2023 CCMBC AGM Yearbook (meeting dates June 8, 2023 and Oct 28, 2023)

NOTE: The page numbers above refer to those in the Adobe PDF document.

NATIONAL ASSEMBLY

OCTOBER 28, 2023 | ABBOTSFORD, BRITISH COLUMBIA

CCMBC
CANADIAN CONFERENCE OF MENNONITE BRETHREN CHURCHES

CCEFM
CONFÉRENCE CANADIENNE DES ÉGLISES DES FRÈRES MENNONITES

WELCOME

Welcome, 2023 Delegates and Guests!

Over the past few decades, our National Family has gathered annually to review our progress and work through reports from our leaders and agencies. We refresh our goals, celebrate, pray together, and make important decisions. Due to the challenges of meeting in person over the past few years, we have transitioned to online gatherings. The Executive Board has used this opportunity to reconsider how we meet and make decisions. They propose moving to two national gatherings per year - our June AGM (2 hours online) for audited statements and election of new directors, and our National Assembly at our Equip fall event (4 hours in person) for strategic planning, future direction, by-law changes, Confession of Faith development, and approval of our next year's budget.

Welcome to our National Assembly! We are excited to strengthen our sense of community within our national MB family, especially since we have recently faced challenges meeting in person.

Cam Stuart

Interim CCMBC Executive Board Moderator

DELEGATE QUALIFICATIONS

Each member church shall be entitled to be represented at any convention by delegates. 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 for the Canadian conference have a vote at convention by virtue of their position as Executive Board members. Each delegate must be:

- 18 years of age or older
- A member in good standing
- Approved as a delegate by the church

AGENDA

Date Saturday, October 28, 2023
Location Northview Community Church
32040 Downes Road, Abbotsford, BC
Time 8:30 am – 12:30 pm Pacific time

1. Meeting called to order – welcome and instructions
2. Consent Motion to appoint parliamentarian and minute review committee
3. Consent Motion to approve October 28, 2023 National Assembly agenda and the June 08, 2023 AGM minutes as presented
4. Moderator's Welcome and Report
5. CUSP Leadership Development Presentation
6. CUSP Spiritual Health Report
7. Agency Reports
   a. Legacy
   b. MB Seminary
   c. Multiply
8. Motion to approve the CCMBC 2024 Budget as presented
9. National Director Farewell Address
10. Consent Motion to adjourn

RULES OF ORDER

1. We strive for unity and respect, involving the participation of all assembled, as we deliberate decisions that shape the future of our conference.
2. Delegates should stand to speak at a nearby microphone or indicate you want to speak by using the "raise hand" function in Zoom. Please use the following protocol:
   a. Wait for acknowledgement by the moderator.
   b. State your name, church and community you come from.
   c. Address the moderator. Delegates may not dialogue with each other on the floor.
   d. Keep remarks to the point. Avoid repeating statements already made by another delegate.
   e. Take care to confine remarks to the motion or resolution under discussion.
3. A delegate may speak to an issue more than once, unless there are other delegates who wish to address an issue. A delegate should not ask for the floor more than 3 times on one issue. The mover of a motion may answer questions to a motion as often as they are raised.
4. Individuals other than delegates may be permitted to speak, subject to the decision of the moderator. The assembled delegates may, by a simple majority vote, override the decision of the chair.
5. Only delegates are permitted to vote.
6. For online delegates, the "Digital Voting Policy for Conventions of the Conference" will be followed. Additional instructions may be provided by the Moderator regarding any other meeting procedures required by online delegates.
7. In general, Robert's Rules of Order will be followed.

DIGITAL VOTING POLICY

DIGITAL VOTING POLICY FOR CONVENTIONS OF THE CONFERENCE

A Digitally Registered Delegate is entitled to participate online and vote using the digital communications technology selected by the staff of the Conference who are responsible for hosting the Convention. This technology will be provided at no cost to each registered delegate.

Registration Procedure

To be enrolled and participate as a Digitally Registered Delegate, the following procedure will be used:

- For each church delegate who is attending online, their name and a unique email address must be provided.
- Each delegate must have their own digital device such as a computer or smartphone that is capable of running the communications software being used by the Conference. For reasons of authentication and vote tabulation, multiple delegates cannot share a single device.
- At least 24 hours prior to the start of the Convention, each Digitally Registered Delegate will receive an email with a password and instructions on how to attend the Convention online. Delegates will have time to load and test any software before the start of the Convention.
- Each delegate will receive a unique identifier (Registration Order Number) that must be used when logging into the online convention so that their identity can be validated. Anyone who does not have an identifier will be disconnected from the online service.

Voting Procedure

When a call for a vote is made by the Moderator, each Digitally Registered Delegate will indicate their vote using a voting or polling feature provided by the online software. The members of the Ballot Team will be responsible for tallying the result of the votes from all delegates.

Call for a Ballot

If a vote by ballot is required, the Moderator will indicate how responses from the Digitally Registered Delegates will be received by using a voting or polling feature provided by the online software.

