for every Canadian. The answer is found in Jesus. He is our hope, our salvation, our rock, and our example. In the words of Paul, "For no one can lay any foundation other than the one we already have - Jesus Christ" 1 Corinthians 3:11 (NLT). Canadians are trying to build other foundations to the detriment of their souls and our country.

Finally, we need a unified national prayer movement. Now is the time to press into our relationship with Jesus passion and intimacy. Now is the time to get on our knees and repent of our selfishness, our self-absorption, and our preoccupation with our own desires for comfort, security, and independence. Now is the time to pray as Isaiah, "here I am, send me" (Isaiah 6:8).

I cannot conclude this report without thanking those who walk with me in this ministry. I could not do this ministry without the support and sacrifice of my wife, Gwen and my boys Joshua, Carter, and Matthew. They have been very gracious and flexible, as I have travelled extensively this past year. We recognise that even though I have the title of ED, the calling to this ministry is a family calling.

My home church SunWest Christian Fellowship has been very supportive in sending me to serve a broader constituency. I am blessed to be part of such a great faith community for the past 18 years. Thank you to the congregation, staff, and leadership team of SunWest.

Thank you to CCMBC staff who are enduring a season of great change with grace and patience. Your hearts for Canadian MB church is so evident. I am also grateful for the partnership of Randy Friesen of MB Mission and Bruce Guenther of MBBS Canada. I truly feel like we are one team, serving Jesus for His glory.

Finally, I am privileged to work a great Canadian executive board. The men and women of the board love Jesus, love the church, and have a deep desire for Canadians to come to a personal relationship with Jesus Christ. Thank you for your guidance, support, and partnership.

For His glory,

**Willy Reimer**

Executive Director

Canadian Conference of Mennonite Brethren Churches

## MWC REPORT

### Canadian Mennonite Brethren are an important voice in the global family

May 20-25 in Switzerland, Paul Loewen and Willy Reimer served as delegates to the Mennonite World Conference (MWC) General Council, as representatives of the Canadian Conference of Mennonite Brethren Church—one of the 101 member and associate member churches of MWC.

MWC is called to be a communion of Anabaptist-related churches linked to one another in a worldwide community of faith for fellowship, worship, service and witness.

Highlights from the MWC General Council meeting in May include:

- A gathering of 105 delegates from 48 countries—with about 80% of the delegates from the Global South.
- An overall theme of “Revisiting our Vision”—with major presentations on the Biblical meaning of “koinonia” and on the meaning of the “Anabaptist tradition.”
- Expansion of the MWC Mission

Commission mandate to serve as an umbrella not only for the Global Mission Fellowship, but also for the newly formed Global Anabaptist Service Network.

- Energy and vision emerging from other commissions—Faith and Life; Deacons, Peace—and from continental caucuses.
- Plans to increase the frequency and the reach of global communications, to build relationships across cultures and to help equip member churches for their life and witness.
- Selection of J. Nelson Kraybill of Elkhart, Indiana, as MWC President-elect, to begin as President in 2015.

#### People gifts

David Wiebe (below left), former Executive Director of the Canadian Conference of Mennonite Brethren Churches and now Executive Secretary of the International Community of Mennonite Brethren (ICOMB), provided leadership and support for the conference’s relationship with Mennonite World Conference. César García (below right), a Mennonite



Brethren leader from Bogotá, Colombia, is the MWC General Secretary.

#### Monetary gifts

Contributions to MWC: \$32,625 in 2010; \$36,000 in 2011; \$9,000 in 2012 (as of May).



## EXECUTIVE BOARD REPORT

Since our last convention, we have witnessed the leading hand of God in the Canadian MB Conference. No one could have envisioned the convergence of good will, collaboration, commitment to mission, nor the resources God has brought together “for such a time as this” (Esther 4:14). From “the ground up,” we are seeing the Holy Spirit inspire and equip us anew to bring the transforming good news of Jesus Christ.

At Gathering 2010 in Langley, B.C., we gave our thanks to David Wiebe as we bid him farewell after his close to 10 years’ service as executive director. In January of 2011, the executive board’s search team was pleased to announce Willy Reimer had agreed to provide leadership for the conference, beginning in a part-time capacity, moving to full-time in August. God has brought us a Spirit-filled leader with strong gifts of vision and oversight capacity.

In 2010, the executive board also embarked on a vision review with consultant Terry Walling. In December, national and provincial denominational leaders from across Canada assembled at Columbia Bible College to determine better ways to collaborate in their respective ministries to build the health and effectiveness of MBs in Canada. Out of this emerged a strong desire to function as one entity. The executive board intentionally and strategically began to move into this direction, with input from provincial boards and leaders.

A renewed mission began to formulate: “together reaching Canada for Christ.” Willy initiated a national office review to determine priorities and ministry alignment for this purpose. The message was clear throughout the country: there is a “holy discontent.” We cannot remain where we are; at the local level, God has birthed a desire across the country that together we can do more to reach Canadians with the gospel. We believe that God wills us as MBs in Canada to build on past efforts and move forward in a focused and purposeful way with increased mission to the millions of Canadians who have not yet responded to the saving work of Jesus Christ. Across the country, provincial leadership is coming together to provide direction and insight into how we can do this. Church planting (C2C) is one ministry expression of how all provinces across Canada are uniting to reach Canadians.

Here at Gathering 2012 in Winnipeg, we ask you to share your insights into how we as a whole conference can do more together for the cause of Christ than any individual church or provincial conference can do. We will share findings of the national office review that will help us move forward together; we ask you to share your insights and suggestions so that the executive board can be more effective in making good long-term decisions.

You will be asked review the budget for the next two years. This visionary budget reflects the mission of reaching Canadians through church planting. A significant overall increase is a reflection of both gracious resources available and some changes in staffing alignment between national and provincial entities. The board has considered implications to long-term deposit fund reserves and will be reviewing guiding fund policies and strategic financial management of the Stewardship Fund in the coming year.

Finally, we are pleased to announce the creation of a new seminary: MB Biblical Seminary Canada. Bruce Guenther, president, is providing leadership with delivery centres at ACTS (Trinity Western University, Langley, B.C.) and Canadian Mennonite University (Winnipeg). The creation and development of MBBS Canada is significant for the training of pastoral leaders for mission of the church in Canada.

We invite your input. We are providing you with the opportunity to share both within large group context and in smaller breakout sessions. Thank you for coming prepared to contribute, advise, correct if necessary, and to vote in a spirit that will lead us to “it seemed good to us and to the Holy Spirit” (Acts 15:28) conclusion. Thanks for your prayers and participation.

May God grant us the wisdom to move us forward together in bringing the gospel of Jesus Christ to the people of Canada. Together we can do more.

“Is there any encouragement from belonging to Christ? Any comfort from his love? Any fellowship together in the Spirit? Are your hearts tender and compassionate? Then make me truly happy by agreeing wholeheartedly with each other, loving one another, and working together with one mind and purpose.”—Philippians 2:1-2 NLT

**Paul J Loewen**





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## BOARD OF FAITH AND LIFE REPORT

While the work of the BFL has appeared less prominent in the midst of the recent series of strategic deliberations at the conference leadership level, history reminds us that it is at times such as these that we discover the importance of the theological work we have done, and continue to do as a people of God. The Board of Faith and Life is the group of elected representatives and provincial conference ministers whose task it is to make the most of the theological resources available within the Canadian conference in order to assist both the conference, and the churches which comprise it, to accomplish the work we believe God has given us to do - namely, to bring the transformation of Christ, the power of the gospel, to bear on our nation.

This past year has seen the BFL and the national executive board revisit our working relationship. Our mutual desire has been to strengthen the connection between the two boards and increase the clarity of each board's mandate with a view to enhancing the effectiveness of the cooperative work the boards do. As well, the BFL has been actively following the strategic review of conference structures, and remains confident that the work being done is motivated by a godly desire to advance the work of the Kingdom in keeping with our evangelical Anabaptist convictions. We look forward to continuing to help the Canadian conference churches pursue our missional vision in keeping with our theological identity.

*The Board of Faith and Life responds to ongoing issues of importance in the life of the conference. Some of these issues arise out of conversations in churches and some arise out of conversations that develop in the life of the conference. One such conversation developed with a church on the topic of our Mennonite Brethren understanding of the bible's teaching on creation. Out of that conversation, the BFL drafted a brief statement that we trust will give clarity to fuller talks on this subject. Our desire is to help Mennonite Brethren believers explore scientific knowledge without relinquishing our theological commitments that flow from the biblical teaching on the creative work of God.*

The Board of Faith and Life rejects ideologies which propose evolutionary forces as acting outside of, or instead of the creative work of the God of Scripture. God is the author and creator of all forces at work within creation. God created Adam and Eve in his image. Human beings are the deliberate creation of God. The Board of Faith and Life disagrees fundamentally with atheistic evolution. Darwinism, or any other system under another name, that proposes that life originated and grew by chance instead of by design, is simply not compatible with Scripture.

Earlier this year, the BFL was commissioned by the executive board to begin a review process of the confession of faith. This process is a part of the ongoing theological work of the conference, work that continually seeks to articulate our fidelity with Scripture and the theological trajectory that informs our identity in a changing world. We have also realized the need to better address the need for Canadian theological resources in French that will assist our Quebec churches.

Our theological work also takes the form of the study conferences held biennially, the last one taking place in Kitchener, ON, last fall. The event was well-attended, and showed a healthy level of interaction among participants. Arising from that conference is a statement of affirmations that summarizes our convictions on the topic of the atoning work of Christ.

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## BFL STATEMENT OF AFFIRMATIONS FOR STUDY CONFERENCE 2011

*As your Board of Faith and Life for the Canadian Conference of Mennonite Brethren Churches, we feel encouraged by what we have heard at this Study Conference on the Mystery of the Cross. We affirm the openness with which we have spoken to one another and listened to one another, particularly as we have studied Scripture together. We sense a mutual respect and desire to edify one another that befits our relationships as brothers and sisters in Christ.*

*We affirm the reality that there is what has the potential to be a healthy diversity within our fellowship – members coming from different backgrounds and cultures, across regions and within regions, proclaiming the fullness of the cross in varied ways that bring the truth of God’s revelation to bear on contexts with sensitivity, grace, and prophetic boldness. In all of this we believe there is a unity that underlies the diversity upon which we realize we need to build. We also see the gospel being brought to bear in distinct yet complementary ways to different hearers.*

*We affirm the common desire to build on the foundation of our theological convictions regarding the cross in order to holistically proclaim the gospel to our nation and participate in the work of reconciling Canada to God in Jesus Christ. This is because the salvation made possible through the atoning work of Jesus Christ is the only hope for humanity. We believe that our theology mandates this common commitment, and that it helps to unite us in the work of the Kingdom of God.*

*We affirm that through the self-sacrifice of Jesus Christ, God himself graciously atoned for the sins of the human race, demonstrating ultimate love toward us even while acting in full accord with divine justice. We are renewed and transformed by the person of Christ for the mission of reconciliation now made possible. We have confidence in our proclamation of this reconciling work because Christ triumphed over the principalities and powers against which we struggle as we contend for the gospel in this life. We look ahead to the consummation of God’s amazing work on our behalf, and await the ultimate fellowship we will enjoy with God and with one another in eternity, all made possible through the mystery of the cross.*

*Some of the complications in our theological conversations parallel the differences in terminology we see in our different approaches to theology. Some of us define atonement strictly around the death of Christ on the cross, while others look more broadly to the life, teachings, death, and resurrection of Christ. As a result, what for some is talk about the implications of the atonement is talk about the atonement itself. But we are affirming the same truths, despite differences in our theologies and terminology. And for that reason we are encouraged as a BFL, and pray that you are encouraged as you move forward together as Mennonite Brethren.*

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BFL continues to be integrally involved in other work that is vital to the mission of the conference. For example, this year BFL held two Pastors’ Credentialing Orientation events, orienting over 80 pastors and leaders to Canadian conference history, theological identity, and mission. BFL is the liaison to MB Conference participation in MCC Canada, which has undergone a major restructuring. And as the body overseeing the confession of faith, the Canadian conference BFL has worked with our US counterparts on a new memorandum of understanding that heralds a new possibility for our two conferences. For the first time, we have opened the potential for each national conference to develop its own confession of faith. This allows the confessions to address the uniqueness of the different national contexts. As well, it also paves the way for each national conference to contribute more intentionally to the development of the ICOMB, the global Mennonite Brethren community of which both conferences are part.

We are excited to see what God is doing in our midst, and ask for your continued prayer for us as we engage the tasks at hand, and to come.

In Christ’s service,

**Brian Cooper** (chair), **Terrance Froese** (vice-chair),  
**Daniel Beutler, Jean Bieri, Paul Doerksen,**  
**Pierre Gilbert, Ralph Gliege, Richard Martens,**  
**Keith Poysti, Ingrid Reichard, Stéphane Rhéaume,**  
**Ron Toews, John Willems, Willy Reimer** (executive director)

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# C2CNETWORK REPORT

The Lord is truly at work in a significant way in Canada today. We are so encouraged to see the Lord answering the prayers of literally hundreds upon hundreds of Canadians who are calling out to God for Canada. It is estimated that about 30 million Canadians do not know Christ. This is our mission field, and who we believe the Lord is asking us to reach.

In this brief report, we would like to answer some typical questions that we receive about the C2Cnetwork.

## C2C IS A NATIONAL CHURCH PLANTING NETWORK

British Columbia, Alberta, Manitoba, Saskatchewan, Quebec, and Ontario conferences of MB churches have all agreed to partner together under the umbrella of the C2Cnetwork, in order to facilitate best practices across Canada in the area of church planting.

### Do we as MB's need a church planting network? Does Canada?

Historically, each province has operated independently of one another with regard to church planting. While each area is in relationship with each other, practices and methods have varied from region to region. While we recognize the need for regional contextualization, the national and regional conferences of churches have agreed that we can be more effective and efficient if we partner and share ideas, committing to all use the same systems for accomplishing the mandate of planting healthy, sustainable, reproducing churches.

We often hear of church planters who have read books on church planting from the U.S., or have attended conferences or training on church planting in the U.S. While we love and support our friends in the U.S., we recognize that Canada is a different country and is unique in its culture and people. We strive to offer Canadian training for Canadian church planters, who have a heart to reach Canada for Christ.

### How many church plants are a part of this network?

At the present time, we have more than 60 church plants across Canada that are a part of the C2Cnetwork. Just over 50 of these are MB church plants.

### What are the values that this network operates under?

We are a Gospel Centred, Spirit Led, Mission Focused church planting network, focused on church planting across Canada. We lead with an Evangelical Anabaptist distinctive. We recognize the uniqueness of this country and aim to support Canadian church planters who wish to contextualize the Gospel for Canadians.

### Is this network Mennonite Brethren?

The C2Cnetwork is MB, but we recognize that no one denomination is going to reach Canada alone. We value partnerships and collaboration; to that end, we assist church plants and church planting leaders from many denominations across Canada.

## WHAT SYSTEMS DO YOU USE TO ACCOMPLISH THIS MANDATE?

All of our church planting directors across Canada have agreed to join together in using these systems.

### 01. Prayer

It is our firm conviction that the work of national, provincial and city transformation is GOD's work, and yet He calls us to participate with Him! One of the strategic yet often neglected disciplines is the practice of prayer. Historically, every great movement of God has been precipitated by earnest prayer. We pray that we would see an outpouring of God's Spirit over Canada in our day! To that end, we ask leaders wherever we go to commit to pray for Canada. It is our desire to see thousands and thousands of Canadians from sea to sea praying for the building of His church across our country.

### 02. Intensive Interviews

We commit to a minimum of three in-depth interviews, preferably with three different interviewers, to discern giftings and fit. The teams meet, review the applicant, and after prayer and discernment, recommended the applicant to proceed to our assessment.

### 03. Assessment System

All potential church planters are required to attend an in-depth, three day, Church Planters Assessment Centre, run by the C2Cnetwork. At least 12 assessors interview and observe the candidates over a three-day period to discern gifts, skills, abilities, and maturity. Only those who are affirmed in the necessary gifts for church planting proceed to our Apprenticeship Program.

### 04. Covenant Agreement

All of our church planters, before they enter into our Apprenticeship Program, are required to sign a covenant agreement regarding terms of employment, duties, job description, responsibilities and expectations. We desire to be clear about what is required of the church planter right from the outset.

## 05. Apprenticeships

All church planters, regardless of age or experience, are required to enter our Apprenticeship Program in the city or town of the future plant location. This gives the church planter some on-the-ground training and experience in the world of church planting, and gives them time to build a core team. During this time, the church planter is required to be credentialed as part of the Apprenticeship experience. Another one of our values is understanding the community in which the planter plans to launch a church in. The Apprenticeship Program allows for this.

## 06. Financial Systems & Support

For church plants that are part of the MB Conference, we financially support the church planter by covering the salary for the Apprenticeship Program and the first year of the church plant launch. We then reduce support as the church plant grows. Further to this, we support the plant, where necessary, with a capital fund for start-up equipment.

We want to ensure that we introduce good financial practices and systems into the new church. This includes budget templates, financial record keeping, and good administrative practices.

## 07. Task Forces

Each church plant is assigned a task force (an external leadership team) to serve the church plant for the first three years. This team models leadership for the emerging leaders, gradually transitioning from external leadership to internal leadership.

## 08. Coaching

Each church planter and church plant apprentice is assigned a church planter coach who has been trained in Gospel Coaching and who meets with the church planter on a monthly basis.

## 09. Monthly Training

Nine times per year, our church planters meet for a time of training, relationship building, and prayer. We bring in teachers to continue in the training and development of our church planters to ensure that they continue to be challenged and developed in ministry.

### Where are the assessments held?

This year, we have been hosting our C2C Assessment Centre in B.C.'s lower mainland. We will launch our C2C Assessment Centre in Calgary in spring 2013 and in Montreal in fall 2013. Plans are underway to launch an Assessment Centre in Toronto once these two other regions are launched.

### Where are the new churches?

New churches are located right across Canada. And we are regularly in conversations with prospective church planters. God is moving in the hearts of Christians and pre-Christians alike. In North Vancouver, Montreal, Edmonton, Regina, Saskatchewan, or Winnipeg, God is calling church planters and churches alike to be involved in reaching Canada with the Good News of Jesus Christ.

### How do I get involved?

Prayer is the number one call to engagement. Prayer is where the bulk of the work in reaching Canada will take place. Unless Christians get on their knees, Canada will not come to Christ. Pray the Lord of the Harvest that He would send workers into His harvest field. Pray for church planters, donors, core group members, and people desperate for new life in Jesus.

**"MAY HE HAVE DOMINION FROM SEA TO SEA,  
AND FROM THE RIVER TO THE ENDS OF THE  
EARTH!"**

*Ps 72:8*



# FINANCIAL REPORT

In these pages we wish to share with you three short stories. The first is based in history, the story of some of the pioneers who laid the foundation for us. The second is about numbers, where we are today. And the third is about our future and how our history has created the opportunity to look forward as we are at this convention.

There were many involved in our startup, many volunteers and staff who dreamed of dreams to which they saw no easy or short path. This includes the group of persons who signed the original charter in 1945, who envisioned the kind of finance programs we have today and wrote them into the Act. However, I want to note three staff that each brought their unique gifts to lay the foundation.

Jake Riediger was the entrepreneur. He boldly stepped out and with his board designed the core of what we have today. Jake Neufeld followed with designing the supporting systems, adding security and confidence with our investors. He created the infrastructure on which we still depend today. Alf Huebert created the team, developing a network of regional staff that interacted with the constituency and developed the kind of mouth to mouth promotion of our products which allowed us to grow. God used the unique and special giftedness of each of these men to create the foundation on which we are building today.

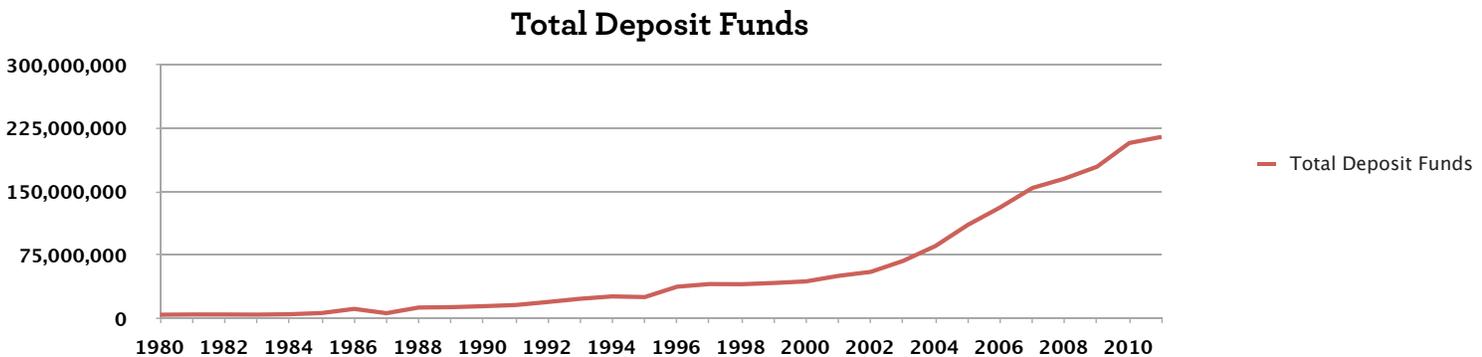


Jake Riediger



Jake Neufeld

## CANADIAN CONFERENCE OF MB CHURCHES - TOTAL DEPOSITS 1980-2011



It is on the shoulders of these men of faith that we now find ourselves in financial circumstances that allow us to boldly step forward into the mission field.

Our current financial circumstances show solid strength. We would like to see our support from churches grow and ongoing efforts to that end will continue. We understand the challenges we face in this regard but we also believe that opportunities exist for closer partnerships which will translate itself into a deeper financial responsibility. Meanwhile we are delighted at the opportunities that a strong stewardship program has done for us. The growth of the fund and corresponding earnings has allowed us to position ourselves to take the initiatives that we are not contemplating. As well it has allowed for the commitment to programs such as Leadership Development, Refocusing, and Ministry Advantage.

Our funds under management grew 11% last year. The attached chart shows how the fund has grown in the last 30 years, creating the opportunities that lie before us.



Alf Huebert

## CANADIAN CONFERENCE OF MB CHURCHES - SUMMARIZED BALANCE SHEETS

	CCMBC		Stewardship	
	2012	2011	2012	2011
<b>Assets</b>				
Current Assets	\$2,333,666	\$2,372,894	\$11,409,804	\$13,292
Investment Holdings			\$243,976,217	\$230,941,238
Capital Assets	\$300,429	\$352,948		
	<b>\$2,634,095</b>	<b>\$2,725,842</b>	<b>\$255,386,021</b>	<b>\$230,954,530</b>
<b>Liabilities</b>				
Current Liabilities	\$691,308	\$808,367	\$2,294,251	\$2,543,164
Fund Balances	\$1,257,002	\$1,249,437	\$239,036,709	\$214,691,696
	<b>\$1,948,310</b>	<b>\$2,057,804</b>	<b>\$241,330,960</b>	<b>\$217,234,860</b>
<b>Fund Balances</b>				
Restricted Reserves	\$843,930	\$896,449	\$14,055,061	\$13,719,670
Unrestricted Reserves	-\$158,145	-\$228,411		
	<b>\$685,785</b>	<b>\$668,038</b>	<b>\$14,055,061</b>	<b>\$13,719,670</b>
	<b>\$2,634,095</b>	<b>\$2,725,842</b>	<b>\$255,386,021</b>	<b>\$230,954,530</b>

# FINANCIAL REPORT CONTINUED

That brings us to the third story. This story will continue to develop during this convention and beyond. The need to reach the country with the Gospel is great and we are thankful that the Lord has found our forefathers faithful and blessed us with the opportunity to move ahead.

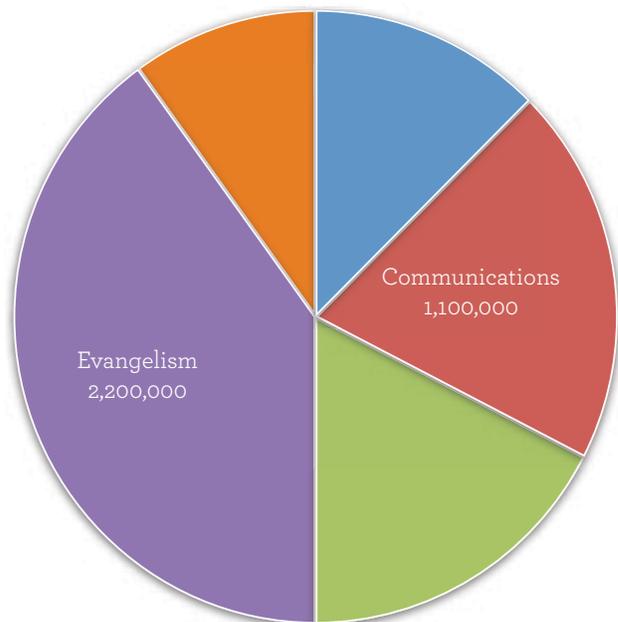
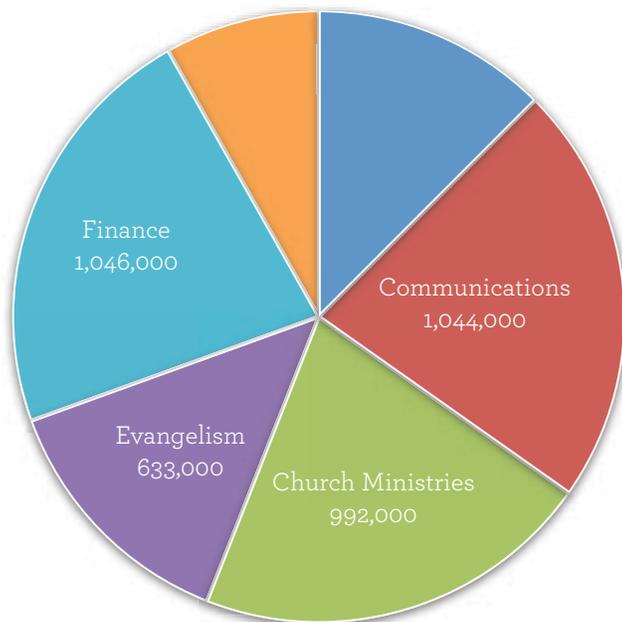
You will note a major step forward in our budgeting for this next year. We are proposing the allocation of some of our unallocated reserves, as well as creating ongoing expectations from Stewardship to create the financial opportunities before us. Among these changes will be a transfer of the entire Finance Department costs to Stewardship. Along with this commitment is our need to work with the provincial partners and churches to establish appropriate long term funding arrangements.

The Lord has abundantly blessed us and I believe He has found us faithful. We seek his guidance and direction as we take the next step forward in His care.

## CANADIAN CONFERENCE OF MB CHURCHES - DISTRIBUTION OF NET EXPENSES

Ministry Area	2011/2012	
Board/ED/BFL	585,000	
Communications	1,044,000	
Church Ministries	992,000	
Evangelism	633,000	
Finance	1,046,000	
Outside Agencies	384,000	

Ministry Area	2012/2013	
Board/ED/BFL	690,000	
Communications	1,100,000	
Church Ministries	960,000	
Evangelism	2,200,000	
Outside Agencies	550,000	



## CANADIAN CONFERENCE OF MB CHURCHES - DISTRIBUTION OF INCOME & EXPENSE

### 2012/13 BUDGET

#### INCOME

Church Contribution	Donations	Sales	Reserves	Stewardship Net Income
1,500,000	780,000	400,000	1,300,000	2,140,000

#### EXPENSE

Evangelism/ C2C	Leadership Dev	Communications	Brd/CMBS / BFL/Other	Agencies	Reserves
2,200,000	735,000	1,100,000	915,000	550,000	620,000

## CANADIAN CONFERENCE OF MB CHURCHES - SUMMARIZED INCOME STATEMENT AND BUDGET BY MINISTRY AREA

	CCMBC		Stewardship		Total	
	2011/2012 Actual	2012/2013 Budget	2011/2012 Actual	2012/2013 Budget	2011/2012 Actual	2012/2013 Budget
<b>Income</b>						
Church Support	\$1,435,512	\$1,500,000			\$1,435,512	\$1,500,000
Other	\$1,010,913	\$1,180,000	\$12,177,426	\$13,500,000	\$13,188,339	\$14,680,000
	<b>\$2,446,425</b>	<b>\$2,680,000</b>	<b>\$12,177,426</b>	<b>\$13,500,000</b>	<b>\$14,623,851</b>	<b>\$16,180,000</b>
<b>Expenses</b>						
Faith & Life	\$103,872	\$190,000			\$103,872	\$190,000
Centre for MB Studies	\$142,015	\$175,000			\$142,015	\$175,000
Board & Exec. Dir.	\$395,720	\$325,000			\$395,720	\$325,000
Communications	\$936,973	\$1,100,000			\$936,973	\$1,100,000
Church Ministries/Leadership Dev.	\$868,765	\$735,000			\$868,765	\$735,000
Reaching Out/ C2C	\$689,315	\$2,200,000			\$689,315	\$2,200,000
Finance	\$1,044,810	\$0	\$8,886,310	\$11,360,000	\$9,931,120	\$11,360,000
Other Agencies	\$298,208	\$550,000			\$298,208	\$550,000
Other New Initiatives		\$225,000				\$225,000
	<b>\$4,479,678</b>	<b>\$5,500,000</b>	<b>\$8,886,310</b>	<b>\$11,360,000</b>	<b>\$13,365,988</b>	<b>\$16,860,000</b>
Net before Reserves & Transfers	<b>-\$2,033,253</b>	<b>-\$2,820,000</b>	<b>\$3,291,116</b>	<b>\$2,140,000</b>	<b>\$1,257,863</b>	<b>-\$680,000</b>
From (to) Reserves	\$450,000	\$1,300,000	-\$1,690,116	-\$620,000	-\$1,240,116	\$680,000
Transfers	\$1,601,000	\$1,520,000	-\$1,601,000	-\$1,520,000	\$0	\$0
	<b>\$17,747</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$17,747</b>	<b>\$0</b>

# Making Disciples Among the Least Reached

One of our Khmu pastors in Northern Thailand met a shaman who was respected and feared in his village. The shaman came to our pastor and asked him to pray to Jesus for his sick son in the hospital. The shaman had already experienced his first 10 children dying before they reached the age of one. The spirits had claimed all their lives. He wanted his eleventh child to live. The pastor replied to him that he must first renounce all his covenants and agreements with the spirits and then he would pray for the child's healing. The shaman agreed, and Jesus did a miracle, healing this shaman's child in the hospital many kilometers away! The shaman was so amazed that he became a Christ follower and has been instrumental in leading 800 people in surrounding villages to Christ and planting many churches.