Motion Discussion Procedure

Prior to voting on a motion, the Moderator may open the floor for questions. The Moderator will be responsible for managing questions from all delegates in person as well as Digitally Registered Delegates. The same rules of order for the Convention, as set by the Conference, will apply to all delegates. The following guidelines apply to Digitally Registered Delegates:

- All microphones of online participants will be muted (It may be required that all video be turned off except for the speakers).
- A Digitally Registered Delegate may use appropriate features of the software as designated by the Moderator to signal their desire to speak to the motion on the floor.
- The Moderator will identify the delegate to speak next and the microphone will be unmuted.
- The Moderator may also ask that the delegate use video, if available when speaking.

Scrutinizing Voting Results

There can be times when technology fails. The Ballot Team will be given the discretion to request that a vote be retaken if they feel that a significant portion of the delegates was somehow prohibited from participating in the vote and would have impacted the results of the vote.

In order for the Ballot Team to evaluate if a vote was impaired, it may be necessary for each Digitally Registered Delegate to indicate a YES, NO, or ABSTAIN response to a vote so that the online results can be validated. For instance, if only 45% of the delegates vote YES and 30% vote NO, it is important to confirm that the remaining 25% abstained as it could change the outcome of the vote.

Note: Members of the Ballot Team will be at the Convention site as well as online to confirm all results.

Restarting the Online Session

In the event that there is a failure in the online technology, the Moderator may discern the need to postpone the meeting temporarily until communication issues are resolved. Email will be used to communicate to all Digitally Registered Delegates. Rules for quorum will still apply once the online meeting is restarted.

2023 MODERATOR REPORT

I HOPE THAT AS WE FINALLY HAVE A CHANCE TO BE TOGETHER AT OUR NATIONAL ASSEMBLY, WE CAN REBUILD INTERPROVINCIAL RELATIONSHIPS BY LISTENING TO UNDERSTAND THE UNIQUE CHALLENGES IN OUR DIFFERENT CONTEXTS

Psalm 27:13,14 encourages us with these words: *"I am still confident of this: I will see the goodness of the Lord in the land of the living. Wait for the Lord; be strong and take heart and wait for the Lord."* Waiting is never easy, but it feels necessary in these challenging days. The temptation, I believe, is to try and find quick solutions to complex problems. But the kind of solutions we need are ones that reveal the goodness of the Lord in our specific context. These solutions generally are slow to emerge and require great patience yet will produce the kind of fruit we are ultimately seeking. This is why we need to be strong and take heart in the waiting! So, I think waiting on the Lord will be a primary discipline for us as we move forward as leaders, churches and agencies. I also believe we are seeing some of the fruit of patient attentiveness to God in the good fruit that is emerging within our denomination.

Summary of initiatives

Our primary focus remains the ongoing development of our Collaborative Unified Strategic Plan (CUSP). Our CUSP mission statement is to "cultivate a community and culture of healthy disciple-making churches and ministries, faithfully joining Jesus in his mission." There are four areas that we will pursue to move this mission forward. They are Leadership Development, Mission, Spiritual Health and Theology and Organizational Health. This year our National Ministry Team (NMT) has done good work on the Leadership Development and Mission areas. You will engage these ideas at the National Assembly.

Collaboration

We all have different needs and different resources. This is what makes the collaborative model so helpful in that we can give and receive on a much larger scale providing more resources and support to one another than left on our own.

But a growing concern emerging over the last few years (Covid induced) is the "silo" effect where instead of leaning in to support and help one another interprovincially we are distant and arm's length of one another. I hope that as we finally have a chance to be together at our National Assembly, we can rebuild interprovincial relationships by listening to understand the unique challenges in our different contexts, offering to pray, support and where possible resource one another so that together we can see our churches thrive and have the gospel expand to those far from Jesus in an increasingly secular and turbulent culture.

Financial picture

We continue to be grateful for God's provision and the ongoing support of our provinces and churches. During 2022, we were able to meet all our obligations with a small operating surplus. Despite the budget pressure our constituents continue to face we are thankful for your financial support of our shared ministry objectives. We remain on target to eliminate our related party obligation in 2025 with the ongoing support of Legacy in helping us meet this target. We are thankful for the financial and administrative services Legacy provides our conference and for the servant heart of its staff members.

National agencies

We are very blessed to have the kind and quality of leaders and staff members who overseeing these agencies.

Multiply: We are grateful for the Multiply staff and the leadership they provide our missions initiatives and the addition of Bruce as their leader.

Legacy: We are thankful for the financial and administrative services Legacy provides our conference and for the servant heart of its staff members and led by Jason.

MB Seminary: The Seminary team led by Mark have done good work in bringing Seminary education at their Campus, Online and through the "Teaching Churches partnership program."

NFLT: The NFLT led by Ken continue to do a great job working on resources that help our churches and leaders think carefully about current issues as well as updating our Confession of Faith.

Honoring Elton:

Elton has done a remarkable job over the last five years. He was tasked with creating a collaborative governance model and has moved us into that reality. He also had several years of Covid restrictions to navigate. Through the many challenges he had to face, he remained faithful and resolute. He provided the necessary groundwork for our Collaborative Model and CUSP development for which we are grateful. We bless him as he transitions to lead ICOMB beginning Jan. 1 2024.

Gratitude for our staff:

I am very grateful to our Executive Board who are mostly volunteers wo give of their time to serve our greater constituency. I am also grateful to our staff (Elton, Ken, Jason, Jim, Carson, Kara, Jon, Liam, and Holly (on maternity leave)) who each do a fantastic job in their respective roles we ask them to fill.

Executive Board transitions and additions

I am grateful for all the Executive Board members who give many hours to serving our larger constituency. We are grateful for the years of service that Tim Doerksen, Sharon Simpson and Ron Penner provided. All contributed much to our EB discussions and provided significant leadership in their respective responsibilities.

We also added new Executive Board members. Tim Doerksen rejoined the EB on the FAC, Rob Dyck joined us a MAL, Tom Ens as the Seminary Rep and Matt Ewert as BCMB representative. Wendi Thiessen also joined as the Multiply Rep.

Moving Forward

Obviously our first task is to hire a new Executive Director. Close on the heels of this task is the finding and affirming a new Moderator. What we are most enthusiastic about is the operationalization phase of the CUSP. Elton and the NMT have done a significant amount of foundational work to get us to this phase. Now we are looking forward to resourcing and supporting our provinces and churches in developing healthy disciple making cultures which we pray will see a new movement of new disciples of Jesus Christ within our specific Canadian context.

On behalf of the Executive Board,

Cam Stuart

Interim Moderator

TABLE OFFICERS
CAM STUART
Interim Board Moderator
MICHAEL DICK
Finance and Audit committee Chair/MAL
REG TOEWS
Secretary

PROVINCIAL REPS
RICHARD LOUGHEED
Quebec (AEFMQ)
MICHELLE KNOWLES
Ontario (ONMB)
DAVE ENS
Manitoba (MBCM)
PHI GUNTHER
Saskatchewan (SKMB)
MATT EWRT
British Columbia (BCMB)

MEMBERS AT LARGE
TIM DOERKSEN
JEFF DYCK
ROB DYCK
BONITA EBY
SAM REIMER
Personnel Chair

EX-OFFICIO (NON-VOTING)
ELTON DASILVA
CCMBC National Director
TOM ENNS
MB Seminary Board Representative
WENDI THIESSEN
Multiply Board Representative
BERTHA DYCK (LEGACY BOARD)
CORY REGIER (LEGACY BOARD)

NMT MEMBERS
ROB THIESSEN (BCMB)
RICHARD LOUGHEED (AEFMQ)
PAUL LOEWEN (ABMB)
PHIL GUNTHER (SKMB)
CAM PRIEBE (MBCM)
RYAN JANTZI (ONMB)
JASON KRUEGER (LEGACY)
BRUCE ENNS (MULTIPLY)
MARK WESSNER (MB SEMINARY)

CCMBC STAFF
KEN ESAU
National Faith and Life Director
JIM BELL
Legacy Chief Financial Officer
KARA FRIESEN
Executive Assistant

2023 NATIONAL DIRECTOR REPORT

Dear friends and ministry partners,

This is my last report as your National Director. I begin by expressing my heartfelt gratitude for your trust and confidence in me during the past five years. Numerous challenges and a significant restructuring process have characterized my tenure at CCMBC. As I prepare to step down from this role, I believe it is essential to provide you with an overview of our journey, the accomplishments we have achieved and to inspire you to continue working together for the benefit of those yet to encounter the transformative power of Jesus Christ.

I am aware that some have expressed criticisms and doubts about the value of a National Conference and the impact of CCMBC. Instead of launching new programs or maintaining specific initiatives, we deliberately shifted away from individualized strategies within the National Conference to build a collective, coordinated, and collaborative approach.

I firmly believe that my mission at CCMBC was to restore its health, rebuild trust, and set a collaborative path forward in motion. In this regard, I am confident that, by the grace of God and with the support of many, we have accomplished this mission.

Focus on Health and Healing

Within our National structure, several areas required adjustment or even complete reconstruction. Allow me to highlight a few key areas of our progress:

Financial Health

As outlined in our financial report presented at the Gathering in 2018, our National Conference had depleted its reserves by operating beyond its means. When we restructured "Stewardship Ministries" into the "Legacy Fund," we discovered a "debt to related party" of $3.5 million on CCMBC's side of the ledger. This debt resulted from various factors, including overspending, asset devaluation, and operational losses. Over the past five years, CCMBC and Legacy have worked diligently to repay much of this internal debt, leaving only $600,000 on our books. CCMBC has also made strides in living within its means and has achieved small surpluses in four of the last five years. In addition, we have begun to build a cash reserve to secure our financial position in the future.

Organizational Health

In the past five years, we have witnessed a remarkable recovery of all our National Agencies. Legacy, Multiply, and MB Seminary have endured significant challenges, but it is evident that our agencies are now experiencing a season of steady growth and stability.