Listening to my brothers and sisters in Northern Thailand reminds me that church is not just a weekly religious service. Rather, its purpose is to be the hands and feet of Christ to neighbors in need – God's love in action.

One of the most familiar New Testament texts calling the Church to action is found in Matthew 28:18-20, "Then Jesus came to them and said, 'All authority in heaven and on earth has been given to me. Therefore go and make disciples of all nations, baptizing them in the name of the Father and of the Son and of the Holy Spirit, and teaching them to obey everything I have commanded you. And surely I am with you always, to the very end of the age.'"

At the heart of this Great Commission is the call to make disciples. Disciples are different than converts. Converts believe and confess; disciples obey and follow. It's a lot easier to make a convert than a disciple. It's also a lot easier to lose a convert. Am I a convert or a disciple? Jesus spoke to a religious culture that valued converts, but He called them to make disciples.

Jesus' words expand the context of our disciple making efforts into the unseen realm. Jesus is again declaring that His Kingdom has come (a common theme in Matthew's gospel) and He has been given all authority. This is now the central reference point for all personal and group identity and purpose. How we respond to this Kingdom and authority determines whether we become a disciple and carrier of Christ's gospel.

In a western culture where we often respond to Christ on our terms rather than His, these are challenging words.

Paul reminds us in Ephesians 2:1-3 that we were all under the authority of the world, the flesh and the devil before we experienced salvation. It is because God the Father raised Jesus Christ from the dead, "and seated him above all rule and authority, power and dominion... and God placed all things under his feet..." (Eph. 2:20, 21) that we too have been raised "with Christ and seated with him in heavenly realms..." (Eph. 2:6). Jesus liberated us from the authority of sin and death and gave us the authority to live for Him as His Kingdom citizens on earth. Without spiritual authority we can't become disciples or make disciples!

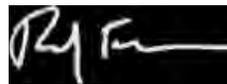
“  
Are we living on mission  
with Jesus wherever we are?  
”

*"All authority in heaven and on earth has been given to me. Therefore, go..."*

We make disciples as we are going. Are we living on mission with Jesus wherever we are, or are we leaving that for the 'professional' missionaries in foreign countries?

In the past generation, the Church has understood that "all nations" refers to people groups, not just geographical countries. There could be hundreds of "people groups" within one country. Some of these people groups have reproducing churches within them, others don't.

Prioritizing least-reached people groups has radically transformed how and where MB Mission places teams and invests resources. Please see the reverse side for specific ways God is building His Church globally.



Randy Friesen  
General Director



Prioritizing “least reached” people groups has radically changed how and where MB Mission places teams and invests resources.\*

195

*Khmu churches officially joined the MB family in 2012 (ICOMB)*

48%

*increase in house church attendance*

10

*North Americans completing church planting internships in 2012*

816

*short-term missions participants sent*

51%

*increase in new believers attending church in least reached areas*

24

*long-term candidates at orientation in last two years*

2,000

*new Arabic disciples in North Africa and the Middle East*

123%

*increase in baptized church members*

26

*new workers sent in the last two years from North America*

5,000

*Arabic discipleship manuals created*

143%

*increase in baptisms of new believers*

104

*evangelistic TV programs produced by Oasis Ministries*

20,640

*mission days by short-term participants*

Holistic church planting that transforms communities among the least reached.

re:TURN



New Years 2012  
2 Day Conference  
Abbotsford, BC  
[return2radical.com](http://return2radical.com)

ANNOUNCING re:TURN CONFERENCE

On New Year's Eve 2012, we invite 18 to 30 year-olds from the US and Canada to dedicate two days to re:TURN to Jesus' radical call. Passionate speakers will frame this gathering of authentic worship, relevant breakout sessions and intimate prayer groups. Our prayer is that re:PENTANCE will lead to re:NEWAL, and awaken a wave of God glorifying re:VIVAL in our generation.

**mbmission**   
going to the least reached

\*All figures based on 2011 unless otherwise specified.



## A New Seminary and a New Kind of Seminary

### *Life-long learning for life-long mission*

The MBBS report at Gathering 2010 marked the end of the Canadian Conference's 35-year partnership with the US Conference in a seminary education based in Fresno, CA. Just as a fallen tree in a forest sometimes becomes a nurturing log for new growth, so too did the monumental legacy of a bi-national seminary experience assist in giving birth to a new vision for Mennonite Brethren graduate theological in Canada that led to the formation of **MBBS Canada**. The following identifies key milestones that have transpired since 2010.

- During 2010-11 the Canadian Seminary Commission conducted a national survey, and organized multiple focus groups across Canada through which they discerned a deep interest and commitment to MB graduate theological education and leadership development. They forged ahead with plans to create a new seminary in Canada.

#### **Why MBBS Canada Exists**

- Ownership for the new MBBS Canada is securely lodged with CCMBC to insure theological and missional alignment. The Executive Board of CCMBC approved the Constitution and Bylaws, and appointed a Board that is led by John Unger. MBBS Canada is registered as a non-profit society in the province of BC, and officially began operation on June 1, 2011.
- MBBS Canada exists **to educate and equip people who help lead the Church in reaching Canada and the world with the good news of Jesus Christ**. MBBS Canada's role is to help Mennonite Brethren understand their evangelical Anabaptist theological identity in a way that inspires and strengthens commitment to mission and discipleship.

#### **Partnerships with Mission Compatible Schools**

- Instead of pouring valuable and limited financial and human resources into building a single campus, MBBS Canada opted instead to utilize the collaborative partnerships with mission-compatible institutions for the delivery of graduate degree programs. While partnerships are complex, they are also cost-effective, increase flexibility, and offer a good kingdom witness. Our partnerships include (1) membership in **ACTS Seminaries** (Langley, BC), a consortium that MBBS (Fresno) joined in 1999, (2) an affiliation agreement with **Canadian Mennonite University** for involvement in its newly organized Graduate School of Theology and Ministry (Winnipeg), and (3) participation in a seminary course delivery site in Edmonton called "The Journey."

### **New Systems**

- A portion of the assets owned by MBBS (Fresno) was transferred to MBBS Canada including funds designated for student aid. New systems have been created to manage constituency communication (e.g., new website), student recruitment, advancement, and accounting. MBBS Canada continues to seek a degree granting charter from the government of BC.

### **Strategic Plan**

- In January 2012 MBBS Canada completed a strategic planning process that proposes a three-tiered educational plan: Tier 1 – offering access to 10 different accredited degree programs that provide specialized training in Christian leadership, pastoral service, cross-cultural studies, marriage and family therapy, and biblical and theological research. Tier 2 – assisting other MB ministry training initiatives projects (e.g., MB Mission, C2C, PCO, etc.); and Tier 3 – the development of non-formal, spiritual enrichment, and professional development learning opportunities. Our vision is to facilitate *life-long learning for life-long mission*.

### **Accessibility**

- To make MBBS Canada courses more accessible, many are offered in one-week modular format. Four online courses are being developed (in partnership with FPBS) for delivery as early as fall of 2012. These sources include “The MB Story,” “MB Convictions and Confessions,” “OT Theology,” and “NT Theology.”

### **People**

- A seminary exercises influence primarily through people. Dr. Bruce Guenther is appointed as the first president of MBBS Canada. Three additional faculty have been added (Dr. Randy Wolff [ACTS campus], Dr. Brian Cooper [ACTS campus], and Andrew Dyck joins Dr. Pierre Gilbert on the CMU campus. Faculty have been prominent contributors at key denominational events including BFL Study Conference, Pastors Credentialing Orientation, and MB Mission’s training program.

### **Students**

- Enrolment remains steady due to the established reputation of the programs at ACTS Seminaries and CMU. Student satisfaction with the seminary also remains high, again due to established faculty at both campuses. The total number of students enrolled each year through MBBS Canada at ACTS Seminaries varies between 60-75. Approximately 25% of the 45 students currently enrolled in CMU graduate programs are Mennonite Brethren. Our vision is to have MBBS Canada be the *preferred choice* for quality graduate theological education among Mennonite Brethren in Canada that develops godly, biblically and theologically literate, mission-oriented, and skilled, pastors and leaders.

### **Financial Summary**

- Budget for the first year of operation (2011-2012) was \$900K. Primary sources of revenue include churches, individual donors, CCMBC and endowment earnings. The fiscal year ended with a small surplus. Budget for 2012-2013 is \$1.01M.

The challenges facing pastors and church leaders are not diminishing; the need for trained leaders capable of bringing solid biblical teaching and theological reflection to our rapidly changing cultural contexts is a mission critical task! God has answered many prayers, and God’s people have been patient, supportive, and generous as we have sought. Thank you!

# MENNONITE BRETHREN HISTORICAL COMMISSION REPORT



## MB Historical Commission Report 2012

The Mennonite Brethren Historical Commission serves the Mennonite Brethren (MB) churches of USA and Canada by gathering and communicating the stories of this denomination's history, in order to gain wisdom for the ways Mennonite Brethren continue to participate in God's mission. This is a work of spiritual discernment: looking carefully at both the ordinary and spectacular events of the past in order to recognize God's presence and leading, so that Mennonite Brethren can better recognize God's presence and leading today.

In the past two years the Historical Commission has published four books that help with this discernment. *Renewing Identity and Mission* is a compilation of most of the presentations from the very successful study conference in 2010 marking the 150<sup>th</sup> MB anniversary. *Heirs and Joint Heirs* by Paul Wiebe features the work of MB missions and churches in India. *In Another Day of the Lord* by Paul and David Wiebe presents that history with pictures. *Celebrating 150 Years: The Mennonite Brethren Church Around the World*, released at the MB anniversary, has now been published in Spanish and will soon be published in German. These books are available for sale at the Kindred Productions display table and at [www.kindredproductions.com](http://www.kindredproductions.com). Kindred is currently offering deeply discounted prices on many of the Commission's other books.

The Commission continues to publish *Profiles* three or four times a year. These pamphlets feature stories from around the world about Mennonite Brethren who are no longer living. Stories are chosen that speak to topics of current interest. Karma, persecution, evangelism and urban street ministry have all been addressed. *Profiles* are sent free of charge to all MB churches that request them—whether as pamphlets or PDFs. Eighty-five percent of US and Canadian MB Churches receive *Profiles*. More than 30,000 copies of each issue are printed and mailed. The Commission welcomes suggestions of people with stories to be told, and of prospective writers.

The website [www.mbhistory.org](http://www.mbhistory.org) provides a timeline of MB history, all 52 *Profiles*, a list of recommended readings, and a guide to help churches submit their records to MB archives. By the time you receive this report, the website should also include searchable editions of several important books written about MB history, as well as all the resolutions of the MB General Conference from 1878-2002. More information about Mennonite Brethren and other Mennonites is available at [www.gameo.org](http://www.gameo.org), one of the most consulted religious encyclopedias online. (The Commission is a partner in this inter-Mennonite endeavour.)

Last year, the Commission provided financial assistance to the Historical Library and Archives of the India MB Conference in Shamshabad. Seventy-eight years of the Indian MB periodical *Suvarthamani* are now accessible on a computer (Winnipeg's Centre for MB Studies digitized the periodicals), and the number of archival personnel can now be increased.

This work is all done in conjunction with three Centres for MB Studies (Fresno, Hillsboro, Winnipeg) and the Mennonite Historical Society of BC (Abbotsford). The directors and archivists at these centres love to assist with people's questions and research projects. Last year, for instance, they located photos, answered questions about Mennonite self-defense in Russia and about the civil rights movement, displayed MB dispensational charts, tracked down stories about people's relatives, investigated MB theological trends, and more.

Looking forward, the Commission recently considered projects such as a book of forgotten MB stories from Russia, research projects about MB women, creative ways of introducing the archives to younger researchers, and methods of archiving churches' ever-changing websites.

It has been my pleasure to serve you as the Commission's executive secretary since January 2011. Although I am resigning this summer in order to join the faculty of MBBS Canada in Winnipeg, I commend the Commission to you. These people are dedicated to helping us remember what we have received and heard, so that we will know how to follow Jesus our Lord (Rev. 3:3).

Serving you in His name,  
Andrew Dyck, executive secretary

MB Historical Commission Board members: Abe Dueck (Winnipeg), Dora Dueck (Winnipeg), Don Isaak (Hillsboro), Peter Klassen (Fresno), Valerie Rempel (Fresno), Ben Stobbe (Victoria).  
Representatives of archival centres: Kevin Enns-Rempel (Fresno), Peggy Goertzen (Hillsboro), Jon Isaak (Winnipeg), Richard Thiessen (Abbotsford).

# ICOMB REPORT

## WHAT IS ICOMB?

It is the International Community of Mennonite Brethren. 20 members – national conferences in every continent. Approximately 400,000 individual members. It is our global denominational family.

## WHAT IS ICOMB'S MISSION?

ICOMB exists to facilitate expanding, strengthening and connecting relationships and ministries which enhance the witness and discipleship of member conferences. ICOMB 'holds space open' for Mennonite Brethren around the world to relate to one another and spur each other on in God's work.

## WHAT DOES ICOMB DO?

International Confession of Faith: accepted by all members. Mission Capacity Building: cooperate with MB Mission in all conferences to extend our witness globally. Education: the Global Scholarship Fund disburses grants up to \$100,000 per year to more than 125 students; consultations for MB schools in which we set educational direction and global activities; Global Learning Network – online lectures on Anabaptist themes for students everywhere.

## WHAT'S NEW?

A new conference based in North Thailand was accepted into membership. Lithuania and Ukraine attended May Summit as guests to begin membership process steps. Continental groups met to report and discuss mission capacity building outcomes among our national churches. David Wiebe was affirmed as full time Executive Director until 2015.

## PRAISE AND PRAYER

Praise God for our international family. The leaders showed tremendous levels of love and fellowship. There are also challenges to address, some too sensitive to mention in this report. If you want to join the ICOMB prayer team (and receive a monthly Prayer Update) please contact davidw@icomb.org .

**David Wiebe,**  
Executive Director, ICOMB.





# ÉCOLE DE THÉOLOGIE ÉVANGÉLIQUE DE MONTRÉAL



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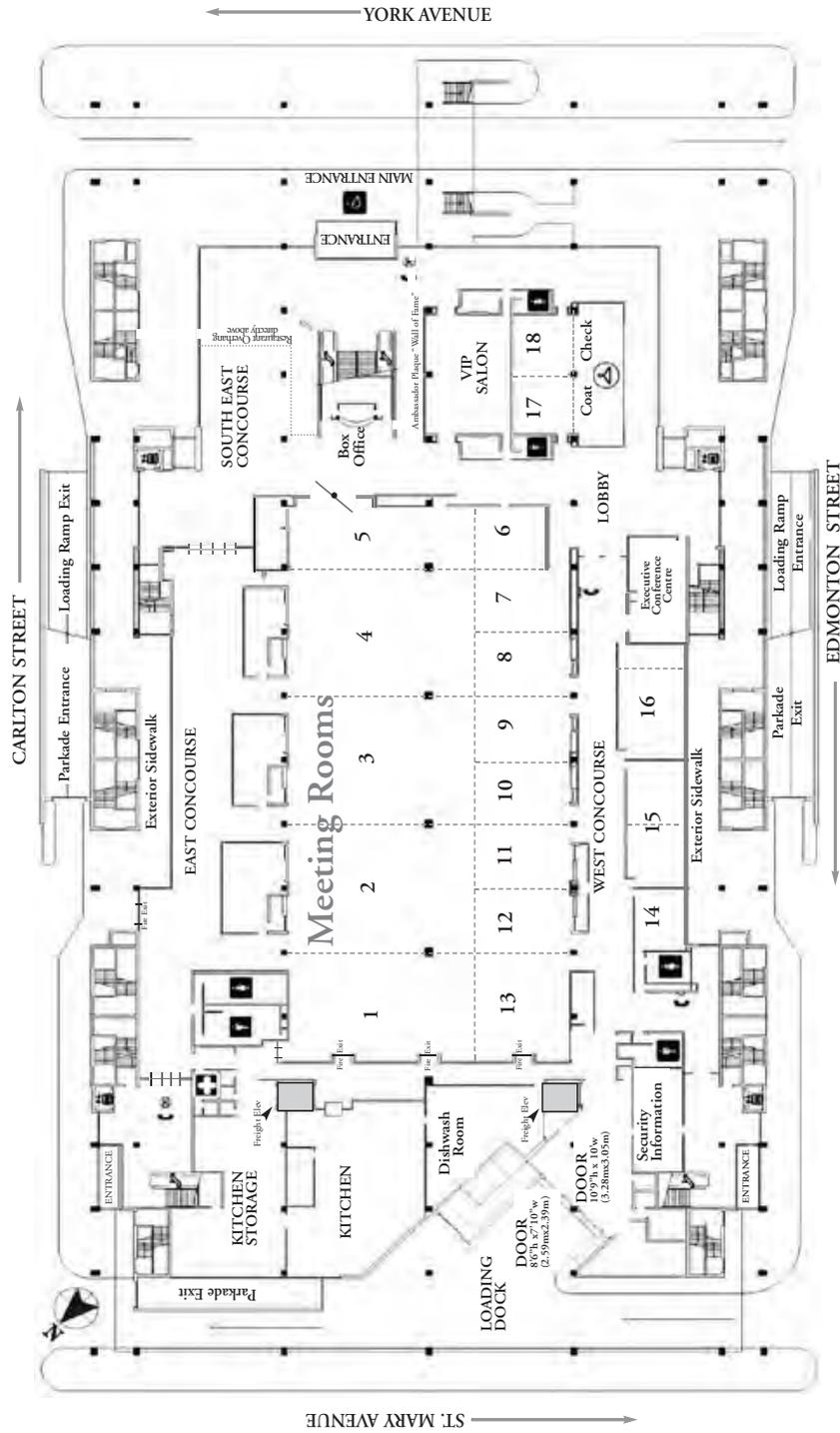
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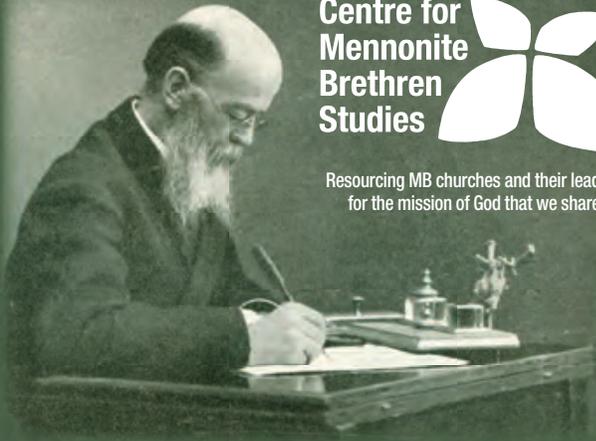
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# WINNIPEG CONVENTION CENTRE MAP





**Centre for Mennonite Brethren Studies** 

Resourcing MB churches and their leaders for the mission of God that we share

**MAKING HISTORY TOGETHER AT GATHERING 2012**

-  Preserving and maintaining historical records of churches, schools, and people
-  Assisting in research and writing on topics of historical and theological interest to MBs
-  Publishing quarterly newsletter, *Mennonite Historian*

[www.mbconf.ca/cmbs](http://www.mbconf.ca/cmbs) or toll free: 1-888-669-6575

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**GATHERING 2012**  
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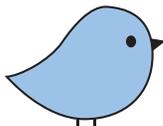
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Check out [gathering.mbconf.ca](http://gathering.mbconf.ca) for daily blogs and event information while you're here in Winnipeg.

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**THE CANADIAN CONFERENCE OF  
THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA**

**Financial Statements**  
For the year ended May 31, 2012

# THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA

**Financial Statements**  
For the year ended May 31, 2012

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www.bdo.ca

BDO Canada LLP/s.r.l.  
700 - 200 Graham Avenue  
Winnipeg MB R3C 4L5 Canada

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## Independent Auditor's Report

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To the Board of Directors of THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA

We have audited the accompanying financial statements of THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA, which comprise the balance sheet as at May 31, 2012, and the statements of revenues and expenditures, changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, 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.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA as at May 31, 2012 and the results of its operation and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



### Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. These financial statements present only the division of the Canadian Conference of Mennonite Brethren Churches of North America which consists of the national activities of the Conference and its Boards, excluding the financial position, results of operations and cash flows of the Stewardship Division, CCMBC Holdings Inc. and The Christian Press. As a result, some users may require additional information.

*BDO Canada LLP*

Chartered Accountants

Winnipeg, Manitoba  
June 28, 2012

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**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA  
Balance Sheet**

**May 31** **2012** **2011**

---

**Assets**

**Current Assets**

Cash on deposit	\$ 2,150,418	\$ 1,926,979
Donated securities	20,224	25,402
Accounts receivable	76,313	201,540
Inventories	17,219	19,068
Prepaid expenses	69,492	60,907
Due from Stewardship Division	-	138,998
	2,333,666	2,372,894

**Capital assets (Note 2)**

**300,429** **352,948**

**\$ 2,634,095** **\$ 2,725,842**

---

**Liabilities and Fund Balances**

**Current Liabilities**

Accounts payable and accruals	\$ 627,594	\$ 808,367
Due to Stewardship Division	63,714	-
	691,308	808,367

**Trust Funds (Note 4)**

**33,652** **51,177**

**Externally Restricted Funds and Funds Held in Trust (Note 5)**

**1,223,350** **1,198,260**

**1,948,310** **2,057,804**

**Fund Balances**

Unrestricted	(158,145)	(228,411)
Internally restricted	543,501	543,501
Invested in capital assets	300,429	352,948
	685,785	668,038

**\$ 2,634,095** **\$ 2,725,842**

---

Approved on behalf of the Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA  
Statement of Revenue and Expenditures**

<b>For the year ended May 31</b>	<b>2012</b>		<b>2011</b>
	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
<b>Revenue</b>			
Contributions	\$ 4,262,900	\$ 4,505,396	\$ 4,156,903
Sales	539,825	617,532	721,187
Cost of goods sold	(118,725)	(134,454)	(135,703)
Net sales	421,100	483,078	585,484
	<b>4,684,000</b>	<b>4,988,474</b>	<b>4,742,387</b>
<b>Expenditures</b>			
Staffing	2,014,250	2,198,886	1,954,151
Specific programming costs	1,502,400	1,230,735	1,331,492
Support of outside agencies	392,650	838,249	456,323
Office expenses	520,425	497,489	497,275
Board costs and convention	176,000	132,136	330,269
Public relations costs	48,400	49,462	61,922
Interest and intercompany costs	29,875	23,770	87,919
	<b>4,684,000</b>	<b>4,970,727</b>	<b>4,719,351</b>
<b>Excess of revenue over expenditures for the year</b>	<b>\$ -</b>	<b>\$ 17,747</b>	<b>\$ 23,036</b>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA**  
**Statement of Changes in Fund Balances**

<b>For the year ended May 31</b>				<b>2012</b>			<b>2011</b>
	<b>Capital Assets</b>	<b>Invested in Internally Restricted</b>	<b>Unrestricted</b>	<b>Total</b>		<b>Total</b>	
<b>Balance, beginning of year</b>	\$ 352,948	\$ 543,501	\$ (228,411)	\$ 668,038	\$	645,002	
<b>Excess (deficiency) of revenue over expenditures for the year</b>	(81,587)	-	99,334	17,747		23,036	
<b>Purchase of capital assets</b>	29,068	-	(29,068)	-		-	
<b>Balance, end of year</b>	\$ 300,429	\$ 543,501	\$ (158,145)	\$ 685,785	\$	668,038	

**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA  
Statement of Cash Flows**

<b>For the year ended May 31</b>	<b>2012</b>	<b>2011</b>
<b>Cash Flows from Operating Activities</b>		
Excess of revenue over expenditures for the year	\$ 17,747	\$ 23,036
Adjustment for amortization	81,587	85,072
	<u>99,334</u>	108,108
Changes in non-cash working capital		
Donated securities	5,178	(9,391)
Accounts receivable	125,227	(42,404)
Inventory	1,849	13,747
Prepaid expenses	(8,585)	31,888
Accounts payable and accruals	(180,773)	(132,223)
Trust Funds	(17,525)	(40,809)
Due from Stewardship Division	202,712	(3,344,325)
Deferred revenue	-	(34,389)
	<u>227,417</u>	<u>(3,449,798)</u>
<b>Cash Flows from Investing Activities</b>		
Capital assets purchased	<u>(29,068)</u>	<u>(23,706)</u>
<b>Cash Flows from Financing Activities</b>		
Externally restricted funds and funds held in trust	<u>25,090</u>	<u>798,300</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>223,439</b>	<b>(2,675,204)</b>
<b>Cash and cash equivalents, beginning of year</b>	<u><b>1,926,979</b></u>	<u><b>4,602,183</b></u>
<b>Cash and cash equivalents, end of year</b>	<u><b>\$ 2,150,418</b></u>	<u><b>\$ 1,926,979</b></u>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

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# THE CANADIAN CONFERENCE OF THE MENNONITE BROTHERS CHURCH OF NORTH AMERICA

## Summary of Significant Accounting Policies

**For the year ended May 31, 2012**

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These financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting principles summarized below:

<b>Cash and Deposits</b>	Fund accounting is normally employed by the Conference with the exception of cash and deposits which cannot be segregated by fund. These amounts are "pooled" to facilitate investment of the funds.								
<b>Externally Restricted Funds</b>	Restricted funds include trust funds for donations and fundraising which are ear-marked for specific organizations and activities. Restricted funds are not available for general use by the Conference.								
<b>Amortization</b>	<p>Capital assets are amortized in the capital fund using the straight-line method at the following rates:</p> <table><tr><td>Computer equipment</td><td style="text-align: right;">20 - 30%</td></tr><tr><td>Office equipment and furniture</td><td style="text-align: right;">5 - 30%</td></tr><tr><td>Photocopy equipment</td><td style="text-align: right;">20 - 30%</td></tr><tr><td>Leasehold improvements</td><td style="text-align: right;">33%</td></tr></table> <p>No amortization is taken on capital assets in the year of acquisition.</p>	Computer equipment	20 - 30%	Office equipment and furniture	5 - 30%	Photocopy equipment	20 - 30%	Leasehold improvements	33%
Computer equipment	20 - 30%								
Office equipment and furniture	5 - 30%								
Photocopy equipment	20 - 30%								
Leasehold improvements	33%								
<b>Gifts in Kind</b>	Donated capital assets are recorded at fair market value when such values can be reasonably determined. The Conference has elected not to record the fair value of donated materials and services.								
<b>Pledges</b>	Pledges are accounted for on a cash basis.								
<b>Income Taxes</b>	The Canadian Conference of the Mennonite Brethren Church of North America is registered as a charitable organization under the Income Tax Act and is in compliance with the requirements of the Act to maintain its non-taxable status.								
<b>Inventories</b>	Inventories are measured at the lower of cost and net realizable value. Cost is determined on the first-in, first-out basis.								

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# THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA

## Summary of Significant Accounting Policies

For the year ended May 31, 2012

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### Financial Instruments

The Conference utilizes various financial instruments.

All transactions related to financial instruments are recorded on a settlement date basis.

The Conference classifies its financial instruments as follows based on the purpose for which the asset was acquired and follows the disclosed accounting policy for each category.

<u>Assets/Liability</u>	<u>Category</u>	<u>Measurement</u>
Cash on deposit	Held for trading	Fair value
Donated securities	Held for trading	Fair value
Accounts receivable	Loans and receivables	Amortized cost
Due from related parties	Loans and receivables	Amortized cost
Accounts payable and accruals	Other financial liabilities	Amortized cost
Due to related parties	Other financial liabilities	Amortized cost

- Held for trading items are carried at fair value, with changes in their fair value recognized in the non-consolidated statement of revenue and expenditures.
- Loans and receivables are carried at amortized cost, using the effective interest rate method, less any provision for impairment.
- Other financial liabilities are carried at amortized cost, using the effective interest method.

Transaction costs are expensed as incurred.

Except as noted below, it is management's opinion that the Conference is not exposed to any significant price, credit, liquidity, or cash flow risks arising from these financial instruments.

*Currency Risk* - Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of the organization investing in foreign currencies and converting non-Canadian earnings at different points in time at different foreign exchange levels. The Conference currently holds foreign cash and manages this cash for the purposes of achieving foreign exchange gains and meeting the cash requirements of the organization. This cash management approach exposes the Conference to changes in exchange rates which can affect the fund balances.

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# THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA

## Summary of Significant Accounting Policies

For the year ended May 31, 2012

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### Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

### Revenue Recognition

The Conference follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are recognized. Unrestricted contributions are recognized as revenue when received. Sales revenue is recognized when the order is shipped or picked up by the customer.

### Internally Restricted Funds

Internally restricted funds are amounts restricted for specified purposes and are not available for other purposes without approval from the board of directors.

### New Accounting Pronouncement

#### Accounting Standards for Not-for-Profit Organizations (NPO)

In December 2010, the Accounting Standards Board (AcSB) and Public Sector Accounting Board (PSAB) issued new standards for not-for-profit organizations (NPOs) as follows:

For non-government (private sector) NPOs, they have a choice of:

1. International Financial Reporting Standards ("IFRS") or
2. Accounting Standards for NPOs (which is essentially the Accounting Standards for Private Enterprises with the current 4400 series of NPO specific standards added with some minor changes)

The Boards require NPOs to adopt their respective standards for year ends beginning on or after January 1, 2012; early adoption is allowed. Until the date of transition to the new standards, all NPOs will continue to follow the current Canadian Institute of Chartered Accountants Handbook – Accounting Part V – Pre-Changeover Standards.

# THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA

## Notes to Non-consolidated Financial Statements

For the year ended May 31, 2012

### 1. Entity Definition and Basis of Financial Statements

The Canadian Conference of the Mennonite Brethren Church of North America was incorporated by an Act of the Parliament of Canada on November 25, 1945. These financial statements present the national activities of the Conference and its Boards excluding the Stewardship Division, the activities of CCMBC Holdings Inc. and The Christian Press. Separate financial statements have been prepared for the Stewardship Division and The Christian Press.

The Canadian Conference's financial statements also do not reflect the assets, liabilities, revenue, expenses and cash flows of the various colleges funded by the Conference nor do they reflect the activities of the separately incorporated provincial conferences, individual congregations and Mennonite Brethren Mission Services International.

### 2. Capital Assets

	2012		2011	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Computer equipment	\$ 167,188	\$ 109,525	\$ 142,037	\$ 86,279
Office equipment & furniture	619,096	376,330	630,565	333,375
Photocopy equipment	3,890	3,890	3,890	3,890
Leasehold Improvement	15,000	15,000	15,000	15,000
	<b>\$ 805,174</b>	<b>\$ 504,745</b>	<b>\$ 791,492</b>	<b>\$ 438,544</b>
Cost less accumulated amortization		<b>\$ 300,429</b>		<b>\$ 352,948</b>

### 3. Line of Credit and Standby Letter of Credit

The Canadian Conference of the Mennonite Brethren Church of North America has a line of credit with the Bank of Montreal for use by the Conference and its divisions in the aggregate amount of \$2,750,000, bearing interest at prime rate (3.00% at May 31, 2012) and is secured by the investments of the Conference. At May 31, 2012, the line of credit was \$263,531.