Structural, Strategic, and Relational Health

The creation of the Collaborative model and the development of the Collaborative Unified Strategic Plan(CUSP) have brought all parts of our organization together to design, build, and operationalize programs and ministries aligned with the mission of the Canadian MB Church. The Collaborative Unified Strategic Plan serves as a roadmap, guiding us in our direction, while the Collaborative Model facilitates coordination and collaboration.

Theological Health

The reorganization of the Board of Faith and Life into the National Faith and Life Team and the appointment of a full-time National Faith and Life Director staff position has enabled us to proactively and collaboratively create resources to clarify and strengthen our theological framework.

Looking Ahead

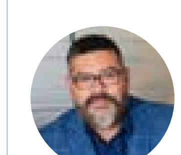
I would be remiss if I did not emphasize that our work is far from finished. We are now entering a building phase, where we can align ideas and resources to become a missional movement in Canada through our collective efforts. There is an open invitation for full collaboration in designing, building, and operationalizing missional programs that can rejuvenate our denomination in Canada and increase our involvement in global missions.

Thank You

In conclusion, I am again grateful for your care, prayers, and trust. It has been an incredible honour and privilege to serve among you. I also thank the CCMBC executive board, the National Ministry Team, and the National Faith and Life Team for your patience and support throughout my tenure. Finally, I want to acknowledge and thank the dedicated CCMBC and Legacy staff for your unwavering commitment and hard work. I will miss working alongside every one of you.

As I conclude my service as National Director, I offer my prayers for God's richest blessings upon all of you.

With sincere gratitude and warm regards,



Elton DaSilva

NFLT
NATIONAL FAITH AND LIFE TEAM

2023 NATIONAL FAITH & LIFE DIRECTOR REPORT

Mandate

According to the Collaborative Unified Strategic Plan (CUSP), we as a Conference exist *"to cultivate a community and culture of healthy disciple-making churches and ministries, faithfully joining Jesus in his mission."* The National Faith and Life Team (NFLT) exists to articulate and safeguard Mennonite Brethren theological convictions, produce theological and pastoral resources, and provide discernment and guidance on current issues. The National Faith and Life Team stewards the Confession of Faith on behalf of the Conference.

Projects and Activities so far in 2023

We have been active in providing a monthly prayer resource entitled "Moments in Prayer" with the theme **"Holy Spirit—Fill Us!"** This resource is sent out via email to subscribers on the first day of each month and published in that month's *MB Herald Digest*. If you are not receiving these emails, please sign up here. We believe that the future health and mission of our MB family is heavily dependent on prayer and the presence of the Holy Spirit. Please join us in prayer!

We oversaw the **Pastors Credentialing Orientation** (June 6-8, 2023) in Winnipeg with 26 regular participants and 4 "alumni" in attendance. The next PCO is scheduled for May 28-30, 2024 in Abbotsford, BC (and area). Please see our PCO website here for updates as they become available.

We have been very busy planning for our Equip 2023 conference (October 26-28, 2023) at Northview Community Church (Abbotsford, BC) on **"Fire & Ashes: Why Church? Why MB?"** Our prayer is that this event will bring our MB family together from across the country and build unity as we gather for worship, prayer, shared learning, relationship-building, and renewal around our purpose and mission.

In terms of policy items, we have approved the following:

1. The **Collaborative National Church Affiliation and Review Policy.** This provides guidance for provincial MB leadership and each local MB church about what are the mutual expectations and obligations related to affiliation. Each provincial MB conference will adapt this policy for its own context.
2. The **CCMBC MB Confession of Faith Amendment Procedure Policy.** We have been asked about how Confession of Faith amendments could happen and acceptable reasons for such amendments. That two-part question is what led to our creation of this procedure policy.

We have been busy updating our 1999 Confession of Faith resources and are working diligently on the following:

1. **Article 1: God (Explanatory Notes).** This has received final approval and available here.
2. **Article 2: Revelation of God (Explanatory Notes).** This is in process for final approval and available here.
3. **Article 6: Nature of the Church (Explanatory Notes).**
4. **Article 7: Mission of the Church (Explanatory Notes).**
5. **MB Confession of Faith Responsive Worship Readings.**

A key project that is nearing completion is a revised **"MB Credentialing Questionnaire (2023)"** which includes increased interaction with our MB Confession of Faith as well as increased interaction with our Code of Personal and Ministry Ethics. We are hoping for implementation of this revised questionnaire in the very near future for all new candidates.

Another key project is defining what a "healthy disciple-making church...faithfully joining Jesus in his mission" actually looks like. We have created a draft document entitled **"Defining a Healthy Church Resource"** hoping that it can spur discussion within and among churches in our family about what it looks like to be a healthy church, what activities could increase the level of health, and finally how the growth of (or the loss of) church health could be measured.

We have received requests for resources related to **Christians and Gender Identity.** We are still in process about whether to create a specific CCMBC resource on these questions or whether we should adopt carefully thought-out and biblically faithful resources that align with our Confession of Faith.

We have the same reflections in response to requests for resources that respond to Canada's **Medical Assistance in Dying (MAiD)** legislation. For those churches looking for up-to-date resources, the Evangelical Fellowship of Canada (EFC), of which we are a member, has been actively engaged with these questions. See Dr. David Guretzki, "Social Awareness. Living Truth." Available here.

On a more personal level, I have been able to contribute articles for the new *MB Herald Digest* **"Q&R Corner"** that responds to questions that are being asked by individuals within our MB family. The following is a sampling of topics covered so far:

- Scientific Research and Biblical Interpretation. (April 2023)
- Gay Couples and Church Inclusion/Belonging. (May 2023)
- Response to the Study on the Use of the MB Confession of Faith. (June 2023)
- The MB Position on Exorcism. (August 2023)
- MB Definition of "Man" and "Woman" in Article 11. (September 2023)

I am very privileged to work with the fifteen men and women leaders from across Canada who make up the National Faith and Life Team (NFLT). They are a blessing and encouragement to me as I watch them serve faithfully, sacrificially, and prayerfully both where they are as well as on the NFLT. Please continue to pray for and encourage these individuals in their ministries. Most of all, pray that our MB family of churches would embrace our calling to be healthy disciple-making churches, faithfully joining Jesus in his mission!

If you have suggestions, encouragements, or thoughts, feel free to email them to us at listeningwell@mbchurches.ca

Ken Esau
National Faith and Life Director

NATIONAL FAITH AND LIFE TEAM

RICHARD LOUGHEED
AEFMQ Designate
RYAN JANTZI
ONMB Interim Executive Director
KAREN WEST
ONMB Representative
CONNIE MAIER
Member-at-Large, ONMB
JASON DYCK
MBCM Director of Church Ministries
WALTER FAST
MBCM Representative
PHIL GUNTHER
SKMB Director of Ministry
RICK SCHELLENBERG
SKMB Representative
PAUL LOEWEN
ABMB Provincial Director
LAURENCE HIEBERT
ABMB Representative
ROBERT THIESSEN
BCMB Conference Minister
KRISTAL TOEWS
Member-at-Large, BCMB
KEITH REED
MB Seminary Representative
DOUG HEIDEBRECHT
Multiply Representative
ELTON DASILVA
CCMBC National Director

CCMBC LEGACY FUND
Ministry-Focused Financial Services

Greetings to the delegates and guests of our National Assembly. We are grateful for the privilege to serve our constituents, faithfully joining Jesus in his mission. As a national ministry partner, we take joy in the collaborative relationship shared with our MB family. Our staff are dedicated to serving you as a trusted financial and administrative resource. We are pleased to share our new mission statement, values, and 5-year strategic plan, approved this spring by our board of directors. We are committed to ensuring the vitality and sustainability of resources and continued service to our MB family. Thank you for your support and may God richly bless each of you. In Christ, Jason Krueger, Legacy CEO

WE EXIST TO PROVIDE MINISTRY-FOCUSED FINANCIAL SERVICES TO FACILITATE KINGDOM GROWTH.

Legacy serves as a resource to the conferences, churches, agencies, and employees of the Canadian Conference of Mennonite Brethren Churches. We provide payroll and accounting services, administer CCMBC's group benefits plan and pension plan, and offer lending and investment services. Our investors enable churches and pastors to have a presence in the communities they serve.

OUR VALUES

WE OPERATE IN DEPENDENCE ON GOD.
We live in prayerful and obedient attentiveness to God – Father, Son, and Holy Spirit. We seek to glorify His name.