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**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHERN  
CHURCH OF NORTH AMERICA**  
**Notes to Non-consolidated Financial Statements**

For the year ended May 31, 2012

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**4. Trust Funds**

	2012	2011
Institute Biblique Laval	\$ -	\$ 100
MB Missions/Services	-	32,101
Mennonite Brethren Biblical Seminary	-	49
United Bible Society	<b>32,144</b>	15,027
World Impact	<b>1,508</b>	3,900
	<b>\$ 33,652</b>	<b>\$ 51,177</b>

**5. Externally Restricted Funds and Funds Held in Trust**

	2012	2011
<u>Externally Restricted Funds</u>		
Emerging Leaders	<b>\$ 165,802</b>	\$ 119,251
Centre for Mennonite Brethren Studies	<b>11,830</b>	10,664
	<b>177,632</b>	129,915
<u>Funds Held in Trust</u>		
Employee/Employer Benefit Plan	<b>1,045,718</b>	1,068,345
	<b>\$ 1,223,350</b>	<b>\$ 1,198,260</b>

Funds held in trust represent employee/employer contributions received in excess of benefits paid out and a reserve for unrecorded benefit claims.

**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA**  
**Notes to Non-consolidated Financial Statements**

For the year ended May 31, 2012

**6. Membership**

	<u>Membership</u>		<u>Total Income</u>		<u>% of Budget</u>		<u>Average per Member</u>
2011/2012 Income by Province							
Alberta	2,233	\$	119,103		8.21	\$	53.34
British Columbia	19,669		613,976		42.34		31.22
Manitoba	6,326		373,489		25.76		59.04
Ontario	4,554		153,875		10.61		33.79
Saskatchewan	3,031		167,193		11.53		55.16
Quebec and Maritimes	700		7,876		0.54		11.25
	<u>36,513</u>	<u>\$</u>	<u>1,435,512</u>		<u>98.99</u>	<u>\$</u>	<u>39.30</u>
2010/2011	36,513	\$	1,457,327		80.96	\$	39.91
2009/2010	36,821	\$	1,429,021		81.80	\$	38.81
2008/2009	37,291	\$	1,590,952		91.07	\$	42.66
2007/2008	36,785	\$	1,625,171		93.03	\$	44.18

**7. Pension Plan**

The Canadian Conference of the Mennonite Brethren Church of North America is the sponsor of a money purchase pension plan. Members of the plan include employees of the Conference and related organizations. The cost of funding the plan is shared by employee and employer. The rate of employer contributions to the fund in 2011/2012 was 5% of the employee salaries. The pension expense for the year ended May 31, 2012 was \$67,308 (\$61,566 in 2011).

**8. Related Party Transactions**

The Canadian Conference of the Mennonite Brethren Church of North America administers group benefit plans for related parties and charges related parties for costs incurred on their behalf. Accounts receivable are primarily comprised of amounts due from related parties, which are recorded at the exchange amount.

The amount due from (to) the Stewardship Division does not bear interest and has no specific terms of repayment.

Contributions received from The Canadian Conference of the Mennonite Brethren Church of North America - Stewardship Division were \$2,051,000 (\$1,725,000 in 2011).

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**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA**  
**Notes to Non-consolidated Financial Statements**

**For the year ended May 31, 2012**

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**9. Capital Management**

The Conference considers its capital to be comprised of its unrestricted funds, internally restricted funds, and funds invested in capital assets. There have been no changes to what the Conference considers to be its capital since the previous period.

As a not-for-profit entity, the Conference's operations are reliant on revenues generated annually. The Conference has accumulated fund balances over its history, which are included in the non-consolidated balance sheet. A portion of the accumulated unrestricted and internally restricted contingency funds are retained as working capital (current assets less current liabilities) which may be required from time to time due to timing delays in receiving its contributions. The remaining general funds are available for the use of the Conference at the Board's discretion.

**THE CANADIAN CONFERENCE OF  
THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION**

**Consolidated Financial Statements  
For the year ended May 31, 2012**

**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION**

**Consolidated Financial Statements**  
For the year ended May 31, 2012

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## Independent Auditor's Report

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**To the Board of Directors of  
THE CANADIAN CONFERENCE OF THE MENNONITE BRETHERN CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION**

We have audited the accompanying consolidated financial statements of **THE CANADIAN CONFERENCE OF THE MENNONITE BRETHERN CHURCH OF NORTH AMERICA - STEWARDSHIP DIVISION** which comprise the statement of financial position as at May 31, 2012, and the statements of revenue and expenditures, changes in internally restricted reserves, endowment funds and consolidated cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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



**Opinion**

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of **THE CANADIAN CONFERENCE OF THE MENNONITE BROTHERS CHURCH OF NORTH AMERICA - STEWARDSHIP DIVISION** as at May 31, 2012 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

*BDO Canada LLP*

Chartered Accountants

Winnipeg, Manitoba  
June 28, 2012

**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION  
Consolidated Statement of Financial Position**

May 31	2012	2011
<b>Assets</b>		
<b>Current Assets</b>		
Cash and term deposits (Note 2)	\$ 7,566,867	\$ -
Accounts receivable	211,540	10,624
Inventory	18,243	-
Prepaid expenses	3,069	2,668
Due from The Canadian Conference (Note 11)	63,714	-
Land held for sale (Note 5)	3,546,371	-
	11,409,804	13,292
<b>Mortgages and Loans Receivable</b>		
Area conference, churches and special accounts (Notes 3 and 10)	66,466,396	62,786,247
<b>Land held for development</b>	31,981,679	32,585,581
<b>Marketable securities</b> (Note 4)	140,624,749	130,814,801
<b>Capital assets</b> (Note 6)	4,903,393	4,754,609
	\$255,386,021	\$230,954,530
<b>Liabilities and Fund Balances</b>		
<b>Current Liabilities</b>		
Bank indebtedness (Notes 2 and 7)	\$ -	\$ 315,437
Accounts payable	2,294,251	2,088,729
Due to The Canadian Conference (Note 11)	-	138,998
	2,294,251	2,543,164
<b>Commitments</b> (Note 10)		
<b>Fund Balances - Restricted</b>		
Trust Fund	171,003,403	154,410,226
Gift Annuity Fund	557,959	614,859
R.R.S.P. Trust Fund (Note 8)	53,332,614	49,276,464
Endowment Funds Capital	2,337,122	2,876,035
Tax Free Savings Accounts (Note 8)	11,805,611	7,514,112
	239,036,709	214,691,696
<b>Internally Restricted Reserves</b>		
Reserve for investment	10,409,226	10,235,835
Operating reserve	1,810,520	1,810,520
Stabilization reserve	1,673,315	1,673,315
Tithe reserve	162,000	-
	14,055,061	13,719,670
	\$255,386,021	\$230,954,530

Approved on behalf of the Governing Board:

\_\_\_\_\_ Director  
\_\_\_\_\_ Director

**THE CANADIAN CONFERENCE OF THE MENNONITE BROTHERS CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION  
Statement of Revenue and Expenditures**

For the year ended May 31

2012

2011

	Endowment Fund	Trust Fund	Gift Annuity Fund	R.R.S.P. & TFSA Trust Fund	Total	Total
<b>Revenue</b>						
Interest earned	\$ 19,176	\$ 7,895,365	\$ 82,359	\$ 2,739,645	\$ 10,736,545	\$ 10,095,427
Rental Income	-	131,915	-	-	131,915	155,952
Gain on disposal of investments	-	1,023,354	-	-	1,023,354	858,665
CCMBC Holdings Inc. (Note 14)	-	285,612	-	-	285,612	-
	<u>19,176</u>	<u>9,336,246</u>	<u>82,359</u>	<u>2,739,645</u>	<u>12,177,426</u>	<u>11,110,044</u>
<b>Expenditures</b>						
Operating expenses	-	775,583	-	801,416	1,576,999	1,417,663
Interest	19,176	4,960,613	82,359	1,938,229	7,000,377	6,457,905
CCMBC Holdings Inc. (Note 14)	-	308,934	-	-	308,934	-
	<u>19,176</u>	<u>6,045,130</u>	<u>82,359</u>	<u>2,739,645</u>	<u>8,886,310</u>	<u>7,875,568</u>
<b>Excess of revenue over expenditures for the year before allocations</b>	<u>-</u>	<u>3,291,116</u>	<u>-</u>	<u>-</u>	<u>3,291,116</u>	<u>3,234,476</u>
<b>Allocations</b>						
Disbursement of funds to Canadian Conference and other organizations	-	(2,051,000)	-	-	(2,051,000)	(1,725,000)
Allocation to tithe fund	-	(162,000)	-	-	(162,000)	-
Allocation to investment reserve	-	(1,078,116)	-	-	(1,078,116)	(1,509,476)
	<u>-</u>	<u>(3,291,116)</u>	<u>-</u>	<u>-</u>	<u>(3,291,116)</u>	<u>(3,234,476)</u>
<b>Unallocated balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA**  
**- STEWARDSHIP DIVISION**  
**Consolidated Statement of Changes in Internally Restricted Reserves**

<b>For the year ended May 31</b>						<b>2012</b>	<b>2011</b>
	<b>Reserve for Investment</b>	<b>Operating Reserve</b>	<b>Stabilization Reserve</b>	<b>Tithe Reserve</b>	<b>Total</b>	<b>Total</b>	
<b>Reserve balance, beginning of year</b>	<b>\$10,235,835</b>	<b>\$ 1,810,520</b>	<b>\$ 1,673,315</b>	<b>\$ -</b>	<b>\$13,719,670</b>	<b>\$10,165,497</b>	
<b>Adjustment for unrealized gains (losses) on investments</b>	<b>(904,725)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(904,725)</b>	<b>2,044,697</b>	
<b>Allocations</b>	<b>1,078,116</b>	<b>-</b>	<b>-</b>	<b>162,000</b>	<b>1,240,116</b>	<b>1,509,476</b>	
<b>Reserve balance, end of year</b>	<b>\$10,409,226</b>	<b>\$ 1,810,520</b>	<b>\$ 1,673,315</b>	<b>\$ 162,000</b>	<b>\$14,055,061</b>	<b>\$13,719,670</b>	

**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION  
Consolidated Statement of Endowment Funds**

For the year ended May 31

2012

	Balance of Funds May 31, 2011	Gifts & Transfers in during Year	Withdrawals & Transfers out during Year	Reinvested Earnings during Year	Balance of Funds May 31, 2012
C.M.U. Endowment Funds	\$ 207,008	\$ -	\$ (500)	\$ 67	\$ 206,575
Manitoba Conference Endowment Funds	73,797	-	-	-	73,797
M.B.B.S. Endowment Funds	328,088	-	(11,200)	-	316,888
M.B.M.S.I. Endowment Funds	438,301	-	(439,038)	737	-
Evangelism Endowment Funds	208,803	13,032	(25,000)	-	196,835
Family Endowment Funds	1,620,038	-	(100,000)	22,989	1,543,027
<b>Total Endowment Funds</b>	<b>\$ 2,876,035</b>	<b>\$ 13,032</b>	<b>\$ (575,738)</b>	<b>\$ 23,793</b>	<b>\$ 2,337,122</b>

**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION  
Consolidated Statement of Cash Flows**

<b>For the year ended May 31</b>	<b>2012</b>	<b>2011</b>
<b>Cash Flows from Operating Activities</b>		
Adjustment for		
Amortization	\$ 183,572	\$ 154,917
Loss on capital asset disposals	73,075	17,935
Changes in non-cash working capital		
Accounts receivable	(200,916)	5,143
Prepaid expenses	(401)	4,274
Accounts payable	205,522	54,599
Due to (from) Canadian Conference	(202,712)	3,344,325
Inventory	(18,243)	-
	<u>39,897</u>	<u>3,581,193</u>
<b>Cash Flows from Financing Activities</b>		
Trust Fund	16,593,177	2,596,579
Annuities	(56,900)	(40,274)
R.R.S.P. Trust Fund	4,056,150	3,761,027
Endowment Funds	(538,913)	(2,589,976)
Tax Free Savings Accounts	4,291,499	3,547,352
Reserves	335,391	3,554,173
	<u>24,680,404</u>	<u>10,828,881</u>
<b>Cash Flows from Investing Activities</b>		
Marketable securities	(9,809,948)	(12,148,390)
Capital asset purchases	(405,431)	(8,309)
Mortgages and loans receivable	(3,680,149)	(5,082,741)
Investment in land	(2,942,469)	(3,470,871)
	<u>(16,837,997)</u>	<u>(20,710,311)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>7,882,304</b>	<b>(6,300,237)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>(315,437)</b>	<b>5,984,800</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 7,566,867</b>	<b>\$ (315,437)</b>
<b>Supplementary Information</b>		
Interest received	\$ 10,736,545	\$ 10,095,427
Interest paid	7,003,734	6,458,468

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**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION  
Summary of Significant Accounting Policies**

**For the year ended May 31, 2012**

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**Financial Instruments**

The Division utilizes various financial instruments.

All transactions related to financial instruments are recorded on a settlement date basis.

The Division classifies its financial instruments as follows based on the purpose for which the asset was acquired and follows the disclosed accounting policy for each category.

<u>Assets/Liability</u>	<u>Category</u>	<u>Measurement</u>
Cash and term deposits	Held for trading	Fair value
Accounts receivable	Loans and receivables	Amortized cost
Amounts due from related parties	Loans and receivables	Amortized cost
Mortgages and loans receivable	Loans and receivables	Amortized cost
Marketable securities	Available for sale	Fair value
Accounts payable	Other financial liabilities	Amortized cost
Amounts due to related parties	Other financial liabilities	Amortized cost
Fund balances	Other financial liabilities	Amortized cost.

- Held for trading items are carried at fair value, with changes in their fair value recognized in the Statement of Revenue and Expenditures.
- Loans and receivables are carried at amortized cost, using the effective interest rate method, less any provision for impairment.
- Available for sale items are carried at fair value, with changes in their fair value being recognized in the Internally Restricted Reserve for Investment fund balance when they have a quoted market price in an active market. When the decline in the fair value is determined to be other than temporary, the amount of the loss is removed from the Internally Restricted Reserve for Investment fund balance and recognized in the Statement of Revenue and Expenditures. Any provision for impairment is recognized immediately in net income.
- Other financial liabilities are carried at amortized cost, using the effective interest method.

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**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHERN  
CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION  
Summary of Significant Accounting Policies**

**For the year ended May 31, 2012**

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**Pooling of Investments** Fund accounting is normally employed by the Division with the exception of investments which cannot be segregated by fund. These investments are "pooled" to facilitate investment of the funds.

**Impaired Loans** A loan is considered to be impaired as a result of a deterioration in credit quality to the extent that the Division no longer has reasonable assurance that the full amount of principal and interest will be collected in accordance with the terms of the loan agreement. As at May 31, 2012 no loans were considered to be in this position (see general administration reserve).

**Revenue Recognition** Interest on loans is recorded as income on an accrual basis except for loans which are considered impaired. When a loan becomes impaired, recognition of interest ceases.

Interest on marketable securities is recorded as income on an accrual basis, using the effective interest method. Property management revenue includes rental revenue and common area maintenance costs. This revenue is recognized on an accrual basis over the term which it applies. Sales revenue is recognized upon shipment to customers.

**Amortization** The Division amortizes its capital assets as follows:

Building	30 years straight line
Computer equipment	20 - 30% straight-line
Office equipment	5 years straight-line
Parking lot	15 years straight line

Amortization is not calculated in the year of acquisition. The current year's income has been charged with an amount of \$183,572 (2011 - \$154,917) reflecting the current year's amortization.

**Restricted Funds** Restricted funds include trust, gift annuity, R.R.S.P. trust, endowment funds and tax free savings accounts. These are not available for general use by the Division.

**Reserve for Investment Gain/Loss** This reserve provides for fluctuations in the market value of investments. Gains and losses on disposal of investments, unrealized gains and losses on investments, plus a surplus distribution are credited or charged to this account.

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**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION  
Summary of Significant Accounting Policies**

**For the year ended May 31, 2012**

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**Operating Reserve** This reserve is held for use by The Canadian Conference of the Mennonite Brethren Church of North America to fund new initiatives and unanticipated deficits in operations. These funds are accumulated Stewardship Division earnings.

**Stabilization Reserve** The purpose of the stabilization reserve is to fund deficits in operations resulting from market or other circumstances and to allow for normal cash flow fluctuations. Transfers to the reserve are made upon approval of the Governing Board.

**Tithe Reserve** The purpose of the tithe reserve is to fund sister conferences. Transfers to the reserve are made upon approval of the Governing Board.

**Use of Estimates** The preparation of consolidated financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

**Changes to Future  
Accounting  
Pronouncements**

Accounting Standards for Not-for-Profit Organizations (NPO)

In December 2010, the Accounting Standards Board (AcSB) and Public Sector Accounting Board (PSAB) issued new standards for not-for-profit organizations (NPOs) as follows:

For non-government (private sector) NPOs, they have a choice of:

1. International Financial Reporting Standards ("IFRS") or
2. Accounting Standards for NPOs (which is essentially the Accounting Standards for Private Enterprises with the current 4400 series of NPO specific standards added with some minor changes)

The Boards require NPOs to adopt their respective standards for year ends beginning on or after January 1, 2012; early adoption is allowed. Until the date of transition to the new standards, all NPOs will continue to follow the current Canadian Institute of Chartered Accountants Handbook – Accounting Part V – Pre-Changeover Standards.

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**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION  
Notes to Financial Statements**

**For the year ended May 31, 2012**

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**1. Entity Definition**

These consolidated financial statements present the financial position and results of operations of the Stewardship Division, a division of The Canadian Conference of the Mennonite Brethren Church of North America and its wholly owned subsidiary, CCMBC Holdings Inc. As such, these financial statements do not include all assets, liabilities, revenues and expenditures of The Canadian Conference of the Mennonite Brethren Church of North America. CCMBC Holdings Inc. is a for-profit incorporated entity that owns all of the shares in the following for-profit entities:

CP Printing Solutions Ltd.  
Deer River Properties Inc.  
Anything Storage Inc.  
Crossfield Highways Development Inc.  
6448497 Manitoba Ltd.

The Division provides financial services to all Mennonite Brethren supported missions, institutions, local churches and their members. These services include administration of funds on deposit (in the form of deposits, annuities, T.F.S.A.'s and R.R.S.P.'s) and provision of loans to Church organizations, pastors, and conference employees. In addition, the Division administers endowment funds which generate earnings to fund various programs of the Conference.

**2. Cash and Term Deposits**

	<u>2012</u>	<u>2011</u>
General Funds	\$ 6,107,387	\$ (1,870,478)
R.R.S.P. Trust	1,459,480	1,555,041
	<u>\$ 7,566,867</u>	<u>\$ (315,437)</u>

**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION  
Notes to Financial Statements**

For the year ended May 31, 2012

**3. Mortgages and Loans Receivable**

	2012		2011	
	Principal	Accrued Interest	Principal	Accrued Interest
General Funds	\$ 15,803,218	\$ 221,178	\$ 6,007,345	\$ 34,096
R.R.S.P. Funds	50,069,990	372,010	56,395,959	348,847
	<b>\$ 65,873,208</b>	<b>\$ 593,188</b>	<b>\$ 62,403,304</b>	<b>\$ 382,943</b>
		<b>\$ 66,466,396</b>		<b>\$ 62,786,247</b>

All mortgage and loans receivable are callable on demand. All loans are open to prepayment.

All members' deposits and R.R.S.P. Trust Funds are callable on demand.

**4. Marketable Securities**

	2012		2011	
	Cost	Market	Cost	Market
Mortgage Funds	\$ 104,535,942	\$ 106,993,218	\$ 77,065,182	\$ 79,721,589
Corporate Bonds	33,740,441	33,631,531	50,496,421	51,093,212
	<b>\$ 138,276,383</b>	<b>\$ 140,624,749</b>	<b>\$ 127,561,603</b>	<b>\$ 130,814,801</b>

The par value of bonds at May 31, 2012 was \$33,217,598 (2011 - \$47,269,931). Bonds have interest rates ranging from 2.11% to 11.20% and mature between November 30, 2012 and June 1, 2036.

**Maturities and Interest Rates**

Under 1 Year	1-5 Years	6-10 Years	Weighted Over 10 Years	Total	Average Yield
\$ 107,865,619	\$ 29,662,803	\$ 2,889,038	\$ 207,289	\$ 140,624,749	4.93%

**THE CANADIAN CONFERENCE OF THE MENNONITE BROTHERS  
CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION  
Notes to Financial Statements**

**For the year ended May 31, 2012**

**5. Land Held for Sale**

On November 8, 2011 the Division accepted an offer to sell a property for \$4,500,000. This transaction is expected to be completed on October 1, 2012, therefore, this land held for sale is presented separately in the consolidated statement of financial position at its carrying amount of \$3,546,371.

**6. Capital Assets**

	2012		2011	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 1,527,077	\$ -	\$ 1,576,419	\$ -
Building	3,511,798	712,528	3,511,798	590,610
Computer equipment	291,331	219,357	259,897	199,780
Office equipment	444,803	90,893	108,444	77,728
Parking lot	225,867	74,705	225,867	59,698
	<b>\$ 6,000,876</b>	<b>\$ 1,097,483</b>	<b>\$ 5,682,425</b>	<b>\$ 927,816</b>
		<b>\$ 4,903,393</b>		<b>\$ 4,754,609</b>

**7. Line of Credit and Standby Letter of Credit**

The Canadian Conference of the Mennonite Brethren Church of North America has a line of credit with the Bank of Montreal for use by the Conference and its divisions in the aggregate amount of \$2,750,000, bearing interest at prime and is secured by the investments of the Conference. As at May 31, 2012, the line of credit amount was unutilized ( 2011 - \$1,793,486).

**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION  
Notes to Financial Statements**

**For the year ended May 31, 2012**

**8. Registered Retirement Savings Plan & Tax Free Savings Plan Trust Fund**

The Canadian Conference of the Mennonite Brethren Church of North America - Stewardship Division has an R.R.S.P. Trust & T.F.S.A. Trust Fund for members of Canadian Conference churches. Funds are directed to first mortgages. Interest on member savings is calculated every six months and is credited to each account on July 1 and December 31. Members' accounts are administered by Canadian Western Trust and the Canadian Conference office. At May 31, 2012, there were 1,112 R.R.S.P. accounts, 400 R.R.I.F. accounts and 815 T.F.S.A. accounts.

	2012	2011
<b>Assets</b>		
Cash	\$ 1,459,480	\$ 1,555,041
Outstanding transfers and distributions	13,236,527	(1,509,630)
Loans receivable	50,442,218	56,745,165
	\$ 65,138,225	\$ 56,790,576
<b>Liabilities</b>		
Accounts payable	\$ 5,126	\$ 14,359
R.R.S.P. certificates	53,327,488	49,262,105
R.R.S.P. total	53,332,614	49,276,464
T.F.S.A. certificates	11,805,611	7,514,112
	\$ 65,138,225	\$ 56,790,576

**9. Allocated Expenditures**

General administrative expenses have been allocated as follows:

	2012	2011
R.R.S.P. Trust Fund	\$ 762,956	\$ 641,008

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**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION  
Notes to Financial Statements**

**For the year ended May 31, 2012**

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**10. Commitments**

Individual and Church Loans

The Division has made commitments to individuals and churches for loans that have not been disbursed by the May 31, 2012 year end in the approximate amount of \$8,490,000.

Lease commitments

The Division leases office space under a long-term lease which expires November 1, 2016. The future minimum payments required under this lease are:

2013	\$	34,107
2014		34,107
2015		35,244
2016		36,057
2017		15,024

**11. Related Party Transactions**

The Christian Press and Stewardship Division are divisions of The Canadian Conference of the Mennonite Brethren Church of North America.

Transactions with related parties are in the normal course of operations and are measured at the exchange value (the amount of consideration established and agreed to by the related parties), which approximates the arm's length fair value.

The balance due to/from The Canadian Conference does not bear interest and has no specific terms of repayment.

Contributions paid to The Canadian Conference of the Mennonite Brethren Church of North America were \$2,051,000 (2011 - \$1,725,000).

**12. Employee Pension Plan**

The Canadian Conference of the Mennonite Brethren Church - Stewardship Division is the sponsor of a money purchase pension plan. Members of the plan include employees of the Conference and related organizations. The cost of funding the plan is shared by employee and employer. The rate of employer contributions to the fund in 2011/2012 was 5% of the employee salaries. The pension expense for the year ended May 31, 2012 was \$36,193 (\$29,846 in 2011).

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**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHERN  
CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION  
Notes to Financial Statements**

**For the year ended May 31, 2012**

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**13. Capital Management**

The Division considers its capital to be comprised of its Reserve for Investment, Operating Reserve, Stabilization Reserve and Tithe Reserve.

As a not-for-profit entity, the Division's operations are reliant on revenues generated annually. The Division has accumulated reserve fund balances over its history, which are included in the statement of financial position. The Reserve for Investment provides for fluctuations in the market value of investments; the Operating Reserve is used to fund new initiatives and unanticipated deficits in operations of The Canadian Conference of the Mennonite Brethren Church of North America; The Stabilization Reserve is used to fund deficits in operations resulting from market or other circumstances and to allow for normal cash flow fluctuations; and the Tithe Reserve is used to fund sister conferences. Transfers to the Stabilization Reserve and the Tithe Reserve are made upon approval of the Governing Board.

**14. Investment in CCMBC Holdings Inc.**

The Division owns all of the shares in CCMBC Holdings Inc. The consolidated operations of CCMBC Holdings Inc. have been consolidated with these financial statements. The consolidated revenues and expenditures of CCMBC Holdings Inc. for the year ended May 31, 2012 are as follows:

	<b>2012</b>
<b>Revenue</b>	
Sales	\$ 272,667
Rental Revenue	9,142
Interest	432
Other Income	3,371
	<b>\$ 285,612</b>
<b>Expenditures</b>	
Cost of Sales	\$ 130,677
Salaries and Benefits	76,893
Amortization	29,252
Other Operating Expenses	72,112
	<b>\$ 308,934</b>

**CANADIAN MENNONITE  
BRETHREN PENSION PLAN**

**Financial Statements**  
For the year ended December 31, 2011

# **CANADIAN MENNONITE BROTHERS PENSION PLAN**

## **Financial Statements**

For the year ended December 31, 2011

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## Independent Auditors' Report

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### **To the Trustees of the CANADIAN MENNONITE BRETHERN PENSION PLAN**

We have audited the accompanying financial statements of CANADIAN MENNONITE BRETHERN PENSION PLAN, which comprise the statement of financial position as at December 31, 2011, and the statement of changes in net assets available for benefits for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for pension plans, 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.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

#### **Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of CANADIAN MENNONITE BRETHERN PENSION PLAN as at December 31, 2011 and the changes in its net assets available for the year then ended in accordance with Canadian accounting standards for pension plans.

Chartered Accountants

Winnipeg, Manitoba  
June 19, 2012

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**CANADIAN MENNONITE BRETHREN PENSION PLAN**  
**Statement of Financial Position**

December 31	2011	2010
<b>Assets</b>		
Cash and short-term investments	\$ 2,408,269	\$ 3,326,324
Mutual funds	2,081,146	407,354
Fixed income and related securities	18,430,319	17,934,568
Canadian equity and related securities	11,144,213	11,981,506
U.S. equity and related securities	11,796,814	11,324,852
International equity and related securities	7,547,577	8,742,171
<b>Net assets available for benefits</b>	<b>\$ 53,408,338</b>	<b>\$ 53,716,775</b>

Approved on behalf of the Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

## CANADIAN MENNONITE BRETHREN PENSION PLAN

### Statement of Changes in Net Assets Available for Benefits

For the year ended December 31	2011	2010
<b>Increase in Net Assets</b>		
Contributions		
Employer	\$ 1,782,012	\$ 1,850,028
Employees	1,781,106	1,850,028
Employees voluntary	125,553	29,926
Transfers and adjustments	(54)	8,274
	3,688,617	3,738,256
Investment Income		
Interest	806,144	789,032
Dividends	832,900	669,680
Other income	58,636	17,038
Investment gain	292,930	2,550,863
	5,679,227	7,764,869
<b>Decrease in Net Assets</b>		
Withdrawal and terminations	5,874,983	3,082,699
Trustee fees	112,681	114,540
	5,987,664	3,197,239
<b>Increase (decrease) in assets available for benefits</b>	<b>(308,437)</b>	<b>4,567,630</b>
<b>Net assets available for benefits, beginning of year</b>	<b>53,716,775</b>	<b>49,149,145</b>
<b>Net assets available for benefits, end of year</b>	<b>\$ 53,408,338</b>	<b>\$ 53,716,775</b>

The accompanying summary of significant accounting policies and note are an integral part of these financial statements.

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# CANADIAN MENNONITE BRETHREN PENSION PLAN

## Notes to Financial Statements

For the year ended December 31, 2011

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### 1. Summary of Significant Accounting Policies

#### **Basis of Accounting**

The accounts of the plan are prepared using the accrual basis of accounting.

#### **Investments**

Investments are managed by RBC Dominion Securities and are stated at market value. The annual increase or decrease in the difference between cost and market value of the investments is reflected as an investment gain (loss) in the statement of changes in net assets available for benefits.

#### **Revenue Recognition**

Employee and employer contributions are recognized when they are received. Dividend income is recognized based on ex-dividend date and interest is recognized on the accrual basis as earned. Gains (losses) on investments sold during the year represent the difference between sale proceeds and book value and are included in the statement of changes in net assets as "investment gain (loss)."

#### **Allocation to Members**

Employer and employee contributions to the plan and transfers to the plan are allocated specifically to the member to whom they relate. The annual net investment income is allocated proportionately to the Plan members based upon their account balances.

#### **Use of Estimates**

The preparation of financial statements in accordance with Canadian accounting standards for pension plans requires the plan to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

#### **Income Taxes**

The plan is a registered pension plan as defined by The Income Tax Act (Canada) and is not subject to income taxes.

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# CANADIAN MENNONITE BRETHERN PENSION PLAN

## Notes to Financial Statements

**For the year ended December 31, 2011**

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### **2. Change in Accounting Standards**

On January 1, 2011, the Plan retrospectively adopted Section 4600 – Pension Plans in Part IV - Accounting Standards for Pension Plans of the Canadian Institute of Chartered Accountants (CICA) Handbook. These standards establish the requirements for the measurement, presentation and disclosure of information in pension plan financial statements.