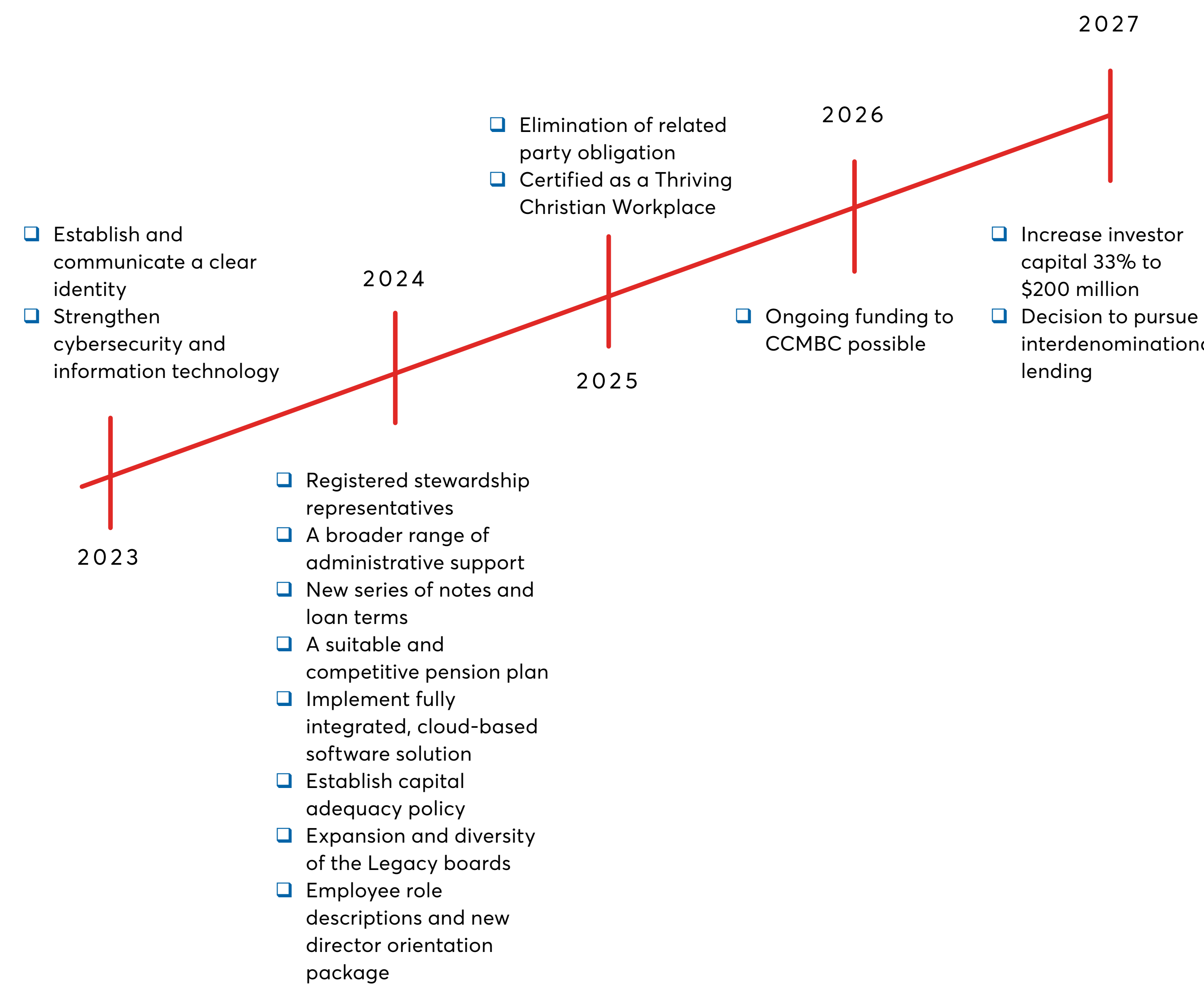
WE SERVE OUR MINISTRY PARTNERS.
We support the charitable objectives of CCMBC as described in our Bylaws and in our Memorandum of Understanding with CCMBC. Our initiatives support and serve our ministry partners.

WE STEWARD RESOURCES ON GOD'S BEHALF.
We exercise care and integrity as we oversee the funds and ministry assets entrusted to us. We demonstrate accountability and transparency in our reporting, policies, and actions.

WE PROVIDE HIGH-QUALITY, PROFESSIONAL SERVICE.
We serve MB churches, conferences, agencies, employees, and constituents responsibly and competently.

WE VALUE THE WELL-BEING OF OUR EMPLOYEES.
We support a flourishing workplace culture by attracting and retaining outstanding Christian talent. We provide opportunities for staff to learn and grow, give opportunity to leverage skills and spiritual gifts, offer inspirational leadership, provide rewarding compensation, and a team atmosphere to create consensus, direction, and momentum.

STRATEGIC OBJECTIVES



CCMBC LEGACY FUND

INVESTING IN KINGDOM GROWTH TOGETHER

CCMBC
2024 Draft Budget by Ministry Area

	Budget 2022	Actual 2022	Budget 2023	YTD Actual (eight months) 2023	Draft Budget 2024
Revenue					
Church Contributions through Single Stream Funding					
Church Contributions		$10,000		$2,500	
Church Contributions - ABMB	70,000	61,105	70,000	32,949	63,000
Church Contributions - AEFMQ	7,000	6,067	6,000	3,178	6,000
Church Contributions - BCMB	265,000	264,484	292,000	144,308	265,000
Church Contributions - MBCM	236,000	217,000	220,000	121,625	220,000
Church Contributions - ONMB	150,000	150,000	142,000	71,000	142,000
Church Contributions - SKMB	100,000	119,765	115,000	53,815	100,000
Church Contributions through Single Stream Funding Total	828,000	828,421	845,000	429,376	796,000
Donations & Grants	3,200	1,258,591	3,400	162,903	7,800
Donations & Grants - Church Planting	3,000	2,363	3,200	6,359	6,200
Sales & Registration	108,000	68,988	123,300	41,102	123,300
Revenue Total	**942,200**	**2,158,363**	**974,900**	**639,740**	**933,300**
Expenses					
Spiritual Health & Theology					
NFLT Board	15,100	12,584	20,000	12,811	15,000
NFLT Director	108,675	141,988	122,220	82,643	123,500
Events - AGM		440			
Events - Equip Study Conference	52,500		50,000	3,175	50,000
Events - PCO	12,000	645	12,000	7,127	12,000
Centre for M.B. Studies	40,000	39,002	43,796	24,991	43,500
Kindred Productions	12,200	9,983	11,515	2,511	11,640
M.B. Herald	7,700	6,752	27,000	3,555	10,000
Direction	1,000		1,000		1,000
Spiritual Health & Theology Total	**249,175**	**211,394**	**287,531**	**136,815**	**266,640**
Leadership Development					
Leadership Development - General Programing			10,000	1,165	10,000
ETEQ	20,000	20,000	20,000	13,333	20,000
MB Seminary	165,000	165,000	165,000	110,000	165,000
Leadership Development Total	**185,000**	**185,000**	**195,000**	**124,499**	**195,000**
Mission					
Operationalizing the CUSP			15,000	3,542	
ICOMB	30,000	30,000	30,000	20,000	30,000
Mennonite World Conference (Subisidy)	10,000	10,000	10,000	10,000	10,000
Mission	3,000	2,663		1,774	
Mission - Church Planting		2,566			
Mission Total	**43,000**	**45,230**	**55,000**	**35,316**	**40,000**
Organizational Health					
Executive Board	27,000	55,344	45,000	32,215	35,000
Executive Director	220,510	239,820	237,254	175,270	243,400
Communications Administration	142,660	141,022	158,215	109,591	156,360
Administration	41,500	38,528	89,300	62,662	89,300
Events - Gathering/AGM	300	150	10,000	76	10,000
Plan to Protect	600	878	600	464	600
MB Historical Commission	13,000	13,000	13,000	8,667	13,000
Evangelical Fellowship of Canada	9,000	8,800	9,000	8,733	9,000
Pastor's Transitional Network				1,050	
Contingency	10,455				
Organizational Health Total	**465,025**	**497,541**	**562,369**	**398,728**	**556,660**
Expenses Total	**942,200**	**939,164**	**1,099,900**	**695,357**	**1,058,300**
Surplus (Deficiency) of Revenue over Expenses		**1,219,199**	**(125,000)**	**(55,618)**	**(125,000)**

CCMBC
2024 Draft Budget by Expense Type

	Budget 2022	Actual 2022	Budget 2023	YTD Actual (eight months) 2023	Draft Budget 2024
Revenue					
Church Contributions through Single Stream Funding	$828,000	$828,421	$845,000	$429,376	$796,000
Donations & Grants	3,200	1,258,591	3,400	162,903	7,800
Donations & Grants - Church Planting	3,000	2,363	3,200	6,359	6,200
Sales & Registration	108,000	68,988	123,300	41,102	123,300
Revenue Total	**942,200**	**2,158,363**	**974,900**	**639,740**	**933,300**
Expenses					
Board Costs	63,000	95,367	70,900	75,421	70,900
Specific Programming Costs	86,100	16,457	137,600	20,132	100,900
Office & Administration Expenses	50,045	50,241	94,385	59,563	89,585
Staff Compensation	448,100	472,066	499,900	328,542	501,950
Staff Travel	31,500	54,144	41,315	38,135	39,315
Staff - Other Expenses	5,000	4,090	7,800	1,782	7,650
Agency/Partnership Support	248,000	246,800	248,000	171,783	248,000
Contingency	10,455				
Expenses Total	**942,200**	**939,164**	**1,099,900**	**695,357**	**1,058,300**
Surplus (Deficiency) of Revenue over Expenses		**1,219,199**	**(125,000)**	**(55,618)**	**(125,000)**

CCMBC
CANADIAN CONFERENCE OF MENNONITE BRETHREN CHURCHES

Canadian Conference of M.B. Churches
2024 Draft Budget Notes

- The 2024 Draft Budget document has been presented in the following format;

  2022 Budget
  2022 Actual financial results
  2023 Budget
  2023 Actual financial results for the 8 months ending August 31, 2023
  Draft 2024 Budget

- The 2024 Draft Budget is presented by Ministry Area and by Expense Type.

Revenues

- In preparing the Single Stream Contribution projections for 2024, all of our provincial conferences have been consulted. Each provincial conference has provided their projected contributions for 2024.

- As a result, Single Stream Contributions have been budgeted at $796,000 for 2024. This is a decrease of $49,000 from the 2023 amount of $845,000. The decreases are made up of the following;

British Columbia	$27,000
Saskatchewan	15,000
Alberta	7,000
	$49,000

- All other revenue categories for the 2024 Draft Budget remain relatively consistent with 2023.

1310 Taylor Avenue
Winnipeg, Manitoba R3M 3Z6
888 669 6575
www.mennonitebrethren.ca

2023 NATIONAL REPORT

SHAPING LEADERS CHANGING LIVES

"I'm grateful for our collaboration with the Seminary and, as a pastor, have appreciated their accessibility and deep love of scripture integrated with practical pastoral insight and real-life church leadership experience."

—Esther Corbett, Pastoral Lead, Cariboo Bethel Church

TBD Pastors Equipped
377 Graduate Students (hrs)
351 Online Students (hrs)
TBD Leaders Equipped
228 Lifelong Learners
2200 Devotional Readers

Part of the Cariboo Bethel Church story that has not yet been told is that after the Interpreting Scripture Today weekend seminar with two other churches in BC, Esther approached me to help coach their team of lay leaders to preach a summer series on the parables. We did this via Zoom, and it was so encouraging to talk through specific parables and how to effectively communicate their truths within the particular context of Williams Lake, BC in 2023. The future of the church is in good hands!