The adoption of these standards has resulted in the amended presentation and disclosure of information in the Plan's financial statements, however did not impact the Plan's changes in net assets available for benefits or the Plan's financial position. For accounting policies that do not relate to the Plan's investment portfolio, the Plan has elected to apply Part II - Accounting Standards for Private Enterprises of the CICA Handbook, as further described in the significant accounting policies of the Plan (Note 1).

### **3. Description of the Plan**

The Canadian Mennonite Brethren Pension Plan (previously referred to as The Pension Plan of the Canadian Conference of Mennonite Brethren Churches of North America) is an employer pension plan which provides pensions for the employees of the Canadian Conference of Mennonite Brethren Churches and other Mennonite Brethren employers. The plan is a defined contribution pension plan which is financed by contributions by the employers and employees. The plan is registered under the Pension Benefits Act of British Columbia, Registration #0561175.

These financial statements reflect only the assets and liabilities under the administration of the Trustees of The Pension Plan on behalf of the Canadian Conference of Mennonite Brethren Churches. The term "net assets", as used throughout these financial statements, refers to net assets available for benefits.

The funding policy, in accordance with the plan is that employees must contribute 5% of their earnings to the plan, with the balance of the funding coming from employers matching employees' contributions.

The plan is fully vested upon receipt of the first contribution.

Withdrawal or transfers of the balance of the member's account are available when a member ceases to be employed by the employer.

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# CANADIAN MENNONITE BRETHREN PENSION PLAN

## Notes to Financial Statements

For the year ended December 31, 2011

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#### 4. Financial Instrument Risk Exposure and Management

The plan's investments are recorded at fair market value of \$53,408,338 as at December 31, 2011.

The plan is exposed to risks that arise from its use of financial instruments. This note describes the plan's objectives, policies and processes for managing those risks and the methods used to measure them.

##### ***Principal Financial Instruments***

The principal financial instruments used by the plan, from which financial instrument risk arises are as follows:

- cash, short-term investments and mutual funds; and
- investments in fixed income and related securities, Canadian equity and related securities, U.S. equity and related securities, and International equity and related securities.

Cash and bank and investments have been classified as financial instruments held for trading. There have been no substantive changes in the plan's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or methods used to measure them from previous periods.

##### ***General Objectives, Policies and Processes***

The Board of Directors through the Finance Committee, a permanent sub-committee of the Board, has overall responsibility for the plan including the establishment and review of the plan's risk management objectives and policies. The Board has appointed RBC Dominion Securities to manage the ongoing investment operations of the Plan in keeping with the agreed upon Investment Policy Statement and as required by law. The Finance Committee receives regular reports from RBC Dominion Securities through which it reviews the market values of the plan assets.

##### ***Credit Risk***

The plan has credit risk in respect of its investments in fixed income and related securities. Unless otherwise authorized by the Board, the asset mix of the fund must at all times be in accordance with the plan's Investment Policy Statement. In addition, all investments are required to be maintained within legal limitations for employee pension plans registered under the British Columbia Pension Benefits Act and the Pension Benefits Standards Regulations (1985) Canada, and in such a manner as is necessary to avoid any penalty under the Income Tax Act (Canada). These measures mitigate the risk of credit default. The Finance Committee reviews investment reports with the investment advisor to monitor exposure to risk.

The plan's maximum exposure to credit risk is as follows:

<i>Investments</i>	<i>Carrying Value</i>	<i>Maximum Exposure</i>
Cash, short-term investments and mutual funds	\$ 4,489,415	\$ 4,489,415
Fixed income and related securities	18,430,319	18,430,319

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# CANADIAN MENNONITE BRETHREN PENSION PLAN

## Notes to Financial Statements

**For the year ended December 31, 2011**

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#### **4. Financial Instrument Risk Exposure and Management (continued)**

##### *Market Risk*

The plan is susceptible to market risk, which is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and equity or commodity prices. The plan is exposed to market risk in its asset management activities. The level of market risk to which the plan is exposed varies depending on market conditions and expectations of future price and yield movements. The Investment Policy Statement formulates the investment principles and guidelines which are appropriate to the needs and objectives of the plan and to define the management structure and procedures adopted for the ongoing operation of the investment portfolio managed by RBC Dominion Securities. Under the overall direction of the plan, the assets of the pension plan are to be invested at all times in a prudently diversified manner to ensure that the risk of the portfolio is kept at low levels. In addition, all investments are to be maintained within legal limitations for employee pension plans registered under the British Columbia Pension Benefits Act and the Pension Benefits Standards Regulations (1985) Canada, and in such manner as is necessary to avoid any penalty under the Income Tax Act. The Board has appointed RBC Dominion Securities as the Fund Manager to make the day to day investment decisions and monitor the portfolio on an ongoing basis to aid in risk management.

##### *Currency Risk*

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of the plan investing in foreign currencies and converting non-Canadian earnings at different points in time at different foreign exchange levels. The plan currently holds foreign equities. This investment approach exposes the plan to changes in exchange rates which can affect the net assets available for benefits.

The plan does not hedge foreign currency risk. Management considers a 5.6% change in foreign currency to be a reasonable possible change. A 5.6% increase or decrease in the U.S. dollar would be expected to additionally affect net assets available for benefits by \$1,159,000.

##### *Equity Price Risk*

Equity price is the risk associated with the valuation of assets arising from changes in equity markets. The plan is subject to equity price risk due to daily changes in the market values of its equity portfolio.

Equity price risk is managed by investment policy guidelines that provide for prudent investment in equity markets within defined limits. The plan does not use derivative instruments to reduce its exposure to equity price risk.

Management considers a 10% change in equity markets to be a reasonable possible change. A 10% increase or decrease in equity markets would be expected to additionally affect net assets available for benefits by \$3,049,000.

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# CANADIAN MENNONITE BRETHREN PENSION PLAN

## Notes to Financial Statements

For the year ended December 31, 2011

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#### 4. Financial Instrument Risk Exposure and Management (continued)

##### *Fair Value Measurement*

The plan has categorized its assets and liabilities that are carried at fair value on a recurring basis, based on the priority of the inputs to the valuation techniques used to measure fair value, into a three level fair value hierarchy. Financial assets and liabilities measured at fair value are categorized as follows:

- Level 1: Fair value is based on unadjusted quoted prices for identical assets or liabilities in an active market.
- Level 2: Fair value is based on quoted prices for similar assets or liabilities in active markets, valuation that is based on significant observable inputs or inputs that are derived principally for or corroborated with observable market data through correlation or other means.
- Level 3: Fair value is based on valuation techniques that require one or more significant unobservable inputs or the use of broker quotes. These unobservable inputs reflect the company's assumptions about the assumptions market participants would use in pricing the assets or liabilities.

The fair value of the Plan's financial instruments has been determined based on quoted prices in an active market.

#### 5. Capital Management

The plan considers its capital to be comprised of its net assets available for benefits. There have been no changes in what the plan considers to be its capital since the previous period.

As a defined contribution pension plan, the plan's operations are reliant on revenues generated annually. The plan has accumulated net assets available for benefits over its history. A portion of the net assets available for benefits is retained as working capital which may be required from time to time due to timing delays in receiving its primary revenues. The remaining balance in net assets available for benefits is available for the use of the plan and is allocated between each of the pension plan members.

**THE CHRISTIAN PRESS**

**Financial Statements**  
**For the year ended May 31, 2012**

# THE CHRISTIAN PRESS

## Financial Statements

For the year ended May 31, 2012

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BDO Canada LLP/s.r.l.  
700 - 200 Graham Avenue  
Winnipeg MB R3C 4L5 Canada

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## Independent Auditor's Report

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### To the Board of Directors of CANADIAN CONFERENCE OF THE MENNONITE BRETHERN CHURCHES

We have audited the accompanying financial statements of **THE CHRISTIAN PRESS**, which comprise the balance sheet as at May 31, 2012 the statement of operations and surplus, the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, 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.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

#### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **THE CHRISTIAN PRESS** as at May 31, 2012 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

*BDO Canada LLP*

Chartered Accountants

Winnipeg, Manitoba

June 28, 2012

**THE CHRISTIAN PRESS**  
**Balance Sheet**

May 31	2012	2011
<b>Assets</b>		
<b>Current Assets</b>		
Cash and bank	\$ 84,607	\$ 296,626
Cash on hand	-	100
Accounts receivable (Note 2)	-	93,799
Inventories (Note 3)	-	21,270
Prepaid expenses	-	16,892
	<b>84,607</b>	<b>428,687</b>
<b>Capital assets (Note 4)</b>	<b>674,375</b>	<b>1,345,826</b>
	<b>\$ 758,982</b>	<b>\$ 1,774,513</b>

**Liabilities and Surplus**

<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	\$ 9,801	\$ 45,620
<b>Long-term debt (Note 5)</b>	-	632,819
<b>Surplus</b>	<b>749,181</b>	<b>1,096,074</b>
	<b>\$ 758,982</b>	<b>\$ 1,774,513</b>

Approved on behalf of the Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**THE CHRISTIAN PRESS**  
**Statement of Operations and Surplus**

<b>For the year ended May 31</b>	<b>2012</b>	<b>2011</b>
<b>Revenue</b>		
Sales	\$ 321,994	\$ 611,459
Publications	74,836	169,635
	<u>396,830</u>	<u>781,094</u>
<b>Cost of goods sold (Schedule 1)</b>	<u>248,744</u>	<u>468,230</u>
<b>Gross margin</b>	<u>148,086</u>	<u>312,864</u>
<b>Expenses</b>		
Administrative (Schedule 2)	142,755	222,699
Delivery	(1,920)	(4,558)
Equipment leasing	7,754	13,292
Repairs and maintenance	7,656	15,923
Telephone	2,278	3,648
	<u>158,523</u>	<u>251,004</u>
<b>Income (loss) before other items</b>	<u>(10,437)</u>	<u>61,860</u>
<b>Other Items</b>		
Loss on disposal of capital assets	(336,456)	-
Conference distribution	-	9,078
	<u>(336,456)</u>	<u>9,078</u>
<b>Net income (loss) for the year</b>	<u>(346,893)</u>	<u>52,782</u>
<b>Surplus, beginning of year</b>	<u>1,096,074</u>	<u>1,043,292</u>
<b>Surplus, end of year</b>	<u>\$ 749,181</u>	<u>\$ 1,096,074</u>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

## THE CHRISTIAN PRESS Statement of Cash Flows

For the year ended May 31	2012	2011
<b>Cash Flows from Operating Activities</b>		
Net income (loss) for the year	\$ (346,893)	\$ 52,782
Adjustments for		
Amortization of capital assets	66,146	100,337
Loss on disposal of capital assets	336,456	-
	55,709	153,119
Changes in non-cash working capital balances		
Accounts receivable	93,799	(18,486)
Inventories	21,270	4,894
Prepaid expenses	16,892	(11,342)
Accounts payable and accrued liabilities	(35,819)	10,646
	151,851	138,831
<b>Cash Flows from Investing Activities</b>		
Purchase of capital assets	(632)	(21,072)
Proceeds on sale of capital assets	269,481	-
	268,849	(21,072)
<b>Cash Flows from Financing Activities</b>		
Repayment of long-term debt	(632,819)	(249,359)
<b>Decrease in cash and cash equivalents during the year</b>	<b>(212,119)</b>	<b>(131,600)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>296,726</b>	<b>428,326</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 84,607</b>	<b>\$ 296,726</b>
<b>Represented by</b>		
Cash and bank	\$ 84,607	\$ 296,626
Cash on hand	-	100
	<b>\$ 84,607</b>	<b>\$ 296,726</b>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

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## THE CHRISTIAN PRESS

### Summary of Significant Accounting Policies

For the year ended May 31, 2012

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#### Financial Instruments

The organization utilizes various financial instruments. Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest, currency or credit risks arising from these financial instruments and the carrying amounts approximate fair values.

All transactions related to financial instruments are recorded on a settlement date basis.

The organization classifies its financial instruments as follows based on the purpose for which the asset was acquired and follows the disclosed accounting policy for each category.

<u>Asset/Liability</u>	<u>Category</u>	<u>Measurement</u>
Cash and bank	Held for trading	Fair value
Accounts receivable	Loans and receivables	Amortized cost
Accounts payable and accrued liabilities	Other financial liabilities	Amortized cost
Long-term debt	Other financial liabilities	Amortized cost

- Held for trading items are carried at fair value with changes in their fair value recognized in the statement of operations.
- Loans and receivables are carried at amortized cost, using the effective interest rate method less any provision for impairment.
- Other financial liabilities are carried at amortized cost using the effective interest method.

Transaction costs are expensed as incurred.

#### Inventories

Inventories of printing supplies are stated at the lower of cost and net realizable value on a first-in first-out basis.

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## THE CHRISTIAN PRESS

### Summary of Significant Accounting Policies

For the year ended May 31, 2012

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#### Capital Assets

Capital assets are stated at cost less accumulated amortization. Amortization based on the estimated useful life of the asset is calculated as follows:

Building	40 years
Challenger cutter	20 years
Heidelberg PM 74-4	20 years
Heidelberg QM 46-2	10 years
Furniture and fixtures	20 years
Computer equipment	3 - 4 years
Computer software	3 years
Hyster forklift	6 years
Universal Strata Flow Feeder	1 year

The Christian Press does not record amortization in the year of acquisition.

#### Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

#### Foreign Currency Translation

Foreign currency accounts are translated into Canadian dollars as follows:

At the transaction date, each asset, liability, revenue and expense is translated into Canadian dollars by the use of the exchange rate in effect at that date. At the year end date, monetary assets and liabilities are translated into Canadian dollars by using the exchange rate in effect at that date. The resulting foreign exchange gains and losses are included in income in the current period except for the foreign currency gains and losses on long-term monetary items which are deferred and amortized over the remaining terms of the related items.

#### Revenue Recognition

Sales and publications revenue is recognized upon shipment to customers. Interest revenue is recognized as it is earned.

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## THE CHRISTIAN PRESS

### Summary of Significant Accounting Policies

For the year ended May 31, 2012

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#### **New Accounting Pronouncement**

#### Accounting Standards for Not-for-Profit Organizations (NPO)

In December 2010, the Accounting Standards Board (AcSB) and Public Sector Accounting Board (PSAB) issued new standards for not-for-profit organizations (NPOs) as follows:

For non-government (private sector) NPOs, they have a choice of:

1. International Financial Reporting Standards ("IFRS") or
2. Accounting Standards for NPOs (which is essentially the Accounting Standards for Private Enterprises with the current 4400 series of NPO specific standards added with some minor changes)

The Boards require NPOs to adopt their respective standards for year ends beginning on or after January 1, 2012; early adoption is allowed. Until the date of transition to the new standards, all NPOs will continue to follow the current Canadian Institute of Chartered Accountants Handbook – Accounting Part V – Pre-Changeover Standards.

# THE CHRISTIAN PRESS

## Notes to Financial Statements

For the year ended May 31, 2012

### 1. Nature of Operations

The organization operates a printing operation under the supervision of The Canadian Conference of the Mennonite Brethren Church.

### 2. Accounts Receivable

	2012	2011
Trade	\$ -	\$ 93,799
	\$ -	\$ 93,799

### 3. Inventories

	2012	2011
Printing supplies	\$ -	\$ 17,300
Work in process	-	3,970
	\$ -	\$ 21,270

### 4. Capital Assets

	2012			2011		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Land	\$ 200,000	\$ -	\$ 200,000	\$ 200,000	\$ -	\$ 200,000
Building	575,000	100,625	474,375	575,000	86,250	488,750
Machinery and equipment	-	-	-	1,138,579	484,593	653,986
Computers	-	-	-	27,762	26,616	1,146
Software	-	-	-	5,832	3,888	1,944
	\$ 775,000	\$ 100,625	\$ 674,375	\$ 1,947,173	\$ 601,347	\$ 1,345,826

### 5. Long-term Debt

	2012	2011
Loan payable to The Canadian Conference of the Mennonite Brethren Church (related party), interest free, repayment of loan is based on income for the year.	\$ -	\$ 632,819
	\$ -	\$ 632,819

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# THE CHRISTIAN PRESS

## Notes to Financial Statements

**For the year ended May 31, 2012**

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### **6. Related Party Transactions**

Approximately 42% (45% in 2011) of sales are to related parties.

Proceeds from sale of capital assets to related parties amounted to \$269,481 in 2012.

Related party transactions also include an allocation of property insurance, business and property tax expense.

Accounts receivable includes \$NIL (\$41,039 in 2011) due from related parties. Accounts payable and accrued liabilities includes \$NIL (\$6,764 in 2011) due to related parties. The long-term debt is payable to a related party.

The Christian Press is a division of The Canadian Conference of The Mennonite Brethren Church.

These transactions are in the normal course of operations and are measured at the exchange value (the amount of consideration established and agreed to by the related parties), which approximates the fair market value.

### **7. Pension Plan**

The Christian Press is the sponsor of a money purchase pension plan. The cost of funding the plan is shared by employee and employer. The rate of employer contributions to the fund in 2011/12 was 5% of the employee salaries. The pension expense for the year ended May 31, 2012 was \$5,463.

### **8. Capital Management**

The organization considers its capital to be comprised of its surplus. There have been no changes to what the organization considers to be its capital since the previous period.

The organization's operations are reliant on revenues generated annually. The organization has accumulated surplus funds over its history, which are included in the balance sheet. A portion of the accumulated surplus funds is retained as working capital (current assets less current liabilities) which may be required from time to time due to timing delays in receiving revenues. The remaining surplus funds are available for the use of the organization at the Board's discretion.

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# THE CHRISTIAN PRESS

## Notes to Financial Statements

For the year ended May 31, 2012

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### 9. Financial Risk Management

The organization is exposed to different types of risk in the normal course of operations, including credit risk and market risk. The organization's objective in risk management is to optimize the risk return trade-off, within set limits, by applying integrated risk management and control strategies, policies and procedures throughout the organization's activities.

#### Credit Risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to another party. Financial instruments which potentially subject the organization to credit risk consist principally of accounts receivable.

The organization's maximum exposure to credit risk without taking account of any collateral or other credit enhancements is as follows:

	<u>2012</u>	<u>2011</u>
Accounts receivable	\$ -	\$ 93,799

The organization is not exposed to significant credit risk with respect to accounts receivable as the receivable is spread among a broad client base and payment in full is typically collected when it is due. The organization establishes an allowance for doubtful accounts that represents its estimate of potential credit losses. The allowance for doubtful accounts is based on management's estimates and assumptions regarding current market conditions, customer analysis and historical payment trends. These factors are considered when determining whether past due accounts are allowed for or written off.

#### Market Risk

Market risk is the risk the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign exchange risk and other price risk.

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The organization is not exposed to interest rate cash flow risk as its long-term debt is interest-free.

The organization is not exposed to significant foreign currency risk as it does not have any financial instruments denominated in foreign currency and the number of transactions in foreign currency are minimal.

The organization is not exposed to other price risk. These risks have not changed from the previous period.

#### Fair Value

The carrying values of cash, accounts receivable, and accounts payable and accruals approximate their fair value due to the relatively short periods to maturity of these items or because they are receivable or payable on demand. Because of the inherent uncertainty of valuation, the estimate of fair value may differ significantly from the values that would have been used had a ready market for the assets existed.

**THE CHRISTIAN PRESS**  
**Schedule 1 - Cost of Goods Sold**

<b>For the year ended May 31</b>	<b>2012</b>	<b>2011</b>
<b>Raw Materials</b>		
Inventory, beginning of year	\$ 21,270	\$ 26,164
Purchases	<u>82,810</u>	<u>216,261</u>
	<b>104,080</b>	<b>242,425</b>
Inventory, end of year	<u>-</u>	<u>21,270</u>
	<b>104,080</b>	<b>221,155</b>
<b>Direct labour</b>	<b>78,518</b>	<b>146,738</b>
<b>Amortization of capital assets</b>	<u>66,146</u>	<u>100,337</u>
<b>Cost of goods sold</b>	<b>\$ 248,744</b>	<b>\$ 468,230</b>

**THE CHRISTIAN PRESS**  
**Schedule 2 - Administrative Expenses**

<b>For the year ended May 31</b>	<b>2012</b>	<b>2011</b>
Salaries and benefits	\$ 87,137	\$ 150,910
Property and business tax	9,471	16,367
Sundry	9,426	7,360
Postage	9,288	3,024
Professional fees	6,440	5,258
Utilities	6,210	11,983
Travel and car allowance	6,149	8,932
Printing, stationery and office supplies	5,047	12,994
Janitor service and waste disposal	3,086	5,583
Insurance	2,882	4,981
Bad debts	1,083	1,000
Advertising	517	1,581
Alarm	205	205
Bank charges and interest	-	695
	<b>146,941</b>	<b>230,873</b>
Other Income		
Miscellaneous	2,393	6,545
Interest	1,793	1,629
	<b>4,186</b>	<b>8,174</b>
	<b>\$ 142,755</b>	<b>\$ 222,699</b>

# **MEMORANDUM OF UNDERSTANDING**

Between the Canadian and U.S. Conferences  
of Mennonite Brethren Churches

January 2012

## **I. Preamble**

The dissolution of the General Conference in 1999 necessitated new documents related to entities which would continue in a formal relationship linking the two Conferences. While discussions between the Boards of Faith and Life have been held, no new memorandum of understanding has been agreed upon. Under the previous MOU, it was agreed that the two Conferences would operate under an identical Confession of Faith. As time progressed, it became evident to the two boards and with the national leaders that a way should be made to free the national Boards of Faith and Life to work to contextualize their efforts for each of their constituencies, including work on the Confession of Faith, while preserving the good and cooperative relationships between them and between the two national conferences. This document attempts to articulate how the Leadership Boards and the Boards of Faith and Life covenant to join in a continuing meaningful partnership.

## **II. Transitional Process**

Because this proposed agreement supplants prior agreements having been made by our national conferences, it is agreed that each of the national conferences will be asked to approve this document as a replacement for the prior MOU between the United States and Canadian Conferences regarding the Boards of Faith and Life and as a new document between the Leadership Boards.

## **III. Scope of the Agreement**

The scope of this agreement relates to the work of our respective executives, Leadership Boards and Boards of Faith and Life. While it recognizes the legal authority and responsibility for each national conference to act independently of the other, it affirms our intentions to work in a continuing relationship for the strengthening of our respective conferences to the glory of God.

## **IV. Goals and Objectives**

The goal of this agreement is to perpetuate and encourage a communicative, cooperative and consultative relationship between the Boards of Faith and Life and the Executive Teams of our national conferences. The belief is that the agenda and wisdom of each conference can benefit the other, while also recognizing the diversity and unique needs of the Canadian and American MB Conference constituencies. This partnership shall include ongoing attention to ways in which our conferences, acting individually or together, may partner with the International Community of Mennonite Brethren (ICOMB).

## **A. Executive Staff and Leadership Boards**

The goals and objectives of the Executive staff and Leadership Boards include:

1. Cooperating on such programs which function with a mission common to both national conferences i.e. MB Missions, in such a way as to strengthen the work of such programs.
2. Sharing resources and best practices in a spirit of Christian cooperation so that each national conference can benefit from the life of the other.
3. Working with each other in a way which promotes the value of Kingdom citizenship in different national and cultural contexts, thereby helping our churches and individuals in matters of growing in the faith and experiencing life in Christ.
4. Working with each other, and with other national Mennonite Brethren Conferences within ICOMB to be constructive and active participants in our global international community.
5. Bringing together the leaders of each conference i.e. CAN/AM, for the purposes of mutual encouragement, information sharing, planning and coordination.

## **B. Boards of Faith and Life**

The goals and objectives of the Boards of Faith and Life include:

1. Planning and executing such study conferences as they deem advisable. BFL members of the partner conference will be invited to attend and participate as requested by the host conference.
2. Adhering to the structure, authority and responsibility of the Boards of Faith and Life as determined by each conference and as documented as seems appropriate i.e. bylaws.
3. Developing a process for amending their particular Confession of Faith shall be determined by that individual conference. An invitation for review and comment on changes to the COF may be offered to partner national conferences and ICOMB.
4. Accepting the responsibility as a national conference (in which the language primarily exists) to translate the COF into other languages in cooperation with ICOMB.
5. Credentialing and orientating pastors as national conferences which may be done cooperatively when deemed advisable.

## **V Future Reviews**

This document may be reviewed and revised by common consent of the Executives and the Leadership Boards of both national conferences in consultation with the Boards of Faith & Life.

(Add signature lines)

## Measurements Committee Summative Report to Gathering 2012

In response to concerns about accountability and measurement at Gathering 2008, the executive board has instituted a measurements committee to evaluate Regenerate 21-01 (R21-01) initiatives based on feedback from national staff, provincial staff and churches. The award-winning measurement strategy designed by Rich Janzen includes the following components:

1. Focus group interviews with Winnipeg office and field staff - 5 focus groups over 4 years; Manitoba and British Columbia staff.
2. Interviews with provincial conference staff leaders - 12 phone interviews completed over 3 years.
3. Tracking of initiative participation- (see Table 1 below)
4. Internet survey of MB church leaders/pastors- 2 surveys completed, 2010 and 2012.
5. Survey at Gathering 2010
6. Case studies of three congregations- Rich Janzen's Ph.D. thesis. (see Rich Janzen's report)

The strategy looked at both the process of implementation as well as the outcomes/impacts that resulted from the program. Detailed reports from the focus groups, interviews, and usage and internet surveys were presented to the executive board, a summary of which is presented below. The summative report was originally due in 2013, but with changes in leadership and direction, this is the final report of this initiative.

Table 1 presents the actual usage of the various Regenerate 21-01 initiatives to date - summary only.

<b>TABLE 1 Actual Usage of Initiatives</b>	Actual to March 2012
<b>Refocusing</b>	
# of MB churches	70
Other groups (non-MB churches, networks, MB organizations, etc.)	14
<b>Leadership Development</b>	
Arrow scholarships	0
Entering Leadership Initiative (apprenticeships and residences)	11
Ministry Advantage/Other leadership initiatives (MA - 19 pastors, 10 coaches)	41
LTMG (Leadership Training Matching Grant) Students	53
Young Leaders Events	13
<b>Reaching Out</b> (\$565,000 sent to provinces)	
Church Planting Apprenticeships	5
Church Planting Director Apprenticeship	4
New church plants (now C2C)	49 (43 MB)
<b>Stewardship Presentations</b>	
Seminars and sermons	150
Eagle's Flight Presentations	71
Other stewardship initiatives ("1 to 1 counseling", small groups, fraud prevention, etc.)	358

### 1. **Focus Groups**

In total, there were five group interviews which covered most of the existing national staff in BC and Manitoba.

Positive feedback was received for:

- a. Refocusing, Eagle's Flight, & Stewardship were particular services that were appreciated, as well as the quality of the staff leading them.
- b. From some provinces that embraced R21-01 and implemented its initiatives.
- c. The majority of staff did not feel R21-01 negatively impacted their workload and they were eager to see the initiative succeed. Some mentioned a positive impact on their spiritual lives, partly because of devotional study of the early church, and also because of positive stories from the churches.

Negative feedback included concerns about:

- a. Clarity- From our earliest interviews, there seemed to be a lack of clarity about R 21-01 among the national staff. There was considerable effort to communicate the vision to the staff, and some staff seemed to understand it. Some, however, were not clear on how their work contributed to the larger vision, nor did they understand the structural implications of it. Others were unclear on how it measured up theologically. By 2010, staff did not want R 21-01 to continue in its present form, as the R 21-01 label caused confusion. They described the “vision” of R 21-01 more as a yearning than an actual vision and that it lacked connection with the actual services. There seemed to be no “end goal” or destination, nor clear measurable outcomes along the way. After 2010, the staff did not hear much about R21-01, and upon hearing about it, sometimes reactions were negative.
- b. Approach- Interviewees identified a “top down” approach in the leadership model and its implementation of vision. Suggestions were made for face-to-face meetings with pastors and churches, and for the conference to listen to what the churches needed.
- c. Communication- staff found that promoting and communicating R 21-01 to the provinces and the churches was difficult because its implementation was not clear. Lack of clarity led to puzzlement, which led to disillusionment. Provinces were skeptical, partly due a historical disconnect between national and provincial, but partly because it did not resonate with many people. Staff suggested that the vision was too big, and that people did not get the larger process of culture change.

The staff seemed to feel that overall, it was an honourable objective and that they “bought in” and tried hard to make it work. At the end of the day, R 21-01 did not catch on (at least as a unified vision). The staff seemed to be ready to move on.

## 2. Interviews

A provincial conference leader from each of the six provincial conferences was interviewed in subsequent years. During the first round of interviews (Nov 09- Feb 10), some provincial leaders were still deciding how to implement R 21-01 initiatives in their provinces, particularly in working out R 21-01’s relationship with provincial initiatives. R21-01 had been “rolled out” longer and in heavier dosages in the Western provinces (BC particularly), than in the east (weak in Ontario, but stronger in Quebec). The amount of interaction between provincial and national staff seemed to be a key factor. By the second round of interviews (March 2011), the provincial leaders had clearer views of R21-01. Some key findings:

- a. Unifying vision- Provincial leaders were positive about the sound theory of R 21-01, which was to bring all major national programs under one unified initiative. They were also positive about the efforts of national staff in supporting them, and in working collaboratively to incorporate R 21-01 into provincial initiatives. Provincial leaders had many good things to say about certain initiatives (particularly Refocusing) and of the national staff. However, they also felt that many of the programs existed prior to R21-01 and the connection between the branding (R21-01) and the services were not always clear. In 2011, the interviewees saw the implementation of R21-01 as primarily meeting national conference needs, and the provinces were struggling to fit the vision into their current programs and structure.
- b. Collaboration- Provincial leaders were also positive about higher collaboration between leaders across the country, increased resources for outreach, leadership development and church health. Leaders were able to point to specific positive outcomes of R 21-01 initiatives for their churches (although they were not always sure what could be directly attributed to R 21-01). What was also clear, however, was that there was a long way to go in strengthening national-provincial relationships.

The (weak) relationships between national and provincial staff and churches limited the successful implementation of R21-01 (a problem that originated long before R 21-01). Further impediments to a stronger national-provincial-church collaboration included: a sense of “territorialism”, a lack of clarity on how to implement it in their (church’s or province’s) unique situation, the lack of input from the provinces in its creation of, and some resistance because of negative experiences related to KCI (Key Cities Initiative). To remove these relational

impediments, provincial staff recommended more input from the provinces in shaping initiatives, more clarity on roles and accountabilities, and avoiding duplication with provincial initiatives.

However, interviewees in 2011 were positive about recent efforts toward greater collaboration and cooperation. They felt recent conversations were necessary to moving forward, and the openness of these discussions gave hope for a stronger future.

- c. Communication- They felt there was a lack of clear communication about the programs. They felt that church leaders, and particularly people in the pew, did not understand R21-01. In the future, they recommended less complex strategies so that they can be communicated clearly. They thought the R21-01 branding should stop, but not necessarily the services (The R21-01 label was dropped by 2010, while the initiatives continued).

### **3. Internet Survey**

About 100 church leaders (almost 2/3rds were lead pastors) from about 40% of churches responded to the internet survey in April/May of 2010 and 2012. We may have disproportionately missed those churches that are less responsive to the denomination and/or less interested in R 21-01. However, there was a good sampling of churches from all the provinces.

- a. Informedness- Pastors were most informed about Refocusing, and least informed about Outreach and some Leadership initiatives. Attending denominational/provincial events (like Gathering) is the strongest predictor of being informed about R 21-01, and identification with the denomination's evangelical-Anabaptist identity was second. In general, respondents felt their churches knew little about R 21-01 and its initiatives. It may be that denominational events are where they get the information, or it may be that people who are informed are also those who are more likely to attend events, because they have a closer relationship with the denomination. BC churches were more informed, and Ontario churches were least informed.
- b. Participation- Those who participated or intended to participate were more likely to be well-informed (which, in turn, is related to attending denominational/provincial events). Of those who had not yet participated, many respondents were open to participate but few intended to participate.
- c. Evaluation- Respondents who had been involved in certain R21-01 initiatives were positive about them, particularly Refocusing (because more had participated), but there were also positive comments about Stewardship Ministries, Eagle's Flight and Ministry Advantage.

Overall, the most striking finding was the similarity between the 2010 and 2012 surveys. Churches did not seem to be more informed, nor were they more likely to participate in R21-01 initiatives in 2012 than 2010. There are positive evaluations—particularly of Refocusing—for those who have been involved in it, although they seem to be more related to the staff involved in these initiatives. However, it appears that there is a breakdown in communication/informedness between:

- a. the denomination and congregational leader/respondent
- b. the leader and the congregation

Church leaders are not well-informed (many say they know "something" about R 21-01 initiatives) and the congregations they serve are even less informed. It may not be that the amount of information is lacking, but that what they have read/seen is not piquing their interest nor is it encouraging them to participate. The data indicates that there is a lack of "buy-in" to denominational initiatives in some sectors

### **4. Recommendations**

What are the recommended applications for the executive board?

1. Collaboration- new initiatives should be more collaborative, in which staff, churches and provinces have a voice from start to finish. Neither a “top down” nor “bottom up” approach is recommended, but a horizontal “equal partner” approach. Initiatives must be theologically informed, and utilize strategic partnerships (such as MB Mission, MBBS). Structures and budgets should be clearly linked to vision, along with the removal of the structural and historical barriers between church-province-national sectors.
2. Communication- It needs to be clearer and simple. Face to face discussions are recommended to encourage dialogue, receive input, and build trust. Website messages or brochures will be inadequate. Ultimately, however, communication needs to be diverse (paper and internet) to reach our age diverse membership.
3. Implementation- A clear vision must have clear goals and measureable outcomes. We need short term goals that show movement toward a larger end goal. Let’s hear the good news along the way. We also need to clearly communicate a timeline that is realistic.
4. Some services were well-received and should be continued.
5. Transparency and accountability are needed from start to finish.

Respectfully submitted,

Sam Reimer for the Measurements Committee (Rich Janzen and Kathi Fast)

## **Rich Janzen's Case Studies (Measurement Committee Report Gathering 2012)**

Case studies were carried out to capture in-depth outreach stories of three MB churches. The three churches were selected in consultation with Canadian conference staff according to predetermined criteria and included: 614 St. Jamestown (now called Hope Community Church) in Toronto, Église Communautaire de la Rivière Rouge in Winnipeg, and South Hill Church in Vancouver.

Case studies were part of Rich Janzen's dissertation and included interviews/focus groups with church leaders and community partners, participant observation, and a document review for each church. All three churches focused on multicultural outreach. Given Canada's growing cultural diversity, multicultural outreach was seen to be increasingly important for Canadian churches. In general, the case studies affirmed that the program theory of R21-01 makes sense for churches reaching out to multicultural neighbours. Yet the case studies also add additional insights; two in particular.

1. Effective outreach means being connected to how God is moving. Consistent with missional church literature, the narratives highlight how church leaders and members saw God as an active change-agent in their community and that they needed to join with this movement of God in order to be effective. Yet the case studies also showed the complexity of what this means. For example, local outreach was a dynamic and iterative process of obedience to God (including service and sacrifice), of resourcing themselves (building strategic, leadership, financial, collaborative, and practical capacity), and of living in a relevant way with their diverse neighbours. The case studies also showed how outreach can lead to holistic change (i.e., spiritual, psychological, socio-cultural, physical, economic, political) across different levels (i.e., individual, congregational, and community).

*Implication #1: Develop theological underpinnings for multicultural outreach.*

*Implication #2: Support congregations in discerning God's movement within multicultural communities.*

2. Effective outreach means adapting to the local community context. All three churches made conscious efforts to adapt and change to their surrounding environment. This theme is consistent with missional church literature that encourages churches to forgo a maintenance mindset in favour of adapting to the environment to which they were sent by God to serve. The main story-lines of the three stories show that there are two major pathways to impacting multicultural communities. The first pathway was *organizational change*, best characterized by the Vancouver church that went through formal congregational change as a precursor to doing multicultural community outreach. Organizational change involved changing structures that allowed for better interaction among diverse people, changing processes that enabled people from diverse backgrounds to influence the church, and changing vision that stressed the value of multicultural ministry. The second pathway was *creating multicultural community settings*. The Winnipeg and Toronto churches in particular created places in their church and in the neighbourhood where people from different cultural backgrounds came together to address community needs. Whether formal or informal, church-led or partner-led, these activities and programs were developed in response to the relationships that they had formed with their neighbours.

*Implication #1: Build congregational capacity to help churches adapt to their multicultural community.*

*Implication #2: Share examples and learning's about doing multicultural outreach among churches.*



**MINISTRY EFFECTIVENESS PROJECT**

*Four messages from the heart of God to the churches in the CCMBC*

May 2012

## **Context**

In September 2011 Terry Mochar was engaged as an independent consultant / advisor by the Executive Board of the Canadian Conference of Mennonite Brethren Churches to examine a number of areas of the National Office to ensure they were functioning in ways that were in line with their mission and would enable them to serve their Canadian churches fully. The goal was to provide long term structural and functional solutions for the National Office that would enhance ministry effectiveness in ways that engaged its leaders, provincial conferences and the local church to its vision of “healthy growing churches reaching their worlds”.

Terry was asked to examine four areas:

### **1. National Office**

What is the ‘value-add’ of the National Office? How do we bring more strategic value to our churches to live out the mission?

### **2. Structural Clarity on Internal Functions**

Bring clarity to; how each of the ‘internal silos’ function, where we have overlap or disconnects between ‘silos’, functional misalignments with the mission, and structural recommendations

### **3. Communications**

What is the current Communications philosophy, goals and strategies? Are they aligned with the mission? Are we communicating effectively in a 21<sup>st</sup> Century mindset? What should our communication model look like?

### **4. Financial Operations**

Bring clarity to what the CCMBC does in the area of finances. What are our income streams and what are we supporting today? Examine the balance and trends around giving income and interest income. Examine how to strategically use our income and how to build ownership by the churches.

On January 27th, 2012 Terry Mochar met with the Executive Board in Abbotsford, BC to present a 139 page final report on his findings as well as his recommendations. In addition to the report Terry has communicated to the board four critical messages he believes are from the Lord to the leadership of the churches that make up the provincial and Canadian Conferences. The purpose of this document is to capture those critical messages written by Terry as follows:

Message 1:

#### ***“A Sacred Moment in Time”***

I began this project prayerfully, thoughtfully and within a methodology I have used to examine and restructure many organizations around the world. However, it was in the early stages of examining the CCMBC that I felt the Spirit of God begin to speak to me very clearly and specifically. I believe the Lord was saying the following things. The first was that this was a sacred moment in time in both Canada’s spiritual history and the MB Denomination’s history. It was a moment in time that had been in preparation for several decades. I was to listen carefully and to handle reverently what I was about to observe and what I would write in this report. Secondly, this was not about a National Office project but rather a catalyst God wanted to use to create an awakening to this sacred moment in time. The

sacred moment in time is an intersection of significant spiritual and religious shifts taking place in Canada (inside and outside the church) and the “rich” heritage, distinctives and resources that God has gifted to the MB Denomination to equip them to reach the lost in Canada in the face of these significant shifts.

Message 2:

***“A Holy Spirit Discontent”***

I travelled across the country from September 2011 – January 2012 meeting with pastors, various provincial and national conference leaders. In my last ten years of restructuring organizations around the world I have never encountered what I found in these meetings. The consistency of messages was astounding. There was clearly a “Holy Spirit” stirring and discontent with leaders across the country that was in-line with what the Lord had already spoken to me about in message 1. The discontent manifested itself in a longing for God to do more than what could be done through a single local church but leaders were unsure what that meant or could look like. I observed many extraordinary local expressions of redemptive ministry reaching people for Christ. These local “fires” were largely due to individual pastors responding to the Holy Spirit discontent/stirring by casting vision, calling people to mission and risking much for the cause of Christ. These expressions were not a result of a local “fire” being ignited by a contagious and ablaze national movement of Mennonite Brethren Churches joining together to reach Canada for Christ.

I also observed many consistent expressions of mistrust, disunity, arrogance and competition across the country between pastors, provincial conference leaders and the National Office. The discontent I was seeing was a result, I believe, of the Holy Spirit exposing and bringing conviction and a call to repentance. I felt a deep grieving from the Lord concerning this.

Message 3:

***“Held to Account”***

The third message came as the Lord spoke the words of Daniel 2: 21-22 to me and said I was to give the leaders of the CCMBC this warning and promise. The words of Daniel 2 are this...*“He changes the times and seasons; he sets up kings and deposes them. He gives wisdom to the wise and knowledge to the discerning. He reveals the deep and hidden things; he knows what lies in the darkness and light dwells with him”*. The warning was this; The Lord was changing the times and seasons in both Canada and within the denomination. He is calling you to a new reality that He has been preparing you for, things you have never dreamt possible. His is calling you to turn away from the sin that has divided you. This moment in time is so significant that the Lord said He is going to raise up your children and grandchildren to hold you to account for what you do in this moment. They will ask you “where were you and what did you do”. The impact (either way) of what you choose to do will be so “marking” in your history that God will use the next generation to hold you to account. If you respond to God’s invitation and acknowledge what He has prepared and gifted you for, he will raise up leaders, give you wisdom and understanding and allow you to understand the times. God has made it clear that it will take humility and courage as leaders to embrace what He is saying to you.

Message 4:

***“A Lighthouse”***

This fourth and final message is one that has such joy and “light” associated with it that I have found it hard to comprehend and fully articulate all that the Lord has said to me. If you repent from the things He has asked you to turn from and embrace the things He has invited you to He will raise you up (the MB Denomination) as a standard / lighthouse in Canada. He will use the denomination to demonstrate the authenticity of the gospel of Christ (John 17:22-23) to Canada through unity and power and many people will come to Christ from coast to coast. The denomination will be given favour to influence various levels of government as well as influence and bring unity across other denominations. The lord has given this warning to you that you are not to allow arrogance to creep in but to safe guard your hearts with accountability and humility. He has also warned that you are to “lower the flag” of the MB Denomination and that the flag of Jesus Christ alone is to be raised across the country. As I have received this promise it has almost been too glorious to articulate because of the redemptive impact it will have on the country of Canada. This last message will come at a great cost. It will mean an unqualified turning away from personal agendas and kingdoms for the greater cause of Christ.

I submit these four messages to you in writing for accountability, encouragement and direction. I submit them to you humbly and with a reverent heart for the glory of Christ alone.

Your servant

Terry Mochar

# 2012 Election Slate

Board Position	Incumbent	Prov	Ending Term	Eligible	Nominee	Prov	Ending Term	Eligible	Notes
<b>Executive Board – Elected/Affirmed at Gathering</b>									
<b><u>Executive Committee – 2 year terms – Two term limit</u></b>									
Moderator	Paul Loewen	BC	2012	Y	Paul Loewen	BC	2014	N	
Assistant Moderator	Don Petker	BC	2012	N	Len Penner	MB	2014	Y	
Secretary	Nancy Boese	ON	2012	N	Vic Martens	BC	2014	Y	
<b><u>Members at large – 9 positions – 4 year terms – Two term limit</u></b>									
Member at large	Frank Wiens	ON	2014	Y	Nancy Boese	ON	2014	Y	Completing term
Member at large	David McLauren	BC	2014	Y	David McLauren	BC	2014	Y	
Member at large	Len Penner	MB	2012	N	David Marshall	ON	2016	Y	
Member at large	Lisa Carpenter (resigned)	BC	2014	Y	Rick Goossen	BC	2014	Y	
Member at large	Sam Reimer	NB	2012	Y	Sam Reimer	NB	2016	N	
Member at large	John Unger	MB	2014	Y	John Unger	MB	2014	Y	Appointed to MBBS
Member at large	Gerald Peters	ON	2012	Y	Gerald Peters	ON	2016	N	
Member at large	Ike Bergen	BC	2012	N	Vacancy				
Member at large	Vic Martens	BC	2012	Y	Vacancy				
<b><u>Provincial Moderators on Executive Board ex officio</u></b>									
Exec BD	Rob Thiessen	BC	ex off		Ron Van Akker	BC	ex off		Starts Fall 2012
Exec BD	Kerry Dyck	AB	ex off		Val Martens	AB	ex off		
Exec BD	Todd Hardy	SK	ex off		Todd Hardy	SK	ex off		
Exec BD	Harold Froese	MB	ex off		Harold Froese	MB	ex off		
Exec BD	Karen West	ON	ex off		Karen West	ON	ex off		
Exec BD	Ginette Bastien	QC	ex off		Ginette Bastien	QC	ex off		
<b><u>Nominating Committee – 2 positions elected/affirmed at Gathering – 4 year terms – Two term limit</u></b>									
<i>Chair: Board Secretary</i>	<i>Nancy Boese</i>	ON			Vic Martens	BC			
Canadian Member	Arnie Peters	BC	2014	N	Arnie Peters	BC	2014	N	
Canadian Member	Joyce Schimpky	ON	2012	N	Vacancy				
<b><u>MB Mission Board – 3 elected/affirmed at Gathering – 4 year terms – Two term limit – 4<sup>th</sup> position is Exec Board MAL appointed to MB Mission</u></b>									
					Canadian Member	SK	2014	N	
Canadian Member	David Marshall	ON	2012	N	Vacancy				
					Canadian Member	MB	2014	N	
<i>Executive Board Rep</i>	<i>Ike Bergen, Chair</i>	BC	2012	N	Vacancy				

<b><u>MBBS Board – 6 Elected/affirmed at Gathering – 4 year terms – Two term limit – 7<sup>th</sup> position is Exec. Board MAL appointed to MBBS</u></b>									
Canadian Member	Ron Toews	BC	2012	Y	Roger Braun				
Canadian Member	James Toews	BC	2014	Y	James Toews				
Canadian Member					Darlene Klassen				
					John Neufeld				
					Ron Penner				
					Kristen Corrigan				
Executive Board Rep	John Unger	MB	2014	Y	John Unger				
<b><u>Historical Commission – 2 elected/affirmed at Gathering – 4 year terms – Two term limit – 3<sup>rd</sup> position appointed upon HC recommendation</u></b>									
Canadian Member					Canadian Member	MB	2014	N	
Canadian Member					Canadian Member	BC	2012	Y	
Appointed	Abe Dueck	MB	2012	N	Vacancy				
<b><u>Board of Faith and Life – 3 MAL positions elected/affirmed at Gathering – 4 year terms – Two term limit</u></b>									
Member at large	Brent Hudson	NB	2012	Y	Vacancy				
Member at large					Vacancy				
Member at large	Sherry Heidebrecht	SK	2012	Y	Vacancy				
<b><u>BFL Provincial Reps elected in their provinces; Conf Ministers ex officio on BFL</u></b>									
Provincial Rep	John Willems	AB	2012	Y	John Willems	AB	2016	N	
Provincial Rep	Paul Doerksen	MB	2012	Y	Paul Doerksen	MB	2016	N	
Provincial Rep	Terrance Froese (V-Chair)	SK	2012	Y	Terrance Froese	SK	2016	N	
Provincial Rep	Jean Bieri	QC	2011	Y	Jean Bieri	QC	2016	N	
Provincial Rep	Brian Cooper (Chair)	BC	2014	Y	Brian Cooper	BC	2014	Y	
Provincial Rep	Vidya Narimalla	ON	2012	Y	Richard Martens	ON	2016	Y	
Conference Minister	Steve Berg	BC	ex off		Rob Thiessen	BC	ex off		
Conference Minister	Daniel Beutler	AB	ex off		Daniel Beutler	AB	ex off		
Conference Minister	Ralph Gliege	SK	ex off		Ralph Gliege	SK	ex off		
Conference Minister	Keith Poysti	MB	ex off		Keith Poysti	MB	ex off		
Conference Minister	Richard Martens	ON	ex off		Vacancy	ON	ex off		
Conference Minister	Stephane Rheume	QC				QC			
Seminary Rep	Pierre Gilbert		Appt						
<b><u>MCC Representatives – 8 positions – Appointed by BFL– 4 year terms – Two term limit– Presented to Gathering for information only</u></b>									
BFL Appointee	Terrance Froese		Appt		Terrance Froese	Appt			
Canadian Member	Louise Giesbrecht	MB	2009		Scott Siemens	SK			
Canadian Member	Lucille Wall	SK	2009	Y	Neil Janzen	MB			
Canadian Member	Sheila Froese	AB	2009	Y	David Chow	BC			
Canadian Member	David Leung	BC	2012						
Canadian Member	Ken Friesen	BC	2012						
Canadian Member	Scott Siemens	SK	2012						

**Canadian Conference of Mennonite Brethren Churches  
General Operating Bylaw**

**Approved at Gathering 2010**

**Preamble**

Whereas the Canadian Conference of Mennonite Brethren Churches is incorporated by an Act of the Senate of Canada, assented to as Bill G6 on November 22, 1945 for the following objects:

- (1) to promote, maintain, superintend and carry on, in any and all parts of Canada, in accordance with the doctrinal laws, constitution, acts and rulings of the Canadian Conference of Mennonite Brethren Churches of any or all of the work of that body;
- (2) to organize, maintain and carry on, in any and all parts of Canada, charities and missions, and to erect, maintain and conduct therein churches, schools, camps, colleges, orphanages, hospitals, and homes for the aged;
- (3) to advance in other lawful ways education, religion, charity and benevolence;
- (4) to administer in Canada the property, business and other temporal affairs of the Corporation and
- (5) to organize and carry on, in any and all parts of Canada, in furtherance of the lawful objects of the Conference, and not otherwise, the business of printing and publishing;

And, whereas it is considered expedient to enact a general operating bylaw relating generally to the conduct and the affairs of the Conference, be it therefore enacted as a bylaw of the Conference as follows:

**Article 1 Interpretations**

- 1.1 In this bylaw and all other bylaws and resolutions of the Canadian Conference of Mennonite Brethren Churches unless the context otherwise requires it, the singular includes the plural; and the masculine gender includes the feminine;
- 1.2 Terms defined in the Charter have the same meanings in this bylaw;
- 1.3 “Board of Faith and Life” means the board pursuant to Article 11 of this bylaw established by the Conference to oversee the doctrinal and spiritual aspects of the Conference;
- 1.4 “Charter” means the Act of the Senate of Canada, assented to as Bill G6 on November 22, 1945 and any subsequent amendments or acts enacted in substitution therefor, from time to time;
- 1.5 “Committee” means any committee established by the Conference or the Executive Board pursuant to Article 10;
- 1.6 “Conference” means the Canadian Conference of Mennonite Brethren Churches;

1.7 “Confession of Faith” means the document annexed hereto as Appendix A, as same may be amended from time to time in accordance with Article 15;

1.8 “Convention” means a duly called meeting at which Member Churches are represented by authorized delegates;

1.9 “Delegate” means an authorized representative of a Member Church who is a Voting Member of the Conference;

1.10 “Executive Board” means the board of directors of the Conference;

1.11 “Executive Officer” means any person who holds one of the offices enumerated in Article 7;

1.12 “Member Church” means a local Christian congregation in Canada which is in agreement with the Confession of Faith and has been duly received into membership by a provincial conference or, upon recommendation of the Executive Board, by the Conference.

## **Article 2 Confession of Faith**

The Confession of Faith shall be the statement guiding the faith and practice of the Conference.

## **Article 3 The Conference in Perspective**

### **Section 1 Nationally**

The Conference is and shall at all times remain a Canadian charitable organization within the meaning thereof in the Income Tax Act (Canada). Its Member Churches are local congregations which, as a condition of membership in the Conference, shall also be and remain Canadian charitable organizations.

### **Section 2 Provincially**

A listing of provincial conferences is attached as Appendix B.

### **Section 3 Internationally**

Internationally the Conference relates to and cooperates with similar (parallel) national bodies of Mennonite Brethren churches in other countries to foster fellowship and to engage in joint ministries in the pursuit of its objects.

## **Article 4 The Canadian Conference in Relation to its Member Churches**

### **Section 1 Admission as a Member Church**

Where provincial conferences exist (Appendix B), churches are admitted to the national conference membership by action of their respective provincial conference. Any church that is accepted as a member in a provincial conference becomes at the same time a member in the Conference. Any Member Church established in a location outside of a provincial conference can become a member of the Conference upon the recommendation of the Executive Board.

### **Section 2 Process for Cessation of Membership**

Any Member Church may by its own choice, or for cause, by action of its respective provincial Conference in consultation with the Executive Board, cease to be a member of the Conference provincially and therefore also nationally. Any church established in a location outside of a provincial conference is subject to the Conference and the Executive Board in the cessation process.

### **Section 3 Local Congregations**

The Member Churches are local congregations consisting of baptized, Christian believers who are joined in a community of faith for mutual edification, outreach, and who subscribe to the Confession of Faith.

### **Section 4 Member Church Participation**

Whereas each Member Church is free to manage its local affairs, Member Churches relate to each other and cooperate with one another by joining and supporting their respective provincial conference and the Conference for mutual encouragement and increased effectiveness in service and witness in Canada and globally.

### **Section 5 Assistance when Needed**

When a Member Church is unable to resolve an issue which is harmful to its life and witness, the Conference has the right and the duty to offer its assistance in resolving the difficulty, upon request from or in consultation with the respective provincial conference.

### **Section 6 Suspension of a Member Church**

The Conference may withdraw the privilege of membership from any Member Church which ceases to be substantially in harmony with the Confession of Faith.

### **Section 7 Membership in the Member Church**

The regulation of membership of individuals in Member Churches is the responsibility of the Member Church. Guidelines shall be maintained by the Conference to assist Member Churches and to promote consistency of practice.

### **Section 8 No Proprietary Rights**

Membership in a Member Church creates no proprietary rights in any of the tangible assets thereof. Termination of membership, for whatever reason, requires no accounting by the Member Church to the departing member with respect to such assets.

## **Article 5 The Authority and Accountability Structures within the Conference**

### **Section 1 The Conference as Part of the Body of Christ**

The Conference is the national entity of a community of Christian believers known as the Mennonite Brethren denomination in Canada. In partnership with fellow believers in other communities, the Conference is organized and works under the authority of the Lord Jesus Christ to take the gospel into all the world starting in our neighbourhoods, and beyond that, to our respective provinces, to our nation and to the ends of the earth.

### **Section 2 The Source of Legal Authority**

The Conference receives its legal authority to exist and to operate from section 4 of its Charter, which empowers the membership of the Conference to establish the Executive Board to govern and direct the

affairs of the Conference. The Executive Board receives its authority to govern from, and is accountable to, the Conference.

### **Section 3 The Will of the Conference**

The will of the Conference shall be expressed by resolutions adopted at its Conventions. The Executive Board shall govern and direct the affairs of the Conference between Conventions in accordance with the will of the Conference.

### **Section 4 Plebiscites and Referenda**

The Conference in Convention is empowered to decide all matters corporately affecting the Member Churches. Plebiscites and referenda may be used only if authorized by a two-thirds majority vote at a Convention.

## **Article 6 Conventions of the Conference**

### **Section 1 Authority to Convene a Convention**

As stated in Section 4 of its Charter, the Conference shall hold annual Conventions for inspiration, reporting, direction-setting and decision-making, at such time and place as may be decided by the Executive Board.

### **Section 2 Special Conventions**

Subject to notice as hereafter provided, the Conference may call a special Convention at any time by decision of the Executive Board.

### **Section 3 Date, Location and Agenda of Conventions**

The Executive Board shall give at least six (6) weeks notice of any annual or special Convention. Such notice shall stipulate the date, location and agenda of such Convention. Notice shall be deemed to have been sufficiently given if sent by ordinary mail to the Member Churches, or if given by announcement in the Conference periodical publications distributed to the members of Member Churches.

### **Section 4 Church Representation at Convention**

Each Member Church shall be entitled to be represented at any Convention by delegates. Each delegate must be 18 years of age or older, must be a member in good standing, and shall be approved as a delegate by the church membership or governing board of the church. The maximum number of delegates is one (1) pastoral delegate per church and one (1) other delegate for every twenty-five (25) members or fraction thereof of that Member Church. Executive Board members have a vote at Convention by virtue of their position as Executive Board members.

### **Section 5 Voting**

Each delegate to a Convention shall have one vote, which must be cast in person. Proxy voting shall not be permitted.

### **Section 6 Quorum at Convention**

A quorum for any Convention shall consist of not less than one hundred (100) delegates registered at commencement thereof, in the absence of which no binding decisions can be made. Thereafter the delegates present in person shall be deemed to constitute a quorum. The quorum shall be reduced to thirty (30) if the agenda is limited to the appointment of an auditor, and the receiving and approving of the financial statements.

## **Section 7 Role of Delegates**

The role of the delegates at a Convention, in addition to those which are delineated by the Charter or by virtue of law, shall be as follows:

- (1) To elect those members of the Executive Board, the Board of Faith and Life and the Nominating Committee prescribed by the governing documents; and to elect the moderator, assistant moderator and secretary.
- (2) To receive reports from the Executive Board, the Board of Faith and Life, the Nominating Committee and the external Auditor.
- (3) To hold the reporting boards/committee(s) accountable for their actions;
- (4) To provide policy direction; and
- (5) To approve amendments to the governing documents.

## **Article 7 The Executive Board**

### **Section 1 The Composition and Election**

As stated in Section 4 of the charter, the Executive Board consists of not less than five and not more than twenty-five members. The Executive Board shall be composed of the following voting members:

- (1) the moderator of the Conference, who shall chair Conventions of the Conference and meetings of the Executive Board, except if and when prevented or excused, and shall act as formal representative of the Conference;
- (2) the assistant moderator of the Conference, who shall assist the Moderator and act in the capacity of Moderator in the absence of the incumbent;
- (3) the secretary of the Conference, who shall oversee and be responsible for the recording of minutes of Conventions and of meetings of the Executive Board, and shall carry out such other duties customarily the responsibility of secretaries of corporate bodies;
- (4) the moderators or their equivalents or their designates from each province, region or area listed in Appendix B hereto attached;
- (5) nine (9) members-at-large elected at an annual Convention.

In addition, the Executive Board includes the following non-voting members:

- (1) the Executive Director;
- (2) two members of the Board of Faith and Life appointed by the said Board from its membership.

Of the nine (9) elected members, one shall be appointed to the bi-national board of Mennonite Brethren Mission and Service International and one to the bi-national board of the Mennonite Brethren Biblical Seminary. The Executive Director, as an ex-officio, non-voting board member, has the right to speak to any issue. Attendance by other executive staff members is by specific invitation. In compliance with the Charter, all board members chosen by provincial conferences or who may be members by virtue of office shall be subject to a vote of ratification at the annual Convention.

### **Section 2 Term of Office**

(1) The term of office of each of the nine (9) elected members-at-large is four (4) years. Members will be eligible for a second four (4) year term. Terms of elected members shall be staggered. Vacancies occurring between Conventions shall be filled, if necessary, by appointment of the Executive Board.

(2) The term of office of moderator, assistant moderator and secretary is two (2) years. The moderator, assistant moderator and secretary may not serve in the same position for more than two consecutive, full terms.

(3) In special circumstances, this provision may be set aside by a two-thirds majority vote of the delegates present and voting at a delegate Convention.

(4) Vacancies occurring among elected members-at-large and office holders such as moderator, assistant moderator and secretary, shall be filled by appointment of the Executive Board for the unexpired portion of the term of office. When a provincial moderator or his designate must be replaced, the respective province shall make the appointment.

(5) Newly elected provincial representatives and members elected at large shall take office upon adjournment of the annual Convention.

(6) The term of office of any member of the Executive Board may be suspended for misconduct upon resolution of at least two-thirds of its voting members. Any such suspension shall continue until the next following annual Convention, at which further disposition of the case, including termination, may be made by the Convention.

### **Section 3 Responsibility**

The Executive Board shall through prayerful discernment seek God's leading to provide leadership in promoting vision, strategic planning, determination of the mission, enunciation of the values, overseeing financial and operational matters, setting of goals and evaluation of results in matters relating to the extension of the kingdom of God through the Member Churches.

### **Section 4 Specific Duties and Functions**

The Executive Board as the board of directors of the Conference shall govern and oversee the affairs and assets of the Conference as required by the Charter and by virtue of law. Without restriction, this shall include the following:

- (1) select and engage an Executive Director to implement the goals and policies of the Canadian Conference;
- (2) delegate management authority and responsibility to the Executive Director;
- (3) approve the Strategic Plan and priorities;
- (4) monitor performance and measure strategic outcomes;
- (5) oversee financial and operational matters, assume fiduciary responsibility for the conference, seek financial solvency and integrity;
- (6) represent the Conference externally;
- (7) foster inter-church relations and contacts with other church-related agencies;
- (8) consult with member churches in the process of strategic planning;
- (9) provide a forum for dialogue related to matters of congregational polity;
- (10) design governance structure and processes;
- (11) meet at least three (3) times per year;
- (12) maintain a current Governance Manual;
- (13) be accountable to the Conference at its Conventions;
- (14) engage consultants, appoint commissions and create advisory and ad hoc committees as required;

- (15) appoint a parliamentarian to serve during a Convention for the purpose of ensuring that decisions are in compliance with the Conference's governing documents and that transactions are conducted according to commonly accepted rules of parliamentary procedure;
- (16) evaluate and improve itself as the governing board; and
- (17) appoint the following three committees: Finance, Audit Review and Governance.

## **Article 8 Board and Committee Polity**

### **Section 1 Board and Committee Integrity**

A board or committee can express its will only when it is in session either in one location or in a teleconference. A board or committee cannot function as such except in meetings duly called and convened, and then only after roll call and before adjournment.

### **Section 2 Board and Committee Solidarity**

Individual members have no authority to speak for or act on behalf of the board or committee except when such authority has been officially delegated. Members must take care not to commit or to appear to commit the board or committee to any stand, in private or public statements, which the board or committee as a whole may be unwilling to take.

### **Section 3 Protection of Directors and Officers**

Every board and committee member of the Conference and any other person, including every employee, who has undertaken or is about to undertake any liability on behalf of the Conference, and their respective heirs, executors, administrators and assigns respectively, shall at all times be indemnified and saved harmless, out of the funds of the Conference from and against:

- (1) All costs, charges and expenses which such a board or committee member or other person sustains or incurs in or about any action, suit or proceeding which is brought by or prosecuted against him/her for, or in respect of any act, deed, matter or thing whatsoever made, done or permitted by him/her in or about the execution of the duties of his/her office, except such costs, charges or expenses as are occasioned by his/her own wilful neglect or deliberate illegal acts; and
- (2) All other costs, charges and expenses, which he sustains or incurs, in or about or in relation to the affairs thereof except such costs, charges and expenses as are occasioned by his/her own wilful neglect or deliberate illegal acts.

## **Article 9 Executive Director**

The Executive Board shall employ an Executive Director, who shall be accountable to the Executive Board for the management of the affairs of the Conference, including the following:

- (1) To develop the staff infrastructure to fulfil the values, goals and mission of the Conference;
- (2) To act as the team leader of the executive staff, providing direction in line with the vision and strategic plans of the Conference;
- (3) To present to the Executive Board tactical and financial plans that comply with the strategic plan;

- (4) To provide pastoral counsel where needed or requested by provincial conferences;
- (5) To plan public events such as gatherings, study conferences, and pastors' orientation;
- (6) To represent the Conference as appropriate.

## **Article 10 The Additional Conference Board and Committee**

The Conference shall maintain the Board of Faith and Life and Nominating Committee.

## **Article 11 Board of Faith and Life**

### **Section 1 Composition**

The Board shall be composed of the following members:

- (1) three (3) members elected by the Conference at the Convention;
- (2) one (1) member elected by each of the organizations listed in Appendix B hereto;
- (3) conference ministers elected or appointed by the organizations listed in Appendix B hereto.
- (4) the executive director as an ex-officio, non-voting member.

### **Section 2 Duties and Functions**

The specific duties of the Board of Faith and Life include:

- (1) To initiate the appropriate action or serve as a resource in issues of faith and life through consultation, teaching, and publishing;
- (2) To be responsible for promoting the Conference's peace witness in Member Churches and Canada;
- (3) To plan study conferences in consultation with the Executive Board;
- (4) To appoint two of its members to the Executive Board to monitor the actions taken at an Executive Board meeting for their ethical soundness and biblical correctness and to report their findings to the Convention;
- (5) To be responsible for the representation of the Conference on the delegate body of Mennonite Central Committee (Canada);
- (6) To report the plans and activities of the Board to the Executive Board;
- (7) To be accountable to the Conference at its Convention;
- (8) To undertake such other duties as Conventions may from time to time assign to this Board.

## **Article 12 Nominating Committee**

### **Section 1 Composition**

The Committee shall be composed of the following members:

- (1) the Secretary of the Conference;
- (2) the moderators, or their equivalents, or others designated by each of the organizations listed in Appendix B hereto;
- (3) two (2) members elected by a Convention.

### **Section 2 Duties**

The Committee shall nominate persons for election by Conventions of the Conference as required from time to time. In furtherance of its function, this Committee shall assess the skills required for elective or appointed positions and shall maintain a database of the elected and appointed incumbents and their respective terms of office.

## **Article 13 Audit Review Committee**

### **Section 1 Appointment and Composition**

At its first meeting after each annual meeting, the Board shall appoint the Audit Review Committee, including the chairperson. This committee shall consist of not less than three (3) and not more than five (5) members, the majority of which shall be Executive Board members.

### **Section 2 General Role**

The Audit Review Committee's role is to act on behalf of the Board and oversee qualitative aspects of financial reporting, processes for the management of financial risk, control and audit functions, and compliance with policy and significant applicable legal, ethical and regulatory requirements.

### **Section 3 Specific Responsibilities**

Without limiting the general responsibility, the committee will do at least the following:

- (1) To recommend to the Executive Board the appointment of an independent public auditor;
- (2) To meet at least twice annually, unless otherwise directed by the Executive Board, plan and review the annual audit with the external auditor, negotiate the remuneration to be paid to the external auditor for the ensuing year, and report to the Executive Board on the audit, and any management or audit comments by the external auditor, when the audited financial statements are presented;
- (3) To assure itself and the Executive Board that the Conference's financial policies, functions, and responsibilities are in compliance with the highest standards of integrity and in accordance with applicable laws.

## **Article 14 The Finance Committee**

### **Section 1 Appointment and Composition**

At its first meeting after each annual meeting, the Board shall appoint the Finance Committee, including the chairperson. This committee shall consist of not less than three (3) and not more than five (5) members, the majority of which shall be Executive Board members.

### **Section 2 General Role**

The role of the Finance Committee is to advise the Board on all financial matters, including investments, affecting the Conference and to approve on behalf of the Board those financial strategies, contracts and agreements delegated to it under board Policy.

### **Section 3 Specific Responsibilities**

Without limiting the general responsibility the committee will also carry out the following functions:

- (1) recommend investment policies and direction to the Executive Board;
- (2) give advice as requested by staff;
- (3) monitor the financial limitations and expectations policies; and
- (4) provide the Executive Board with progress reports and results of the investment portfolio in a timely manner but in any event not less than annually.

## **Article 15 Amending the Confession of Faith**

The Confession of Faith has been developed by the Conference in collaboration with the United States Conference of Mennonite Brethren Churches. Amendments thereto shall be made only if that body and the Conference both agree (Appendix F: Memorandum of Understanding taken from the book entitled 86th Convention of the General Conference of Mennonite Brethren Churches, July 25-27, 2002, pages 88 and 89).

## **Article 16 Amending the General Operating Bylaw**

### **Section 1**

Notice of motion to amend the Bylaw may be given at any Convention or by publication in the Conference periodical publications.

### **Section 2**

Sponsorship of a motion to amend the Bylaw may be initiated by the Executive Board, by any Member Church or by a group of at least 50 individuals who are members in good standing of Member Churches and who have signed a document to that effect.

### **Section 3**

Notice of motion to amend the Bylaw must be presented to all Member Churches three months before the Convention at which it is to be voted on. The notice of motion will disclose the movers of the motion.

### **Section 4**

A two-thirds majority of those present and voting at a Convention shall be required to carry an amendment.

## **Article 17 Separately Organized Ministries**

### **Section 1 Joint Ministries with the US Conference**

The Conference is active in several joint ministries that are operated by boards with representation from both the US Conference of Mennonite Brethren Churches and the Conference. The representation by the Conference to these boards is by appointment from within the Executive Board as further specified in Article 7, Section 1. Accountability to the Conference is through communication and coordination with the Executive Board and by reports to the Conference at the annual Convention. The joint ministries are

- (1) Mennonite Brethren Biblical Seminary;
- (2) Mennonite Brethren Mission and Service International;
- (3) Mennonite Brethren Historical Commission.

The basic documents for each are attached as appendices, as follows:

- (1) Appendix C: Memorandum of Understanding Regarding Mennonite Brethren Biblical Seminary, taken from the book entitled 86th Convention of the Conference of Mennonite Brethren Churches, July 25-27, 2002, pages 49-50.
- (2) Appendix D: Memorandum of Understanding Regarding Mission and Service International, *ibid.*, pages 91-93.
- (3) Appendix E: Memorandum of Understanding Regarding the Mennonite Brethren Historical Commission, *ibid.*, pages 47-48.

## **Article 18 Fiscal Year**

The fiscal year of the Conference shall terminate on the 31st day of May in each year or on such other date as the Executive Board may from time to time by resolution determine.

## **Article 19 Appointment of Auditor by Members**

The annual Convention shall appoint an auditor to audit the books of the Conference. The term of office shall be until the next annual Convention. Any interim vacancy in the office of the auditor may be filled by the Executive Board. The remuneration of the auditor shall be fixed by the Convention or by the Executive Board, if authorized to do so by the Convention.

## **Article 20 Notice**

### **Section 1 Method of Notice**

Except where otherwise provided in this Bylaw, notice shall be validly given if given by telephone, or if in writing, by prepaid letter post, by facsimile, by email, or by other electronic method, addressed to the person for whom it is intended at the last address shown on the Conference's records.

### **Section 2 Omissions and Errors**

The accidental omission to give notice of any meeting or the non-receipt of any such notice by anyone in a board or committee, or any error in any notice not affecting its substance does not invalidate any resolution passed or any proceedings taken at the meeting. Any Executive Board member, committee member or the Auditor may at any time waive his/her having to receive notice of any meeting and may ratify and approve any or all proceedings taken thereat.

#### **Article 21 Dissolution**

Upon dissolution of the Conference, and after the payment of all debts and liabilities, its remaining property shall be distributed to one or more charitable organizations which are registered as such within the meaning of subsection 248 (1) of the Income Tax Act and which have objects similar to those of the Conference.

#### **Article 22 Effective Date**

This Bylaw shall come into force when enacted by the Conference at its Convention, July, 2010.

# Annual Survey Report: Canadian Conference of Mennonite Brethren Churches for 2011

<b>1. Survey Submissions</b>										
	AB	AP	BC	MB	ON	PQ	SK	Total	Prior	Change
Total for Survey Submissions	22	0	110	40	35	11	29	247	244	1%
<b>2. Membership Gains &amp; Losses</b>										
	AB	AP	BC	MB	ON	PQ	SK	Total	Prior	Change
Opening Balance	2,399	0	20,000	6,585	4,600	646	3,078	37,308	33,984	10%
<i>Opening Balance Percent</i>	100%	0%	101%	99%	100%	102%	99%	100%	99%	1%
Baptism	21	0	225	81	68	12	80	487	703	-31%
<i>Baptism Percent</i>	1%	0%	1%	1%	1%	2%	3%	1%	2%	-1%
Charter members (New churches only)	0	0	0	0	0	0	0	0	90	-100%
<i>Charter members (New churches only) Percent</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Reinstatement	0	0	9	5	2	1	0	17	11	55%
<i>Reinstatement Percent</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Testimony from other denominations.	51	0	247	61	36	11	50	456	535	-15%
<i>Testimony from other denominations. Percent</i>	2%	0%	1%	1%	1%	2%	2%	1%	2%	0%
Transfer from other MB churches.	10	0	78	32	12	3	27	162	256	-37%
<i>Transfer from other MB churches. Percent</i>	0%	0%	0%	0%	0%	0%	1%	0%	1%	0%
Death	-11	0	-120	-45	-39	-2	-24	-241	-279	-14%
<i>Death Percent</i>	0%	0%	-1%	-1%	-1%	0%	-1%	-1%	-1%	0%
Disciplinary Release	-2	0	-1	-1	0	0	0	-4	-3	33%
<i>Disciplinary Release Percent</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Other	-4	0	-221	0	-23	-5	-22	-275	-226	22%
<i>Other Percent</i>	0%	0%	-1%	0%	-1%	-1%	-1%	-1%	-1%	0%
Release	-37	0	-194	-52	-25	-7	-37	-352	-444	-21%
<i>Release Percent</i>	-2%	0%	-1%	-1%	-1%	-1%	-1%	-1%	-1%	0%
Transfer to other MB churches.	-15	0	-98	-22	-7	-4	-23	-169	-169	0%
<i>Transfer to other MB churches. Percent</i>	-1%	0%	0%	0%	0%	-1%	-1%	0%	0%	0%
Transfer to another denomination.	-7	0	-55	-22	-28	-21	-8	-141	-240	-41%
<i>Transfer to another denomination. Percent</i>	0%	0%	0%	0%	-1%	-3%	0%	0%	-1%	0%
<b>Total for Membership Gains &amp; Losses</b>	<b>2,405</b>	<b>0</b>	<b>19,870</b>	<b>6,622</b>	<b>4,596</b>	<b>634</b>	<b>3,121</b>	<b>37,248</b>	<b>34,218</b>	<b>9%</b>
<b>2.1. Reported Membership at Dec 31</b>										
	AB	AP	BC	MB	ON	PQ	SK	Total	Prior	Change
Total for Reported Membership at Dec 31	2,307	0	20,158	6,409	4,284	561	3,136	36,855	37,046	-1%
<b>3. Membership Sources</b>										
	AB	AP	BC	MB	ON	PQ	SK	Total	Prior	Change
One or both parents members of MB church.	16	0	102	53	16	4	45	236	328	-28%
<i>One or both parents members of MB church. P</i>	28%	0%	33%	46%	33%	18%	42%	36%	35%	1%
Non-Christian background	39	0	161	60	27	17	51	355	455	-22%
<i>Non-Christian background Percent</i>	68%	0%	53%	52%	56%	77%	48%	54%	48%	6%
Secular	2	0	30	3	3	0	9	47	156	-70%

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<b>3. Membership Sources</b>	AB	AP	BC	MB	ON	PQ	SK	Total	Prior	Change
<i>Secular Percent</i>	4%	0%	10%	3%	6%	0%	8%	7%	16%	-9%
Buddhist	0	0	0	0	0	0	0	0	5	-100%
<i>Buddhist Percent</i>	0%	0%	0%	0%	0%	0%	0%	0%	1%	-1%
Hindu	0	0	0	0	0	0	0	0	3	-100%
<i>Hindu Percent</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Sikh	0	0	0	0	0	0	0	0	0	0%
<i>Sikh Percent</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Jewish	0	0	0	0	0	0	1	1	0	0%
<i>Jewish Percent</i>	0%	0%	0%	0%	0%	0%	1%	0%	0%	0%
New Age	0	0	1	0	0	0	0	1	0	0%
<i>New Age Percent</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Muslim	0	0	2	0	0	0	0	2	0	0%
<i>Muslim Percent</i>	0%	0%	1%	0%	0%	0%	0%	0%	0%	0%
Other	0	0	9	0	2	1	0	12	0	0%
<i>Other Percent</i>	0%	0%	3%	0%	4%	5%	0%	2%	0%	0%
<b>Total for Membership Sources</b>	<b>57</b>	<b>0</b>	<b>305</b>	<b>116</b>	<b>48</b>	<b>22</b>	<b>106</b>	<b>654</b>	<b>947</b>	<b>-31%</b>
<b>4. Baptisms by Age</b>	AB	AP	BC	MB	ON	PQ	SK	Total	Prior	Change
11 years and under.	3	0	6	0	2	0	0	11	17	-35%
<i>11 years and under. Percent</i>	4%	0%	2%	0%	5%	0%	0%	2%	2%	0%
12 to 17 years.	15	0	83	37	15	1	27	178	229	-22%
<i>12 to 17 years. Percent</i>	21%	0%	29%	46%	35%	8%	35%	31%	30%	1%
18 to 20 years.	37	0	49	15	6	2	13	122	113	8%
<i>18 to 20 years. Percent</i>	52%	0%	17%	19%	14%	17%	17%	21%	15%	7%
21 to 34 years.	8	0	76	18	7	2	26	137	208	-34%
<i>21 to 34 years. Percent</i>	11%	0%	26%	22%	16%	17%	34%	24%	27%	-3%
35 to 64 years.	6	0	64	6	10	3	8	97	171	-43%
<i>35 to 64 years. Percent</i>	8%	0%	22%	7%	23%	25%	10%	17%	22%	-5%
65 and over.	2	0	13	5	3	4	3	30	35	-14%
<i>65 and over. Percent</i>	3%	0%	4%	6%	7%	33%	4%	5%	5%	1%
<b>Total for Baptisms by Age</b>	<b>71</b>	<b>0</b>	<b>291</b>	<b>81</b>	<b>43</b>	<b>12</b>	<b>77</b>	<b>575</b>	<b>773</b>	<b>-26%</b>
<b>6. Sunday School Average Weekly Attenda</b>	AB	AP	BC	MB	ON	PQ	SK	Total	Prior	Change
Preschool	134	0	522	308	76	52	94	1,186	1,538	-23%
Children grades K to 6.	272	0	1,053	651	360	35	209	2,580	3,743	-31%
Junior Youth	78	0	857	204	126	25	102	1,392	1,792	-22%
Senior Youth	52	0	866	193	163	19	104	1,397	1,840	-24%
College & Career	80	0	250	133	90	10	15	578	1,069	-46%

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<b>6. Sunday School Average Weekly Attenda</b>	AB	AP	BC	MB	ON	PQ	SK	Total	Prior	Change
Adult	265	0	2,280	480	241	70	376	3,712	6,025	-38%
Sunday School Staff	110	0	547	214	209	0	217	1,297	2,449	-47%
<b>Total for Sunday School Average Weekly Attenda</b>	<b>991</b>	<b>0</b>	<b>6,375</b>	<b>2,183</b>	<b>1,265</b>	<b>211</b>	<b>1,117</b>	<b>12,142</b>	<b>18,456</b>	<b>-34%</b>
<b>7. Worship and Small Group Details</b>	AB	AP	BC	MB	ON	PQ	SK	Total	Prior	Change
Number of worship services per week.	13	0	70	24	18	5	20	150	375	-60%
Number of small groups.	74	0	408	301	77	25	123	1,008	1,581	-36%
Sunday AM Worship	1,508	0	9,914	3,246	2,808	307	2,707	20,490	28,953	-29%
Weekday activities (clubs, youth, etc.)	364	0	2,937	1,018	681	15	507	5,522	6,835	-19%
Small group participants.	635	0	3,840	1,579	1,244	192	1,255	8,745	13,091	-33%
Children's Church	36	0	788	114	172	30	80	1,220	1,650	-26%
Vacation Bible School or equivalent.	285	0	2,182	1,137	447	0	283	4,334	5,294	-18%
Highest Sunday AM attendance.	1,888	0	14,826	5,177	2,927	536	3,013	28,367	40,843	-31%
<b>Total for Worship and Small Group Details</b>	<b>4,803</b>	<b>0</b>	<b>34,965</b>	<b>12,596</b>	<b>8,374</b>	<b>1,110</b>	<b>7,988</b>	<b>69,836</b>	<b>98,622</b>	<b>-29%</b>
<b>8. Demographics - Vital Statistics</b>	AB	AP	BC	MB	ON	PQ	SK	Total	Prior	Change
Births	31	0	147	88	35	6	75	382	512	-25%
Marriages	22	0	71	43	20	1	33	190	291	-35%
Divorces & Separations	6	0	17	7	2	0	10	42	52	-19%
Deaths	10	0	115	45	32	2	38	242	426	-43%
<b>Total for Demographics - Vital Statistics</b>	<b>69</b>	<b>0</b>	<b>350</b>	<b>183</b>	<b>89</b>	<b>9</b>	<b>156</b>	<b>856</b>	<b>1,281</b>	<b>-33%</b>
<b>9. Demographics - Congregation Age</b>	AB	AP	BC	MB	ON	PQ	SK	Total	Prior	Change
17 and under.	309	0	2,334	912	555	64	831	5,005	8,408	-40%
<i>17 and under. Percent</i>	<i>27%</i>	<i>0%</i>	<i>23%</i>	<i>23%</i>	<i>19%</i>	<i>20%</i>	<i>27%</i>	<i>23%</i>	<i>25%</i>	<i>-2%</i>
18 to 29 years.	135	0	1,243	601	486	35	477	2,977	4,907	-39%
<i>18 to 29 years. Percent</i>	<i>12%</i>	<i>0%</i>	<i>12%</i>	<i>15%</i>	<i>17%</i>	<i>11%</i>	<i>15%</i>	<i>14%</i>	<i>15%</i>	<i>-1%</i>
30 to 44 years.	243	0	1,576	685	472	76	530	3,582	5,856	-39%
<i>30 to 44 years. Percent</i>	<i>22%</i>	<i>0%</i>	<i>15%</i>	<i>17%</i>	<i>16%</i>	<i>23%</i>	<i>17%</i>	<i>17%</i>	<i>18%</i>	<i>-1%</i>
45 to 64 years.	258	0	2,650	970	798	100	777	5,553	8,336	-33%
<i>45 to 64 years. Percent</i>	<i>23%</i>	<i>0%</i>	<i>26%</i>	<i>25%</i>	<i>27%</i>	<i>31%</i>	<i>25%</i>	<i>26%</i>	<i>25%</i>	<i>1%</i>
65 years and over.	182	0	2,448	767	618	52	519	4,586	5,815	-21%
<i>65 years and over. Percent</i>	<i>16%</i>	<i>0%</i>	<i>24%</i>	<i>19%</i>	<i>21%</i>	<i>16%</i>	<i>17%</i>	<i>21%</i>	<i>17%</i>	<i>4%</i>
<b>Total for Demographics - Congregation Age</b>	<b>1,127</b>	<b>0</b>	<b>10,251</b>	<b>3,935</b>	<b>2,929</b>	<b>327</b>	<b>3,134</b>	<b>21,703</b>	<b>33,322</b>	<b>-35%</b>
<b>10. Church Leadership</b>	AB	AP	BC	MB	ON	PQ	SK	Total	Prior	Change
Pastoral staff - salaried	22	0	146	48	34	11	41	302	438	-31%
Pastoral staff - unsalaried	1	0	5	4	2	1	0	13	94	-86%
Elders or council members	71	0	318	153	76	22	116	756	1,088	-31%

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<b>10. Church Leadership</b>	AB	AP	BC	MB	ON	PQ	SK	Total	Prior	Change
Deacons or care-givers	34	0	264	111	64	18	61	552	825	-33%
Long-term missionaries serving more than 1 year	38	0	169	32	37	6	53	335	422	-21%
Short-term missionaries serving less than 1 year	15	0	381	202	111	2	102	813	1,507	-46%
Missionaries with MBMS	0	0	30	8	8	0	13	59	104	-43%
Home missions workers	0	0	5	0	0	0	2	7	30	-77%
Missionaries outside of MB organizations	28	0	148	27	14	6	43	266	289	-8%
MCC Workers	11	0	86	35	4	5	16	157	152	3%
<b>Total for Church Leadership</b>	<b>220</b>	<b>0</b>	<b>1,552</b>	<b>620</b>	<b>350</b>	<b>71</b>	<b>447</b>	<b>3,260</b>	<b>4,949</b>	<b>-34%</b>

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<b>1. Survey Submissions</b>	AB	AP	BC	MB	ON	PQ	SK	Total	Prior	Change
Total for Survey Submissions	22	4	104	40	35	10	29	244	246	-1%
<b>2. Membership Gains &amp; Losses</b>	AB	AP	BC	MB	ON	PQ	SK	Total	Prior	Change
Opening Balance	1,941	222	17,633	6,148	4,439	517	3,084	33,984	33,737	1%
<i>Opening Balance Percent</i>	98%	99%	99%	100%	99%	100%	99%	99%	99%	0%
Baptism	44	0	373	134	77	9	66	703	709	-1%
<i>Baptism Percent</i>	2%	0%	2%	2%	2%	2%	2%	2%	2%	0%
Charter members (New churches only)	0	0	83	7	0	0	0	90	29	210%
<i>Charter members (New churches only) Percent</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Reinstatement	3	0	2	2	4	0	0	11	13	-15%
<i>Reinstatement Percent</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Testimony from other denominations.	39	2	281	86	70	21	36	535	570	-6%
<i>Testimony from other denominations. Percent</i>	2%	1%	2%	1%	2%	4%	1%	2%	2%	0%
Transfer from other MB churches.	47	2	101	47	30	4	25	256	309	-17%
<i>Transfer from other MB churches. Percent</i>	2%	1%	1%	1%	1%	1%	1%	1%	1%	0%
Death	-18	0	-126	-65	-40	0	-30	-279	-240	16%
<i>Death Percent</i>	-1%	0%	-1%	-1%	-1%	0%	-1%	-1%	-1%	0%
Disciplinary Release	-2	0	-1	0	0	0	0	-3	-8	-63%
<i>Disciplinary Release Percent</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Other	-19	0	-115	-73	0	-12	-7	-226	-294	-23%
<i>Other Percent</i>	-1%	0%	-1%	-1%	0%	-2%	0%	-1%	-1%	0%
Release	-20	0	-305	-58	-33	0	-28	-444	-498	-11%
<i>Release Percent</i>	-1%	0%	-2%	-1%	-1%	0%	-1%	-1%	-1%	0%
Transfer to other MB churches.	-12	0	-89	-28	-18	-3	-19	-169	-169	0%
<i>Transfer to other MB churches. Percent</i>	-1%	0%	-1%	0%	0%	-1%	-1%	0%	0%	0%
Transfer to another denomination.	-24	-2	-87	-50	-42	-20	-15	-240	-242	-1%
<i>Transfer to another denomination. Percent</i>	-1%	-1%	0%	-1%	-1%	-4%	0%	-1%	-1%	0%
<b>Total for Membership Gains &amp; Losses</b>	<b>1,979</b>	<b>224</b>	<b>17,750</b>	<b>6,150</b>	<b>4,487</b>	<b>516</b>	<b>3,112</b>	<b>34,218</b>	<b>33,916</b>	<b>1%</b>
<b>2.1. Reported Membership at Dec 31</b>	AB	AP	BC	MB	ON	PQ	SK	Total	Prior	Change
Total for Reported Membership at Dec 31	2,376	224	19,680	6,433	4,634	612	3,087	37,046	33,682	10%
<b>3. Membership Sources</b>	AB	AP	BC	MB	ON	PQ	SK	Total	Prior	Change
One or both parents members of MB church.	32	0	143	74	26	3	50	328	315	4%
<i>One or both parents members of MB church. P</i>	57%	0%	32%	46%	19%	9%	45%	35%	36%	-1%
Non-Christian background	21	2	225	80	63	20	44	455	392	16%
<i>Non-Christian background Percent</i>	38%	100%	50%	49%	47%	63%	40%	48%	44%	4%
Secular	2	0	78	5	45	9	17	156	125	25%

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<b>3. Membership Sources</b>	AB	AP	BC	MB	ON	PQ	SK	Total	Prior	Change
<i>Secular Percent</i>	4%	0%	17%	3%	34%	28%	15%	16%	14%	2%
Buddhist	1	0	3	1	0	0	0	5	17	-71%
<i>Buddhist Percent</i>	2%	0%	1%	1%	0%	0%	0%	1%	2%	-1%
Hindu	0	0	1	2	0	0	0	3	0	0%
<i>Hindu Percent</i>	0%	0%	0%	1%	0%	0%	0%	0%	0%	0%
Sikh	0	0	0	0	0	0	0	0	3	-100%
<i>Sikh Percent</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Jewish	0	0	0	0	0	0	0	0	0	0%
<i>Jewish Percent</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
New Age	0	0	0	0	0	0	0	0	4	-100%
<i>New Age Percent</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Muslim	0	0	0	0	0	0	0	0	3	-100%
<i>Muslim Percent</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Other	0	0	0	0	0	0	0	0	25	-100%
<i>Other Percent</i>	0%	0%	0%	0%	0%	0%	0%	0%	3%	-3%
<b>Total for Membership Sources</b>	<b>56</b>	<b>2</b>	<b>450</b>	<b>162</b>	<b>134</b>	<b>32</b>	<b>111</b>	<b>947</b>	<b>884</b>	<b>7%</b>
<b>4. Baptisms by Age</b>	AB	AP	BC	MB	ON	PQ	SK	Total	Prior	Change
11 years and under.	0	0	8	0	7	0	2	17	20	-15%
<i>11 years and under. Percent</i>	0%	0%	2%	0%	9%	0%	2%	2%	2%	0%
12 to 17 years.	31	0	92	52	22	1	31	229	249	-8%
<i>12 to 17 years. Percent</i>	66%	0%	24%	40%	29%	8%	26%	30%	29%	0%
18 to 20 years.	2	0	70	17	9	0	15	113	122	-7%
<i>18 to 20 years. Percent</i>	4%	0%	18%	13%	12%	0%	13%	15%	14%	0%
21 to 34 years.	9	0	118	40	14	7	20	208	238	-13%
<i>21 to 34 years. Percent</i>	19%	0%	30%	31%	18%	54%	17%	27%	28%	-1%
35 to 64 years.	5	0	77	21	24	4	40	171	193	-11%
<i>35 to 64 years. Percent</i>	11%	0%	20%	16%	32%	31%	34%	22%	23%	-1%
65 and over.	0	0	24	1	0	1	9	35	27	30%
<i>65 and over. Percent</i>	0%	0%	6%	1%	0%	8%	8%	5%	3%	1%
<b>Total for Baptisms by Age</b>	<b>47</b>	<b>0</b>	<b>389</b>	<b>131</b>	<b>76</b>	<b>13</b>	<b>117</b>	<b>773</b>	<b>849</b>	<b>-9%</b>
<b>6. Sunday School Average Weekly Attenda</b>	AB	AP	BC	MB	ON	PQ	SK	Total	Prior	Change
Preschool	109	7	763	383	115	42	119	1,538	1,904	-19%
Children grades K to 6.	329	19	1,790	952	365	52	236	3,743	4,104	-9%
Junior Youth	110	2	1,117	301	114	16	132	1,792	2,331	-23%
Senior Youth	124	0	1,081	355	134	13	133	1,840	2,002	-8%
College & Career	101	0	642	199	63	61	3	1,069	1,174	-9%

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<b>6. Sunday School Average Weekly Attenda</b>	AB	AP	BC	MB	ON	PQ	SK	Total	Prior	Change
Adult	827	0	3,820	433	324	75	546	6,025	6,250	-4%
Sunday School Staff	858	0	702	465	260	31	133	2,449	2,554	-4%
<b>Total for Sunday School Average Weekly Attenda</b>	<b>2,458</b>	<b>28</b>	<b>9,915</b>	<b>3,088</b>	<b>1,375</b>	<b>290</b>	<b>1,302</b>	<b>18,456</b>	<b>20,319</b>	<b>-9%</b>

<b>7. Worship and Small Group Details</b>	AB	AP	BC	MB	ON	PQ	SK	Total	Prior	Change
Number of worship services per week.	165	2	110	39	27	7	25	375	231	62%
Number of small groups.	117	4	690	446	204	24	96	1,581	1,429	11%
Sunday AM Worship	2,355	82	15,287	5,429	2,613	387	2,800	28,953	32,993	-12%
Weekday activities (clubs, youth, etc.)	345	8	4,014	1,110	623	4	731	6,835	7,892	-13%
Small group participants.	1,029	32	7,459	2,394	1,136	178	863	13,091	13,641	-4%
Children's Church	75	13	1,075	180	205	8	94	1,650	2,006	-18%
Vacation Bible School or equivalent.	405	0	2,888	865	681	0	455	5,294	5,223	1%
Highest Sunday AM attendance.	2,679	103	21,783	8,140	3,638	510	3,990	40,843	42,513	-4%
<b>Total for Worship and Small Group Details</b>	<b>7,170</b>	<b>244</b>	<b>53,306</b>	<b>18,603</b>	<b>9,127</b>	<b>1,118</b>	<b>9,054</b>	<b>98,622</b>	<b>105,928</b>	<b>-7%</b>

<b>8. Demographics - Vital Statistics</b>	AB	AP	BC	MB	ON	PQ	SK	Total	Prior	Change
Births	44	0	226	97	42	19	84	512	581	-12%
Marriages	20	1	97	80	34	8	51	291	324	-10%
Divorces & Separations	3	1	27	12	3	1	5	52	42	24%
Deaths	22	0	133	68	163	0	40	426	308	38%
<b>Total for Demographics - Vital Statistics</b>	<b>89</b>	<b>2</b>	<b>483</b>	<b>257</b>	<b>242</b>	<b>28</b>	<b>180</b>	<b>1,281</b>	<b>1,255</b>	<b>2%</b>

<b>9. Demographics - Congregation Age</b>	AB	AP	BC	MB	ON	PQ	SK	Total	Prior	Change
17 and under.	612	25	4,116	1,851	948	83	773	8,408	10,086	-17%
<i>17 and under. Percent</i>	<i>27%</i>	<i>29%</i>	<i>26%</i>	<i>25%</i>	<i>24%</i>	<i>18%</i>	<i>23%</i>	<i>25%</i>	<i>26%</i>	<i>-7%</i>
18 to 29 years.	321	10	2,216	1,103	681	68	508	4,907	5,833	-16%
<i>18 to 29 years. Percent</i>	<i>14%</i>	<i>11%</i>	<i>14%</i>	<i>15%</i>	<i>17%</i>	<i>14%</i>	<i>15%</i>	<i>15%</i>	<i>15%</i>	<i>-7%</i>
30 to 44 years.	467	15	2,613	1,315	738	141	567	5,856	6,726	-13%
<i>30 to 44 years. Percent</i>	<i>20%</i>	<i>17%</i>	<i>16%</i>	<i>18%</i>	<i>19%</i>	<i>30%</i>	<i>17%</i>	<i>18%</i>	<i>18%</i>	<i>0%</i>
45 to 64 years.	528	21	4,162	1,667	977	137	844	8,336	9,278	-10%
<i>45 to 64 years. Percent</i>	<i>23%</i>	<i>24%</i>	<i>26%</i>	<i>23%</i>	<i>25%</i>	<i>29%</i>	<i>25%</i>	<i>25%</i>	<i>24%</i>	<i>1%</i>
65 years and over.	372	16	2,790	1,328	639	45	625	5,815	6,375	-9%
<i>65 years and over. Percent</i>	<i>16%</i>	<i>18%</i>	<i>18%</i>	<i>18%</i>	<i>16%</i>	<i>9%</i>	<i>19%</i>	<i>17%</i>	<i>17%</i>	<i>1%</i>
<b>Total for Demographics - Congregation Age</b>	<b>2,300</b>	<b>87</b>	<b>15,897</b>	<b>7,264</b>	<b>3,983</b>	<b>474</b>	<b>3,317</b>	<b>33,322</b>	<b>38,298</b>	<b>-13%</b>

<b>10. Church Leadership</b>	AB	AP	BC	MB	ON	PQ	SK	Total	Prior	Change
Pastoral staff - salaried	44	2	207	81	40	16	48	438	438	0%
Pastoral staff - unsalaried	1	3	38	5	17	20	10	94	43	119%
Elders or council members	106	8	448	230	112	33	151	1,088	1,175	-7%

## Annual Survey Report: Canadian Conference of Mennonite Brethren Churches for 2010

<b>10. Church Leadership</b>	AB	AP	BC	MB	ON	PQ	SK	Total	Prior	Change
Deacons or care-givers	75	4	405	145	81	31	84	825	884	-7%
Long-term missionaries serving more than 1 year	64	0	225	42	40	7	44	422	453	-7%
Short-term missionaries serving less than 1 year	92	2	980	311	41	7	74	1,507	1,132	33%
Missionaries with MBMS	10	0	57	11	9	0	17	104	114	-9%
Home missions workers	0	0	15	1	9	3	2	30	23	30%
Missionaries outside of MB organizations	35	0	146	34	26	9	39	289	353	-18%
MCC Workers	33	0	78	28	2	8	3	152	110	38%
<b>Total for Church Leadership</b>	<b>460</b>	<b>19</b>	<b>2,599</b>	<b>888</b>	<b>377</b>	<b>134</b>	<b>472</b>	<b>4,949</b>	<b>4,725</b>	<b>5%</b>

Gathering 2012 Yearbook  
**Event Statistics**

<b>Number of Registrants:</b>		319
<b>Number of Canadian MB Churches Represented:</b>		98
<b>Province of Registrants:</b>		
	BC	96
	AB	21
	SK	38
	MB	134
	ON	17
	QC	13

## List of Exhibitors

CCMBC  
 Kindred Productions  
 MBBS Canada  
 MB Mission  
 Historical Commission

ICOMB  
 Bethany College  
 Camps BC  
 Columbia Bible College  
 Christian Press  
 CMU/Outtatown  
 ETEM  
 Family Life Network  
 Mennonite World Conference  
 Mennonite Disaster Service  
 Mennonite Central Committee  
 NCOL

# CCMBC Boards, Committees and Appointees

## **Executive Board**

To contact the Executive Board please email [mbboard@mbconf.ca](mailto:mbboard@mbconf.ca)

### **Paul Loewen (Moderator) - 2014**

Home Church: Mountain Park Community Church, Abbotsford BC

### **Len Penner (Assistant Moderator) - 2014**

Home Church: Fort Garry MB Church - Winnipeg, MB

### **Victor Martens (Secretary) - 2014**

Home Church: Ross Road Community Church, Abbotsford, BC

### **Nancy Boese (MAL) - 2014**

Home Church: Fairview MB Church, St. Catharines, ON

### **David McLauren (MAL) - 2014**

Home Church: Northview Church, Abbotsford, BC

### **David Marshall (MAL) - 2016**

Home Church: Waterloo MB Church, Waterloo, ON

### **Rick Goossen (MAL) - 2014**

Home Church: Willingdon Church, Burnaby, BC

### **Sam Reimer (MAL) - 2016**

Home Church: River of Life MB Church, Moncton, NB

### **John Unger (MAL-MBBS Rep) - 2014**

Home Church: Fort Garry MB Church, Winnipeg, MB

### **Gerald Peters (MAL) - 2016**

Home Church: Meadow Brook Fellowship, Leamington ON

### **Ron Van Akker (BC Moderator)**

Home Church: Central Community Church, Chilliwack, BC

### **Val Martens (Alberta Moderator)**

Home Church: Riverwest Christian Church, Edmonton, AB

### **Todd Hardy (Saskatchewan Moderator)**

Home Church: Hepburn MB Church, Hepburn, SK

**Harold Froese (Manitoba Moderator)**

Home Church: Fort Garry MB Church, Winnipeg, MB

**Karen West (Ontario Moderator)**

Home Church: Waterloo MB Church, Waterloo, Ontario

**Ginette Bastien (Quebec Moderator)**

Home Church: La Clairière, église chrétienne de St-Jérôme, QC

**Board of Faith and Life**

To contact the Board of Faith and Life please email [brian.cooper@twu.ca](mailto:brian.cooper@twu.ca)

**Brian Cooper- Chair/ BC Provincial Rep – 2014**

Home Church: Northside Community Church, Mission BC

**Terrance Froese – Vice-Chair/SK Provincial Rep – 2016**

Home Church: Hope Fellowship Church, Saskatoon, SK

John Willems – AB Provincial Rep – 2016

Paul Doerksen – MB Provincial Rep – 2016

Jean Bieri – QC Provincial Rep – 2016

Richard Martens – ON Provincial Rep – 2016

Rob Thiessen – BC Conference Minister – ex officio

Daniel Beutler – AB Conference Minister – ex officio

Ralph Gliege – SK Conference Minister – ex officio

Keith Poysti – MB Conference Minister – ex officio

Vacancy – ON Conference Minister – ex officio

3 Member at large positions- Vacant

**Executive Staff**

**Willy Reimer – Executive Director**

160-340 Midpark Way SE, Calgary, AB T2X 1P1

[wreimer@mbconf.ca](mailto:wreimer@mbconf.ca)

403-256-3211

**John Wiebe– CFO**

1310 Taylor Ave, Winnipeg, MB R3M 3Z6

[jwiebe@mbconf.ca](mailto:jwiebe@mbconf.ca)

204-669-6575

**Gord Fleming – C2Cnetwork National Director**

#203-32310 South Fraser Way, Abbotsford, BC V2T 1X1

[gord@c2cnetwork.ca](mailto:gord@c2cnetwork.ca)

604-746-2238

## **Nominating Committee**

Vic Martens  
Arnie Peters  
Vacancy

## **Finance/Audit Committee**

Harold Froese  
Len Penner  
Gerald Peters

## **Governance Committee**

Victor Martens  
David McLauren  
Frank Luellau (consultant)

## **Personnel Compensation Committee**

Paul Loewen  
Mike Maschek

## **MBBS Board**

Roger Braun  
James Toews  
Darlene Klassen  
John Neufeld  
Ron Penner  
Kristen Corrigan  
John Unger (Executive Board Rep)

## **MCC Representatives**

Terrance Froese (BFL Appointee)  
Scott Siemens (SK)  
Neil Janzen (MB)  
David Chow (BC)

**THE CANADIAN CONFERENCE OF  
THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA**

**Non-consolidated Financial Statements  
For the year ended May 31, 2011**

# THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA

**Non-consolidated Financial Statements**  
For the year ended May 31, 2011

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www.bdo.ca

BDO Canada LLP/s.r.l.  
700 - 200 Graham Avenue  
Winnipeg MB R3C 4L5 Canada

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## Independent Auditor's Report

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### To the Board of Directors of **THE CANADIAN CONFERENCE OF THE MENNONITE BRETHERN CHURCH OF NORTH AMERICA**

We have audited the accompanying financial statements of **THE CANADIAN CONFERENCE OF THE MENNONITE BRETHERN CHURCH OF NORTH AMERICA**, which comprise the non-consolidated balance sheet as at May 31, 2011, and the non-consolidated statements of revenues and expenditures, changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, 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.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

#### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **THE CANADIAN CONFERENCE OF THE MENNONITE BRETHERN CHURCH OF NORTH AMERICA** as at May 31, 2011 and the results of its operation and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

*BDO Canada LLP*

Chartered Accountants

Winnipeg, Manitoba

July 13, 2011

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**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA  
Non-consolidated Balance Sheet**

**May 31** 2011                      2010

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**Assets**

**Current Assets**

Cash on deposit	\$ 1,926,979	\$ 4,602,183	
Donated securities	25,402	16,011	
Accounts receivable	201,540	159,136	
Inventories	19,068	32,815	
Prepaid expenses	60,907	92,795	
Due from Stewardship Division	138,998	-	
	2,372,894	4,902,940	

**Capital assets (Note 2)**

	352,948	414,314	
	\$ 2,725,842	\$ 5,317,254	

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**Liabilities and Fund Balances**

**Current Liabilities**

Accounts payable and accruals	\$ 808,367	940,590	
Due to Stewardship Division	-	3,205,327	
Deferred revenue	-	34,389	
	808,367	4,180,306	

**Trust Funds (Note 4)**

	51,177	91,986	
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**Externally Restricted Funds and Funds Held in Trust (Note 5)**

	1,198,260	399,960	
	2,057,804	4,672,252	

**Fund Balances**

Unrestricted	(228,411)	(276,641)	
Internally restricted	543,501	507,329	
Invested in capital assets	352,948	414,314	
	668,038	645,002	
	\$ 2,725,842	\$ 5,317,254	

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Approved on behalf of the Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA**  
**Non-consolidated Statement of Revenue and Expenditures**

<b>For the year ended May 31</b>	2011		2010
	Budget	Actual	Actual
<b>Revenue</b>			
Contributions	\$ 4,367,900	\$ 4,156,903	\$ 3,598,493
Sales	623,150	721,187	610,276
Cost of goods sold	(129,250)	(135,703)	(123,946)
Net sales	493,900	585,484	486,330
	<b>4,861,800</b>	<b>4,742,387</b>	<b>4,084,823</b>
<b>Expenditures</b>			
Staffing	2,135,020	1,954,151	1,816,477
Specific programming costs	1,685,830	1,331,492	1,217,671
Office expenses	558,675	497,275	483,911
Support of outside agencies	216,950	456,323	361,366
Board costs and convention	159,200	330,269	103,357
Interest and intercompany costs	16,225	87,919	18,909
Public relations costs	89,900	61,922	78,210
	<b>4,861,800</b>	<b>4,719,351</b>	<b>4,079,901</b>
<b>Excess of revenue over expenditures for the year</b>	<b>\$ -</b>	<b>\$ 23,036</b>	<b>\$ 4,922</b>

**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH  
AMERICA**  
**Non-consolidated Statement of Changes in Fund Balances**

For the year ended May 31				2011			2010
	Capital Assets	Invested in Internally Restricted	Unrestricted	Total			Total
<b>Balance, beginning of year</b>	\$ 414,314	\$ 507,329	\$ (276,641)	\$ 645,002	\$		640,080
<b>Excess (deficiency) of revenue over expenditures for the year</b>	(85,072)	-	108,108	23,036			4,922
<b>Purchase of capital assets</b>	23,706	-	(23,706)	-			-
<b>Transfer to externally restricted funds and funds held in trust</b>	-	36,172	(36,172)	-			-
<b>Balance, end of year</b>	\$ 352,948	\$ 543,501	\$ (228,411)	\$ 668,038	\$		645,002

**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA  
Non-consolidated Statement of Cash Flows**

<b>For the year ended May 31</b>	<b>2011</b>	<b>2010</b>
<b>Cash Flows from Operating Activities</b>		
Excess of revenue over expenditures for the year	\$ 23,036	\$ 4,922
Adjustment for amortization	85,072	83,941
	<u>108,108</u>	<u>88,863</u>
Changes in non-cash working capital		
Donated securities	(9,391)	15,836
Accounts receivable	(42,404)	55,504
Inventory	13,747	11,179
Prepaid expenses	31,888	10,067
Accounts payable and accruals	(132,223)	351,859
Trust Funds	(40,809)	10,512
Due from Stewardship Division	(3,344,325)	3,381,737
Deferred revenue	(34,389)	(2,111)
	<u>(3,449,798)</u>	<u>3,923,446</u>
<b>Cash Flows from Investing Activities</b>		
Capital assets purchased	<u>(23,706)</u>	<u>(22,529)</u>
<b>Cash Flows from Financing Activities</b>		
Externally restricted funds and funds held in trust	<u>798,300</u>	<u>(166,496)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(2,675,204)</b>	<b>3,734,421</b>
<b>Cash and cash equivalents, beginning of year</b>	<u><b>4,602,183</b></u>	<u><b>867,762</b></u>
<b>Cash and cash equivalents, end of year</b>	<u><b>\$ 1,926,979</b></u>	<u><b>\$ 4,602,183</b></u>

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# THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA

## Summary of Significant Accounting Policies

**For the year ended May 31, 2011**

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These financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting principles summarized below:

<b>Completeness of Donations</b>	The Conference has a system of internal control over donations to ensure that all funds received in the Conference's office are properly recorded and receipted for income tax purposes. In common with many other charitable organizations and because of the manner in which many of the donations may be collected, it is not practical to establish procedures which provide absolute assurance that all funds have been properly remitted to the Conference.								
<b>Cash and Deposits</b>	Fund accounting is normally employed by the Conference with the exception of cash and deposits which cannot be segregated by fund. These amounts are "pooled" to facilitate investment of the funds.								
<b>Externally Restricted Funds</b>	Restricted funds include trust funds for donations and fundraising which are ear-marked for specific organizations and activities. Restricted funds are not available for general use by the Conference.								
<b>Amortization</b>	<p>Capital assets are amortized in the capital fund using the straight-line method at the following rates:</p> <table><tr><td>Computer equipment</td><td style="text-align: right;">20 - 30%</td></tr><tr><td>Office equipment and furniture</td><td style="text-align: right;">5 - 30%</td></tr><tr><td>Photocopy equipment</td><td style="text-align: right;">20 - 30%</td></tr><tr><td>Leasehold improvements</td><td style="text-align: right;">33%</td></tr></table> <p>No amortization is taken on capital assets in the year of acquisition.</p>	Computer equipment	20 - 30%	Office equipment and furniture	5 - 30%	Photocopy equipment	20 - 30%	Leasehold improvements	33%
Computer equipment	20 - 30%								
Office equipment and furniture	5 - 30%								
Photocopy equipment	20 - 30%								
Leasehold improvements	33%								
<b>Gifts in Kind</b>	Donated capital assets are recorded at fair market value when such values can be reasonably determined. The Conference has elected not to record the fair value of donated materials and services.								
<b>Pledges</b>	Pledges are accounted for on a cash basis.								
<b>Income Taxes</b>	The Canadian Conference of the Mennonite Brethren Church of North America is registered as a charitable organization under the Income Tax Act and is in compliance with the requirements of the Act to maintain its non-taxable status.								

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## THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA

### Summary of Significant Accounting Policies

For the year ended May 31, 2011

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**Inventories** Inventories are measured at the lower of cost and net realizable value. Cost is determined on the first-in, first-out basis.

**Financial Instruments** The Conference utilizes various financial instruments.

All transactions related to financial instruments are recorded on a settlement date basis.

The Conference classifies its financial instruments as follows based on the purpose for which the asset was acquired and follows the disclosed accounting policy for each category.

<u>Assets/Liability</u>	<u>Category</u>	<u>Measurement</u>
Cash on deposit	Held for trading	Fair value
Donated securities	Held for trading	Fair value
Restricted cash - employee/employer benefit plan	Held for trading	Fair value
Accounts receivable	Loans and receivables	Amortized cost
Due from related parties	Loans and receivables	Amortized cost
Accounts payable and accruals	Other financial liabilities	Amortized cost
Due to related parties	Other financial liabilities	Amortized cost

- Held for trading items are carried at fair value, with changes in their fair value recognized in the non-consolidated statement of revenue and expenditures.
- Loans and receivables are carried at amortized cost, using the effective interest rate method, less any provision for impairment.
- Other financial liabilities are carried at amortized cost, using the effective interest method.

Transaction costs are expensed as incurred.

Except as noted below, it is management's opinion that the Conference is not exposed to any significant price, credit, liquidity, or cash flow risks arising from these financial instruments.

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**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA  
Summary of Significant Accounting Policies**

**For the year ended May 31, 2011**

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**Financial Instruments**  
(continued)

*Currency Risk* - Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of the organization investing in foreign currencies and converting non-Canadian earnings at different points in time at different foreign exchange levels. The Conference currently holds foreign cash and manages this cash for the purposes of achieving foreign exchange gains and meeting the cash requirements of the organization. This cash management approach exposes the Conference to changes in exchange rates which can affect the fund balances.

**Use of Estimates**

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

**Revenue Recognition**

The Conference follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are recognized. Unrestricted contributions are recognized as revenue when received. Sales revenue is recognized when the order is shipped or picked up by the customer.

**Internally Restricted Funds**

Internally restricted funds are amounts restricted for specified purposes and are not available for other purposes without approval from the board of directors.

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**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA  
Summary of Significant Accounting Policies**

**For the year ended May 31, 2011**

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**New Accounting  
Pronouncement**

Accounting Standards for Not-for-Profit Organizations (NPO)

In December 2010, the Accounting Standards Board (AcSB) and Public Sector Accounting Board (PSAB) issued new standards for not-for-profit organizations (NPOs) as follows:

For non-government (private sector) NPOs, they have a choice of:

1. International Financial Reporting Standards ("IFRS") or
2. Accounting Standards for NPOs (which is essentially the Accounting Standards for Private Enterprises with the current 4400 series of NPO specific standards added with some minor changes)

The Boards require NPOs to adopt their respective standards for year ends beginning on or after January 1, 2012; early adoption is allowed. Until the date of transition to the new standards, all NPOs will continue to follow the current Canadian Institute of Chartered Accountants Handbook – Accounting Part V – Pre-Changeover Standards.

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# THE CANADIAN CONFERENCE OF THE MENNONITE BRETHERN CHURCH OF NORTH AMERICA

## Notes to Non-consolidated Financial Statements

For the year ended May 31, 2011

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### 1. Entity Definition and Basis of Financial Statements

The Canadian Conference of the Mennonite Brethren Church of North America was incorporated by an Act of the Parliament of Canada on November 25, 1945. These financial statements present the national activities of the Conference and its Boards excluding the Stewardship Division and the activities of CCMBC Holdings Inc. and The Christian Press. Separate financial statements have been prepared for the Stewardship Division and The Christian Press.

The Canadian Conference's financial statements also do not reflect the assets, liabilities, revenue, expenses and cash flows of the various colleges funded by the Conference nor do they reflect the activities of the separately incorporated provincial conferences, individual congregations and Mennonite Brethren Mission Services International.

### 2. Capital Assets

	2011		2010	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Computer equipment	\$ 142,037	\$ 86,279	\$ 138,545	\$ 75,935
Office equipment & furniture	630,565	333,375	642,628	290,924
Photocopy equipment	3,890	3,890	8,160	8,160
Leasehold Improvement	15,000	15,000	15,000	15,000
	<b>\$ 791,492</b>	<b>\$ 438,544</b>	<b>\$ 804,333</b>	<b>\$ 390,019</b>
Cost less accumulated amortization		<b>\$ 352,948</b>		<b>\$ 414,314</b>

### 3. Line of Credit and Standby Letter of Credit

The Canadian Conference of the Mennonite Brethren Church of North America has a line of credit with the Bank of Montreal for use by the Conference and its divisions in the aggregate amount of \$2,750,000, bearing interest at prime rate (3.00% at May 31, 2011) and is secured by the investments of the Conference. At May 31, 2011, the line of credit was unutilized.

The Conference also has a standby letter of credit with the Bank of Montreal in the amount of \$682,000 that is a guarantee for an obligation on a construction project for a school being built by one of the Conference's borrowers. At May 31, 2011, the letter of credit was unutilized.

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**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA**  
**Notes to Non-consolidated Financial Statements**

**For the year ended May 31, 2011**

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**4. Trust Funds**

	<u>2011</u>	<u>2010</u>
Concord College	\$ -	\$ 668
Institute Biblique Laval	100	280
MB Missions/Services	32,101	18,886
Mennonite Brethren Biblical Seminary	49	38,949
North Carolina Conference	-	1,706
Shadow Mountain Church	-	125
United Bible Society	15,027	31,372
World Impact	3,900	-
	<u>\$ 51,177</u>	<u>\$ 91,986</u>

**5. Externally Restricted Funds and Funds Held in Trust**

	<u>2011</u>	<u>2010</u>
<u>Externally Restricted Funds</u>		
Emerging Leaders	\$ 119,251	\$ 76,850
Centre for Mennonite Brethren Studies	10,664	8,784
	<u>129,915</u>	<u>85,634</u>
<u>Funds Held in Trust</u>		
Employee/Employer Benefit Plan	1,068,345	314,326
	<u>\$ 1,198,260</u>	<u>\$ 399,960</u>

Funds held in trust represent employee/employer contributions received in excess of benefits paid out and a reserve for unrecorded benefit claims. During the year, the Conference changed insurance carriers for the employee/employer benefit plan. As a result, the reserve balance held by the previous carrier was transferred to the Conference.

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**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHERN  
CHURCH OF NORTH AMERICA**  
**Notes to Non-consolidated Financial Statements**

**For the year ended May 31, 2011**

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**6. Membership**

	<b>Membership</b>		<b>Total Income</b>		<b>% of Budget</b>		<b>Average per Member</b>
2010/2011 Income by Province							
Alberta	2,233	\$	120,949		6.72	\$	54.16
British Columbia	19,669		618,021		34.33		31.42
Manitoba	6,326		372,059		20.67		58.81
Ontario	4,554		161,119		8.95		35.38
Saskatchewan	3,031		170,984		9.50		56.41
Quebec and Maritimes	700		14,195		0.79		20.28
	<b>36,513</b>	<b>\$</b>	<b>1,457,327</b>		<b>80.96</b>	<b>\$</b>	<b>39.91</b>
2009/2010	36,821	\$	1,429,021		81.80	\$	38.81
2008/2009	37,291	\$	1,590,952		91.07	\$	42.66
2007/2008	36,785	\$	1,625,171		93.03	\$	44.18
2006/2007	35,403	\$	1,641,128		93.94	\$	46.36

**7. Pension Plan**

The Canadian Conference of the Mennonite Brethren Church of North America is the sponsor of a money purchase pension plan. Members of the plan include employees of the Conference and related organizations. The cost of funding the plan is shared by employee and employer. The rate of employer contributions to the fund in 2010/2011 was 5% of the employee salaries. The pension expense for the year ended May 31, 2011 was \$61,566 (\$63,821 in 2010).

**8. Related Party Transactions**

The Canadian Conference of the Mennonite Brethren Church of North America administers group benefit plans for related parties and charges related parties for costs incurred on their behalf. Accounts receivable are primarily comprised of amounts due from related parties, which are recorded at the exchange amount.

The amount due from (to) the Stewardship Division does not bear interest and has no specific terms of repayment.

Contributions received from The Canadian Conference of the Mennonite Brethren Church of North America - Stewardship Division were \$1,725,000 (\$1,525,000 in 2010).

# THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA

## Notes to Non-consolidated Financial Statements

For the year ended May 31, 2011

### 9. Capital Management

The Conference considers its capital to be comprised of its unrestricted funds, internally restricted funds, and funds invested in capital assets. There have been no changes to what the Conference considers to be its capital since the previous period.

As a not-for-profit entity, the Conference's operations are reliant on revenues generated annually. The Conference has accumulated fund balances over its history, which are included in the non-consolidated balance sheet. A portion of the accumulated unrestricted and internally restricted contingency funds are retained as working capital (current assets less current liabilities) which may be required from time to time due to timing delays in receiving its contributions. The remaining general funds are available for the use of the Conference at the Board's discretion.

### 10. Activities of Stewardship Division and The Christian Press

The Canadian Conference of the Mennonite Brethren Church of North America (hereinafter referred to as "Conference") has control over The Canadian Conference of the Mennonite Brethren Church of North America - Stewardship Division ("Stewardship Division"), CCMBC Holdings Inc. and The Christian Press. The following represents the resources and results of operations of the Stewardship Division and The Christian Press as at and for the year ended May 31, 2011.

	CCMBC Holdings Inc.		Stewardship Division		The Christian Press	
	2011	2010	2011	2010	2011	2010
<u>Statement of Financial Position</u>						
Assets	\$ 1,957	\$ -	\$ 230,954,503	\$ 219,616,615	\$ 1,774,514	\$ 1,960,445
Liabilities	(10,207)	-	(217,234,861)	(209,451,118)	(678,440)	(917,153)
Net assets	<b>\$ (8,250)</b>	<b>\$ -</b>	<b>\$ 13,719,642</b>	<b>\$ 10,165,497</b>	<b>\$ 1,096,074</b>	<b>\$ 1,043,292</b>
<u>Statement of Operations</u>						
Revenue	\$ -	\$ -	\$ 11,110,044	\$ 9,756,048	\$ 781,094	\$ 825,927
Expenditures	(8,250)	-	(7,875,569)	(7,098,548)	(719,234)	(730,321)
Allocations	-	-	-	(2,657,500)	-	-
Excess of revenue for the year	<b>\$ (8,250)</b>	<b>\$ -</b>	<b>\$ 3,234,475</b>	<b>\$ -</b>	<b>\$ 61,860</b>	<b>\$ 95,606</b>
<u>Statement of Cash Flows</u>						
Operating activities	\$ -	\$ -	\$ 3,581,193	\$ (2,948,698)	\$ 138,831	\$ 169,349
Other activities	-	-	(9,881,430)	6,762,064	(287,534)	(76,556)
Change in cash and cash equivalents during the year	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (6,300,237)</b>	<b>\$ 3,813,366</b>	<b>\$ (148,703)</b>	<b>\$ 92,793</b>

**THE CHRISTIAN PRESS**

**Financial Statements**  
For the year ended May 31, 2011

# **THE CHRISTIAN PRESS**

**Financial Statements**  
For the year ended May 31, 2011

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## Independent Auditor's Report

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### To the Board of Directors of CANADIAN CONFERENCE OF THE MENNONITE BROTHERS CHURCHES

We have audited the accompanying financial statements of THE CHRISTIAN PRESS, which comprise the balance sheet as at May 31, 2011, the statement of operations and surplus, the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, 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.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

#### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of THE CHRISTIAN PRESS as at May 31, 2011 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

*BDO Canada LLP*

Chartered Accountants

Winnipeg, Manitoba  
July 13, 2011

**THE CHRISTIAN PRESS**  
**Balance Sheet**

May 31	2011	2010
<b>Assets</b>		
<b>Current Assets</b>		
Cash and bank	\$ 296,626	\$ 428,226
Cash on hand	100	100
Accounts receivable (Note 2)	93,799	75,313
Inventories (Note 3)	21,270	26,164
Prepaid expenses	16,892	5,550
	428,687	535,353
<b>Capital assets (Note 4)</b>	<b>1,345,826</b>	<b>1,425,091</b>
	<b>\$ 1,774,513</b>	<b>\$ 1,960,444</b>

**Liabilities and Surplus**

<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	\$ 45,620	\$ 34,974
<b>Long-term debt (Note 5)</b>	<b>632,819</b>	<b>882,178</b>
<b>Surplus</b>	<b>1,096,074</b>	<b>1,043,292</b>
	<b>\$ 1,774,513</b>	<b>\$ 1,960,444</b>

Approved on behalf of the Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

## THE CHRISTIAN PRESS Statement of Operations and Surplus

For the year ended May 31	2011	2010
<b>Revenue</b>		
Sales	\$ 611,459	\$ 651,370
Publications	169,635	174,557
	<u>781,094</u>	<u>825,927</u>
<b>Cost of goods sold (Schedule 1)</b>	<u>468,230</u>	<u>478,519</u>
<b>Gross margin</b>	<u>312,864</u>	<u>347,408</u>
<b>Expenses</b>		
Administrative (Schedule 2)	222,699	233,280
Delivery	(4,558)	(7,437)
Equipment leasing	13,292	12,471
Repairs and maintenance	15,923	10,546
Telephone	3,648	2,942
	<u>251,004</u>	<u>251,802</u>
<b>Income before conference distribution</b>	61,860	95,606
<b>Conference distribution</b>	<u>9,078</u>	<u>-</u>
<b>Net operating income for the year</b>	52,782	95,606
<b>Surplus, beginning of year</b>	<u>1,043,292</u>	<u>947,686</u>
<b>Surplus, end of year</b>	<u>\$ 1,096,074</u>	<u>\$ 1,043,292</u>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

## THE CHRISTIAN PRESS Statement of Cash Flows

For the year ended May 31	2011	2010
<b>Cash Flows from Operating Activities</b>		
Net operating income for the year	\$ 52,782	\$ 95,606
Adjustments for		
Amortization of capital assets	100,337	92,879
	153,119	188,485
Changes in non-cash working capital balances		
Accounts receivable	(18,486)	6,691
Inventories	4,894	(6,301)
Prepaid expenses	(11,342)	(4,325)
Accounts payable and accrued liabilities	10,646	(15,201)
	138,831	169,349
<b>Cash Flows from Investing Activities</b>		
Purchase of capital assets	(21,072)	(27,052)
<b>Cash Flows from Financing Activities</b>		
Repayment of long-term debt	(249,359)	(49,504)
<b>Increase (decrease) in cash and cash equivalents during the year</b>	<b>(131,600)</b>	<b>92,793</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>428,326</b>	<b>335,533</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 296,726</b>	<b>\$ 428,326</b>
<b>Represented by</b>		
Cash and bank	\$ 296,626	\$ 428,226
Cash on hand	100	100
	<b>\$ 296,726</b>	<b>\$ 428,326</b>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

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## THE CHRISTIAN PRESS

### Summary of Significant Accounting Policies

For the year ended May 31, 2011

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#### Financial Instruments

The organization utilizes various financial instruments. Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest, currency or credit risks arising from these financial instruments and the carrying amounts approximate fair values.

All transactions related to financial instruments are recorded on a settlement date basis.

The organization classifies its financial instruments as follows based on the purpose for which the asset was acquired and follows the disclosed accounting policy for each category.

<u>Asset/Liability</u>	<u>Category</u>	<u>Measurement</u>
Cash and bank	Held for trading	Fair value
Accounts receivable	Loans and receivables	Amortized cost
Accounts payable and accrued liabilities	Other financial liabilities	Amortized cost
Long-term debt	Other financial liabilities	Amortized cost

- Held for trading items are carried at fair value with changes in their fair value recognized in the statement of operations.
- Loans and receivables are carried at amortized cost, using the effective interest rate method less any provision for impairment.
- Other financial liabilities are carried at amortized cost using the effective interest method.

Transaction costs are expensed as incurred.

#### Inventories

Inventories of printing supplies are stated at the lower of cost and net realizable value on a first-in first-out basis.

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## THE CHRISTIAN PRESS

### Summary of Significant Accounting Policies

For the year ended May 31, 2011

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#### Capital Assets

Capital assets are stated at cost less accumulated amortization. Amortization based on the estimated useful life of the asset is calculated as follows:

Building	40 years
Challenger cutter	20 years
Heidelberg PM 74-4	20 years
Heidelberg QM 46-2	10 years
Furniture and fixtures	20 years
Computer equipment	3 - 4 years
Computer software	3 years
Hyster forklift	6 years
Universal Strata Flow Feeder	1 year

The Christian Press does not record amortization in the year of acquisition.

#### Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

#### Foreign Currency Translation

Foreign currency accounts are translated into Canadian dollars as follows:

At the transaction date, each asset, liability, revenue and expense is translated into Canadian dollars by the use of the exchange rate in effect at that date. At the year end date, monetary assets and liabilities are translated into Canadian dollars by using the exchange rate in effect at that date. The resulting foreign exchange gains and losses are included in income in the current period except for the foreign currency gains and losses on long-term monetary items which are deferred and amortized over the remaining terms of the related items.

#### Revenue Recognition

Sales and publications revenue is recognized upon shipment to customers. Interest revenue is recognized as it is earned.

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## **THE CHRISTIAN PRESS**

### **Summary of Significant Accounting Policies**

**For the year ended May 31, 2011**

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#### **New Accounting Pronouncements**

In December 2010, the Accounting Standards Board and Public Sector Accounting Board (Boards) issued new standards for not-for-profit organizations (NPOs). For private sector NPOs, they have a choice of International Financial Reporting Standards ("IFRS") or accounting standards for NPOs.

The Boards require NPOs to adopt their respective standards for year ends beginning on or after January 1, 2012. Until the date of transition to the new standards, all NPOs will continue to follow the current Canadian Institute of Chartered Accountants Handbook – Accounting Part V – Pre-Changeover Standards.

# THE CHRISTIAN PRESS

## Notes to Financial Statements

**For the year ended May 31, 2011**

### 1. Nature of Operations

The organization operates a printing operation under the supervision of The Canadian Conference of the Mennonite Brethren Church.

### 2. Accounts Receivable

	2011	2010
Trade	<b>\$ 93,799</b>	<b>\$ 75,313</b>

### 3. Inventories

	2011	2010
Printing supplies	<b>\$ 17,300</b>	<b>\$ 17,588</b>
Work in process	<b>3,970</b>	<b>8,576</b>
	<b>\$ 21,270</b>	<b>\$ 26,164</b>

### 4. Capital Assets

	2011			2010		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Land	\$ 200,000	\$ -	\$ 200,000	\$ 200,000	\$ -	\$ 200,000
Building	575,000	86,250	488,750	575,000	71,875	503,125
Machinery and equipment	1,138,579	484,593	653,986	1,118,122	401,106	717,016
Computers	27,762	26,616	1,146	27,147	26,085	1,062
Software	5,832	3,888	1,944	5,832	1,944	3,888
	<b>\$ 1,947,173</b>	<b>\$ 601,347</b>	<b>\$ 1,345,826</b>	<b>\$ 1,926,101</b>	<b>\$ 501,010</b>	<b>\$ 1,425,091</b>

### 5. Long-term Debt

	2011	2010
Loan payable to The Canadian Conference of the Mennonite Brethren Church (related party), interest free, repayment of loan is based on income for the year.	<b>\$ 632,819</b>	<b>\$ 882,178</b>

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# THE CHRISTIAN PRESS

## Notes to Financial Statements

For the year ended May 31, 2011

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### 6. Related Party Transactions

Approximately 45% (44% in 2010) of sales are to related parties.

Related party transactions also include an allocation of property insurance, business and property tax expense.

Accounts receivable includes \$41,039 (\$36,087 in 2010) due from related parties. Accounts payable and accrued liabilities includes \$6,764 (\$6,732 in 2010) due to related parties. The long-term debt is payable to a related party.

The Christian Press is a division of The Canadian Conference of The Mennonite Brethren Church.

These transactions are in the normal course of operations and are measured at the exchange value (the amount of consideration established and agreed to by the related parties), which approximates the fair market value.

### 7. Pension Plan

The Christian Press is the sponsor of a money purchase pension plan. The cost of funding the plan is shared by employee and employer. The rate of employer contributions to the fund in 2010/11 was 5% of the employee salaries. The pension expense for the year ended May 31, 2011 was \$12,629.

### 8. Commitments

The organization has a photocopier lease agreement with minimum annual payments of \$12,422.76. The lease will expire on April 1, 2015.

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# THE CHRISTIAN PRESS

## Notes to Financial Statements

For the year ended May 31, 2011

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### 9. Capital Management

The organization considers its capital to be comprised of its surplus. There have been no changes to what the organization considers to be its capital since the previous period.

The organization's operations are reliant on revenues generated annually. The organization has accumulated surplus funds over its history, which are included in the balance sheet. A portion of the accumulated surplus funds is retained as working capital (current assets less current liabilities) which may be required from time to time due to timing delays in receiving revenues. The remaining surplus funds are available for the use of the organization at the Board's discretion.

### 10. Financial Risk Management

The organization is exposed to different types of risk in the normal course of operations, including credit risk and market risk. The organization's objective in risk management is to optimize the risk return trade-off, within set limits, by applying integrated risk management and control strategies, policies and procedures throughout the organization's activities.

#### Credit Risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to another party. Financial instruments which potentially subject the organization to credit risk consist principally of accounts receivable.

The organization's maximum exposure to credit risk without taking account of any collateral or other credit enhancements is as follows:

	<u>2011</u>	<u>2010</u>
Accounts receivable	<u>\$ 93,799</u>	<u>\$ 75,313</u>

The organization is not exposed to significant credit risk with respect to accounts receivable as the receivable is spread among a broad client base and payment in full is typically collected when it is due. The organization establishes an allowance for doubtful accounts that represents its estimate of potential credit losses. The allowance for doubtful accounts is based on management's estimates and assumptions regarding current market conditions, customer analysis and historical payment trends. These factors are considered when determining whether past due accounts are allowed for or written off.

#### Market Risk

Market risk is the risk the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign exchange risk and other price risk.

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The organization is not exposed to interest rate cash flow risk as its long-term debt is interest-free.

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## THE CHRISTIAN PRESS Notes to Financial Statements

**For the year ended May 31, 2011**

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### **10. Financial Risk Management (continued)**

#### Market Risk (continued)

The organization is not exposed to significant foreign currency risk as it does not have any financial instruments denominated in foreign currency and the number of transactions in foreign currency are minimal.

The organization is not exposed to other price risk. These risks have not changed from the previous period.

#### Fair Value

The carrying values of cash, accounts receivable, and accounts payable and accruals approximate their fair value due to the relatively short periods to maturity of these items or because they are receivable or payable on demand. Because of the inherent uncertainty of valuation, the estimate of fair value may differ significantly from the values that would have been used had a ready market for the assets existed.

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**THE CHRISTIAN PRESS**  
**Schedule 1 - Cost of Goods Sold**

<b>For the year ended May 31</b>	<b>2011</b>	<b>2010</b>
<b>Raw Materials</b>		
Inventory, beginning of year	\$ 26,164	\$ 19,863
Purchases	<u>216,261</u>	<u>248,708</u>
	242,425	268,571
Inventory, end of year	<u>21,270</u>	<u>26,164</u>
	221,155	242,407
<b>Direct labour</b>	<b>146,738</b>	<b>143,233</b>
<b>Amortization of capital assets</b>	<u><b>100,337</b></u>	<u><b>92,879</b></u>
<b>Cost of goods sold</b>	<u><b>\$ 468,230</b></u>	<u><b>\$ 478,519</b></u>

**THE CHRISTIAN PRESS**  
**Schedule 2 - Administrative Expenses**

<b>For the year ended May 31</b>	<b>2011</b>	<b>2010</b>
Salaries and benefits	\$ 150,910	\$ 150,296
Property and business tax	16,367	22,406
Printing, stationery and office supplies	12,994	15,272
Utilities	11,983	13,204
Travel and car allowance	8,932	7,697
Sundry	7,360	5,037
Janitor service and waste disposal	5,583	6,515
Professional fees	5,258	5,103
Insurance	4,981	4,940
Postage	3,024	2,261
Advertising	1,581	4,119
Bad debts	1,000	8
Bank charges and interest	695	771
Alarm	205	205
	<b>230,873</b>	<b>237,834</b>
Other Income		
Miscellaneous	6,545	4,554
Interest	1,629	-
	<b>8,174</b>	<b>4,554</b>
	<b>\$ 222,699</b>	<b>\$ 233,280</b>

**THE CANADIAN CONFERENCE OF  
THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION**

**Financial Statements**  
**For the year ended May 31, 2011**

**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION**

**Financial Statements**  
For the year ended May 31, 2011

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## Independent Auditor's Report

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**To the Board of Directors of  
THE CANADIAN CONFERENCE OF THE MENNONITE BRETHERN CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION**

We have audited the accompanying financial statements of **THE CANADIAN CONFERENCE OF THE MENNONITE BRETHERN CHURCH OF NORTH AMERICA - STEWARDSHIP DIVISION** which comprise the statement of financial position as at May 31, 2011, and the statements of revenue and expenditures, changes in internally restricted reserves, endowment funds and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of **THE CANADIAN CONFERENCE OF THE MENNONITE BRETHERN CHURCH OF NORTH AMERICA - STEWARDSHIP DIVISION** as at May 31, 2011 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

*BDO Canada LLP*

Chartered Accountants

Winnipeg, Manitoba  
July 13, 2011

BDO Canada LLP, a Canadian limited liability partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION  
Statement of Financial Position**

May 31	2011	2010
<b>Assets</b>		
<b>Current Assets</b>		
Cash and term deposits (Note 2)	\$ -	\$ 5,984,800
Accounts receivable	10,624	15,767
Prepaid expenses	2,668	6,942
Due from The Canadian Conference (Note 10)	-	3,205,327
	13,292	9,212,836
<b>Mortgages and Loans Receivable</b>		
Area conference, churches and special accounts (Notes 3 and 9)	62,786,247	57,703,506
<b>Land held for development</b>	32,585,581	29,114,710
<b>Marketable securities</b> (Note 4)	130,814,801	118,666,411
<b>Capital assets</b> (Note 5)	4,754,609	4,919,152
	\$ 230,954,530	\$ 219,616,615
<b>Liabilities and Fund Balances</b>		
<b>Current Liabilities</b>		
Bank indebtedness (Notes 2 and 6)	\$ 315,437	\$ -
Accounts payable	2,088,729	2,034,130
Due to The Canadian Conference (Note 10)	138,998	-
	2,543,164	2,034,130
<b>Commitments</b> (Note 9)		
<b>Fund Balances - Restricted</b>		
Trust Fund	154,410,226	151,813,647
Gift Annuity Fund	614,859	655,133
R.R.S.P. Trust Fund (Note 7)	49,276,464	45,515,437
Endowment Funds Capital	2,876,035	5,466,011
Tax Free Savings Accounts (Note 7)	7,514,112	3,966,760
	214,691,696	207,416,988
<b>Internally Restricted Reserves</b>		
Reserve for investment	10,235,835	6,681,662
Operating reserve	1,810,520	1,810,520
Stabilization reserve	1,673,315	1,673,315
	13,719,670	10,165,497
	\$ 230,954,530	\$ 219,616,615

Approved on behalf of the Governing Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION  
Statement of Revenue and Expenditures**

For the year ended May 31

2011

2010

	Endowment Fund	Trust Fund & TFSA	Gift Annuity Fund	R.R.S.P. Trust Fund	Total	Total
<b>Revenue</b>						
Interest earned	\$ 155,325	\$ 7,584,928	\$ 20,418	\$ 2,334,756	\$ 10,095,427	\$ 9,006,691
Rental income	-	155,952	-	-	155,952	168,773
Gain on disposal of investments	-	858,665	-	-	858,665	580,584
	<u>155,325</u>	<u>8,599,545</u>	<u>20,418</u>	<u>2,334,756</u>	<u>11,110,044</u>	<u>9,756,048</u>
<b>Expenditures</b>						
Operating expenses	-	738,489	-	679,174	1,417,663	1,409,644
Interest	155,325	4,626,581	20,418	1,655,582	6,457,905	5,688,904
	<u>155,325</u>	<u>5,365,069</u>	<u>20,418</u>	<u>2,334,756</u>	<u>7,875,568</u>	<u>7,098,548</u>
<b>Excess of revenue over expenditures for the year before allocations</b>	-	<b>3,234,476</b>	-	-	<b>3,234,476</b>	<b>2,657,500</b>
<b>Allocations</b>						
Disbursement of funds to						
Canadian Conference and other organizations	-	(1,725,000)	-	-	(1,725,000)	(1,525,000)
Allocation to endowment fund	-	-	-	-	-	-
Allocation to investment reserve	-	(1,509,476)	-	-	(1,509,476)	(1,132,500)
	-	<u>(3,234,476)</u>	-	-	<u>(3,234,476)</u>	<u>(2,657,500)</u>
<b>Unallocated balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION  
Statement of Changes in Internally Restricted Reserves**

<b>For the year ended May 31</b>				<b>2011</b>	<b>2010</b>
	<b>Reserve for Investment</b>	<b>Operating Reserve</b>	<b>Stabilization Reserve</b>	<b>Total</b>	<b>Total</b>
<b>Reserve balance, beginning of year</b>	<b>\$ 6,681,662</b>	<b>\$ 1,810,520</b>	<b>\$ 1,673,315</b>	<b>\$ 10,165,497</b>	<b>\$ 566,291</b>
<b>Adjustment for unrealized gains on investments</b>	<b>2,044,697</b>	<b>-</b>	<b>-</b>	<b>2,044,697</b>	<b>6,656,186</b>
<b>Transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,810,520</b>
<b>Allocations</b>	<b>1,509,476</b>	<b>-</b>	<b>-</b>	<b>1,509,476</b>	<b>1,132,500</b>
<b>Reserve balance, end of year</b>	<b>\$ 10,235,835</b>	<b>\$ 1,810,520</b>	<b>\$ 1,673,315</b>	<b>\$ 13,719,670</b>	<b>\$ 10,165,497</b>

**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION  
Statement of Endowment Funds**

For the year ended May 31

2011

	Balance of Funds May 31, 2010	Gifts & Transfers in during Year	Withdrawals & Transfers out during Year	Reinvested Earnings during Year	Balance of Funds May 31, 2011
C.M.U. Endowment Funds	\$ 207,431	\$ -	\$ (500)	\$ 77	\$ 207,008
Manitoba Conference Endowment Funds	73,797	-	-	-	73,797
M.B.B.S. Endowment Funds	329,088	-	(1,000)	-	328,088
M.B.M.S.I. Endowment Funds	2,472,960	5,473	(2,051,819)	11,687	438,301
M.B.M.S.I. Owned and Directed Funds	528,175	-	(530,950)	2,775	-
Evangelism Endowment Funds	158,803	100,000	(50,000)	-	208,803
Family Endowment Funds	1,695,757	683,648	(783,648)	24,281	1,620,038
<b>Total Endowment Funds</b>	<b>\$ 5,466,011</b>	<b>\$ 789,121</b>	<b>\$ (3,417,917)</b>	<b>\$ 38,820</b>	<b>\$ 2,876,035</b>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION  
Statement of Cash Flows**

For the year ended May 31	2011	2010
<b>Cash Flows from Operating Activities</b>		
Adjustment for		
Amortization	\$ 154,917	\$ 155,015
Loss on capital asset disposals	17,935	3,827
Changes in non-cash working capital		
Accounts receivable	5,143	(11,930)
Prepaid expenses	4,274	(6,604)
Accounts payable	54,599	292,731
Due to (from) Canadian Conference	3,344,325	(3,381,737)
	<b>3,581,193</b>	<b>(2,948,698)</b>
<b>Cash Flows from Financing Activities</b>		
Trust Fund	2,596,579	24,078,259
Annuities	(40,274)	(39,217)
R.R.S.P. Trust Fund	3,761,027	3,148,135
Endowment Funds	(2,589,976)	(1,785,443)
Tax Free Savings Accounts	3,547,352	2,599,283
Reserves	3,554,173	9,599,206
	<b>10,828,881</b>	<b>37,600,223</b>
<b>Cash Flows from Investing Activities</b>		
Marketable securities	(12,148,390)	(30,678,817)
Capital asset purchases	(8,309)	(97,775)
Mortgages and loans receivable	(5,082,741)	2,195,796
Investment in land	(3,470,871)	(2,257,363)
	<b>(20,710,311)</b>	<b>(30,838,159)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(6,300,237)</b>	<b>3,813,366</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>5,984,800</b>	<b>2,171,434</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ (315,437)</b>	<b>\$ 5,984,800</b>
<b>Supplementary Information</b>		
Interest received	\$ 10,095,427	\$ 9,006,691
Interest paid	6,458,468	5,688,904

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

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**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION  
Summary of Significant Accounting Policies**

**For the year ended May 31, 2011**

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**Financial Instruments**

The Division utilizes various financial instruments.

All transactions related to financial instruments are recorded on a settlement date basis.

The Division classifies its financial instruments as follows based on the purpose for which the asset was acquired and follows the disclosed accounting policy for each category.

<u>Assets/Liability</u>	<u>Category</u>	<u>Measurement</u>
Cash and term deposits	Held for trading	Fair value
Accounts receivable	Loans and receivables	Amortized cost
Amounts due from related parties	Loans and receivables	Amortized cost
Mortgages and loans receivable	Loans and receivables	Amortized cost
Marketable securities	Available for sale	Fair value
Accounts payable	Other financial liabilities	Amortized cost
Amounts due to related parties	Other financial liabilities	Amortized cost
Fund balances	Other financial liabilities	Amortized cost.

- Held for trading items are carried at fair value, with changes in their fair value recognized in the Statement of Revenue and Expenditures.
- Loans and receivables are carried at amortized cost, using the effective interest rate method, less any provision for impairment.
- Available for sale items are carried at fair value, with changes in their fair value being recognized in the Internally Restricted Reserve for Investment fund balance when they have a quoted market price in an active market. When the decline in the fair value is determined to be other than temporary, the amount of the loss is removed from the Internally Restricted Reserve for Investment fund balance and recognized in the Statement of Revenue and Expenditures. Any provision for impairment is recognized immediately in net income.
- Other financial liabilities are carried at amortized cost, using the effective interest method.

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**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION  
Summary of Significant Accounting Policies**

**For the year ended May 31, 2011**

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**Pooling of Investments** Fund accounting is normally employed by the Division with the exception of investments which cannot be segregated by fund. These investments are "pooled" to facilitate investment of the funds.

**Impaired Loans** A loan is considered to be impaired as a result of a deterioration in credit quality to the extent that the Division no longer has reasonable assurance that the full amount of principal and interest will be collected in accordance with the terms of the loan agreement. As at May 31, 2011 no loans were considered to be in this position (see general administration reserve).

**Revenue Recognition** Interest on loans is recorded as income on an accrual basis except for loans which are considered impaired. When a loan becomes impaired, recognition of interest ceases.

Interest on marketable securities is recorded as income on an accrual basis, using the effective interest method. Property management revenue includes rental revenue and common area maintenance costs. This revenue is recognized on an accrual basis over the term which it applies.

**Amortization** The Division amortizes its capital assets as follows:

Building	30 years straight line
Computer equipment	20 - 30% straight-line
Office equipment	5 years straight-line
Parking lot	15 years straight line

Amortization is not calculated in the year of acquisition. The current year's income has been charged with an amount of \$154,917 (2010 - \$155,015) reflecting the current year's amortization.

**Restricted Funds** Restricted funds include trust, gift annuity, R.R.S.P. trust, endowment funds and tax free savings accounts. These are not available for general use by the Division.

**Reserve for Investment Gain/Loss** This reserve provides for fluctuations in the market value of investments. Gains and losses on disposal of investments, unrealized gains and losses on investments, plus a surplus distribution are credited or charged to this account.

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**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION  
Summary of Significant Accounting Policies**

**For the year ended May 31, 2011**

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<b>Operating Reserve</b>	This reserve is held for use by The Canadian Conference of the Mennonite Brethren Church of North America to fund new initiatives and unanticipated deficits in operations. These funds are accumulated Stewardship Division earnings.
<b>Stabilization Reserve</b>	The purpose of the stabilization reserve is to fund deficits in operations resulting from market or other circumstances and to allow for normal cash flow fluctuations. Transfers to the reserve are made upon approval of the Governing Board.
<b>Use of Estimates</b>	The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.
<b>Changes to Future Accounting Pronouncements</b>	<p>In December 2010, the Accounting Standards Board and Public Sector Accounting Board (Boards) issued new standards for not-for-profit organizations (NPOs). For private sector NPOs, they have a choice of International Financial Reporting Standards ("IFRS") or accounting standards for NPOs.</p> <p>The Boards require NPOs to adopt their respective standards for year ends beginning on or after January 1, 2012. Until the date of transition to the new standards, all NPOs will continue to follow the current Canadian Institute of Chartered Accountants Handbook – Accounting Part V – Pre-Changeover Standards.</p>

**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION  
Notes to Financial Statements**

**For the year ended May 31, 2011**

**1. Entity Definition**

These financial statements present the financial position and results of operations of the Stewardship Division, a division of The Canadian Conference of the Mennonite Brethren Church of North America. As such, these financial statements do not include all assets, liabilities, revenues and expenditures of The Canadian Conference of the Mennonite Brethren Church of North America.

The Division provides financial services to all Mennonite Brethren supported missions, institutions, local churches and their members. These services include administration of funds on deposit (in the form of deposits, annuities, T.F.S.A.'s and R.R.S.P.'s) and provision of loans to Church organizations, pastors, and conference employees. In addition, the Division administers endowment funds which generate earnings to fund various programs of the Conference.

**2. Cash and Term Deposits**

	2011	2010
General Funds	\$ (1,870,478)	\$ 2,912,218
R.R.S.P. Trust	1,555,041	3,072,582
	\$ (315,437)	\$ 5,984,800

**3. Mortgages and Loans Receivable**

	2011		2010	
	Principal	Accrued Interest	Principal	Accrued Interest
General Funds	\$ 6,007,345	\$ 34,096	\$ 8,198,351	\$ 45,694
R.R.S.P. Funds	56,395,959	348,847	49,210,781	248,680
	\$ 62,403,304	\$ 382,943	\$ 57,409,132	\$ 294,374
		\$ 62,786,247		\$ 57,703,506

All mortgage and loans receivable are callable on demand. All loans are open to prepayment.

All members' deposits and R.R.S.P. Trust Funds are callable on demand.

**THE CANADIAN CONFERENCE OF THE MENNONITE BROTHERS  
CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION  
Notes to Financial Statements**

**For the year ended May 31, 2011**

**4. Marketable Securities**

	2011		2010	
	Cost	Market	Cost	Market
Mortgage Funds	\$ 77,065,182	\$ 79,721,589	\$ 73,541,588	\$ 75,284,264
Corporate Bonds	50,496,421	51,093,212	43,916,430	43,382,147
	<b>\$127,561,603</b>	<b>\$130,814,801</b>	<b>\$117,458,018</b>	<b>\$118,666,411</b>

The par value of bonds at May 31, 2011 was \$80,602,034 (2010 - \$73,295,034). Bonds have interest rates ranging from 1.75% to 11.20% and mature between October 31, 2011 and May 15, 2044.

**Maturities and Interest Rates**

Under 1 Year	1-5 Years	6-10 Years	Weighted Over 10 Years	Total	Average Yield
\$ 81,604,914	\$ 27,431,037	\$ 13,167,427	\$ 8,611,423	\$130,814,801	5.33%

**5. Capital Assets**

	2011		2010	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 1,576,419	\$ -	\$ 1,576,419	\$ -
Building	3,511,798	590,610	3,511,798	468,692
Computer equipment	259,897	199,780	251,914	177,403
Office equipment	108,444	77,728	110,954	63,989
Parking lot	225,867	59,698	223,031	44,880
	<b>\$ 5,682,425</b>	<b>\$ 927,816</b>	<b>\$ 5,674,116</b>	<b>\$ 754,964</b>
		<b>\$ 4,754,609</b>		<b>\$ 4,919,152</b>

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**THE CANADIAN CONFERENCE OF THE MENNONITE BROTHERS  
CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION  
Notes to Financial Statements**

**For the year ended May 31, 2011**

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**6. Line of Credit and Standby Letter of Credit**

The Canadian Conference of the Mennonite Brethren Church of North America has a line of credit with the Bank of Montreal for use by the Conference and its divisions in the aggregate amount of \$2,750,000, bearing interest at prime and is secured by the investments of the Conference. As at May 31, 2011, the line of credit amount was \$1,793,486 (2010- Nil).

**7. Registered Retirement Savings Plan & Tax Free Savings Plan Trust Fund**

The Canadian Conference of the Mennonite Brethren Church of North America - Stewardship Division has an R.R.S.P. Trust & T.F.S.A. Trust Fund for members of Canadian Conference churches. Funds are directed to first mortgages. Interest on member savings is calculated every six months and is credited to each account on July 1 and December 31. Members' accounts are administered by Canadian Western Trust and the Canadian Conference office. At May 31, 2011, there were 1,117 R.R.S.P. accounts, 372 R.R.I.F. accounts and 669 T.F.S.A. accounts.

	2011	2010
<b>Assets</b>		
Cash	\$ 1,555,041	\$ 3,072,582
Outstanding transfers and distributions	(1,509,630)	(3,050,155)
Loans receivable	56,745,165	49,459,770
	<b>\$ 56,790,576</b>	<b>\$ 49,482,197</b>
<b>Liabilities</b>		
Accounts payable	\$ 14,359	\$ 22,735
R.R.S.P. certificates	49,262,105	45,492,702
R.R.S.P. total	49,276,464	45,515,437
T.F.S.A. certificates	7,514,112	3,966,760
	<b>\$ 56,790,576</b>	<b>\$ 49,482,197</b>

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**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION  
Notes to Financial Statements**

**For the year ended May 31, 2011**

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**8. Allocated Expenditures**

General administrative expenses have been allocated as follows:

	<u>2011</u>	<u>2010</u>
R.R.S.P. Trust Fund	<u>\$ 641,008</u>	<u>\$ 590,374</u>

**9. Commitments**

Individual and Church Loans

The Division has made commitments to individuals and churches for loans that have not been disbursed by the May 31, 2011 year end in the approximate amount of \$350,000.

**10. Related Party Transactions**

The Christian Press and Stewardship Division are divisions of The Canadian Conference of the Mennonite Brethren Church of North America.

Transactions with related parties are in the normal course of operations and are measured at the exchange value (the amount of consideration established and agreed to by the related parties), which approximates the arm's length fair value.

The balance due to/from The Canadian Conference does not bear interest and has no specific terms of repayment.

Contributions paid to The Canadian Conference of the Mennonite Brethren Church of North America were \$1,725,000 (2010 - \$1,525,000).

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**THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN  
CHURCH OF NORTH AMERICA  
- STEWARDSHIP DIVISION  
Notes to Financial Statements**

**For the year ended May 31, 2011**

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**11. Employee Pension Plan**

The Canadian Conference of the Mennonite Brethren Church - Stewardship Division is the sponsor of a money purchase pension plan. Members of the plan include employees of the Conference and related organizations. The cost of funding the plan is shared by employee and employer. The rate of employer contributions to the fund in 2010/2011 was 5% of the employee salaries. The pension expense for the year ended May 31, 2011 was \$29,846 (\$26,239 in 2010).

**12. Capital Management**

The Division considers its capital to be comprised of its Reserve for Investment, Operating Reserve and Stabilization Reserve.

As a not-for-profit entity, the Division's operations are reliant on revenues generated annually. The Division has accumulated reserve fund balances over its history, which are included in the statement of financial position. The Reserve for Investment provides for fluctuations in the market value of investments; the Operating Reserve is used to fund new initiatives and unanticipated deficits in operations of The Canadian Conference of the Mennonite Brethren Church of North America; and The Stabilization Reserve is used to fund deficits in operations resulting from market or other circumstances and to allow for normal cash flow fluctuations. Transfers to the Stabilization Reserve are made upon approval of the Governing Board.

Note:

To receive a copy of the complete 2012 audited statements from BDO, comprised of the following six files, please contact the Centre for MB Studies, where the conference files are archived. Email: [cmbs@mbchurches.ca](mailto:cmbs@mbchurches.ca).

Financial Statement 20120531 CCMBC.PDF

Financial Statement 20120531 Christian Press.PDF

Financial Statement 20120531 Stewardship.PDF

Financial Statement 20121231 CCMBC.PDF

Financial Statement 20121231 Christian Press.PDF

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