Experiences like Cariboo Bethel's are why I love being part of the mission and ministry of MB Seminary **to equip the entire church**. We do this in multiple ways:

- Through **on-campus and online education**,
- Through **Teaching Churches** in BC, and Alberta, and a new partnership this fall in Steinbach, MB. We expect to launch two more in 2024.
- Through **faculty and staff preaching and teaching** in many churches.
- Through **facilitating leadership development**, with resources and training across the country.

As part of the MB Churches of Canada, MB Seminary educates and equips leaders like Esther and churches like Cariboo Bethel on your behalf.

mbseminary.ca/go

Thank you for being together in ministry with us!

One of the greatest truths about God is that he is with us. Jesus entered the world as God Immanuel in the most remarkable story that we celebrate every Christmas, and then gave us his Spirit that he would be with us. One of Satan's great strategies is to have us believe that we are alone, and yet the reality is the opposite—God is with you! Our invitation into God's mission is to proclaim this truth to the world together.

God created us for community, with a longing to be together (even us introverts). Paul articulates this to the church in Rome, "For I long to see you, that I may impart to you some spiritual gift to strengthen you—that is, that we may be mutually encouraged by each other's faith, both yours and mine" (Romans 1:11-12, ESV). What a privilege that we can walk in faith together, to send out (and be) multiplying disciples, develop missional leaders, and strengthen global partnerships.

I invite you to read our detailed Global Report at multiply.net/2022report, that you might be encouraged in your faith, as you also encourage others in theirs. Thank you for your partnership in proclaiming and living this life-changing Gospel, so that together the world may know Jesus.

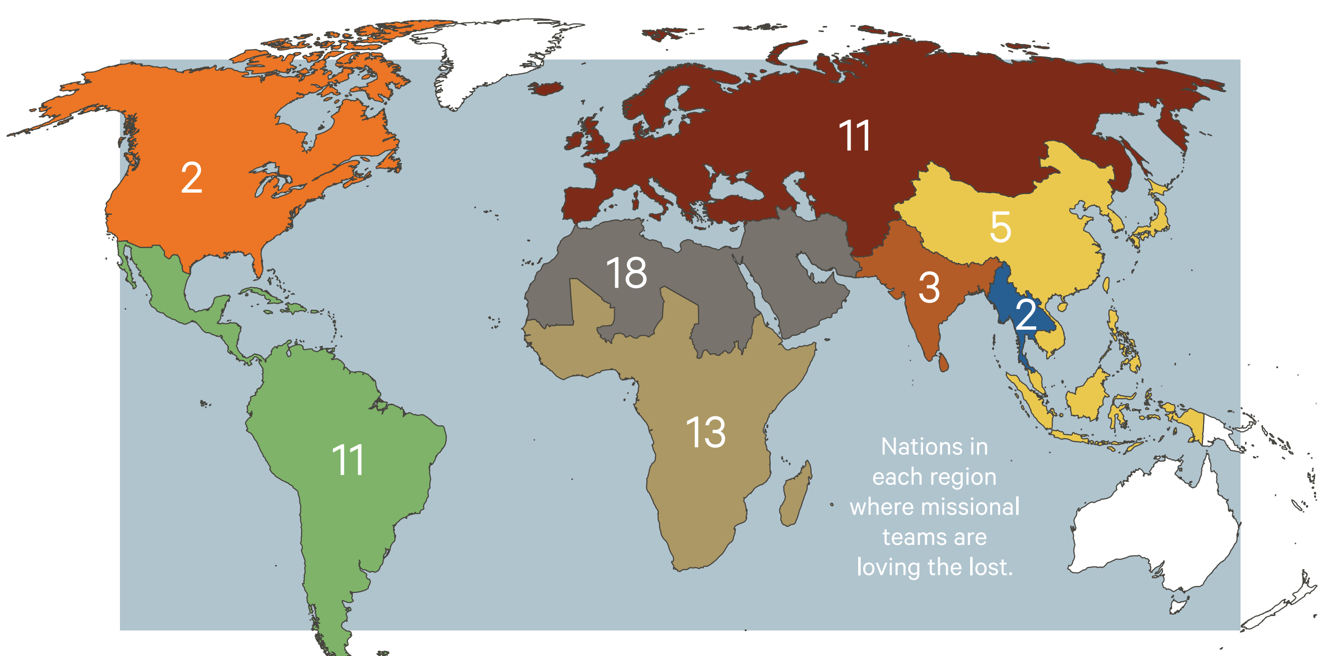
Bruce Enns
GENERAL DIRECTOR

View full report online:
multiply.net/2022report

2022 Global Snapshot

65 nations where people are meeting Jesus through our network of **missional teams,** made up of:

- **10,000+ local disciples** making disciples, planting churches and reaching nations
- **81 long-term global workers** sent from North American churches
- **22 long-term global workers** sent from MB conferences in other nations



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1.888.866.6267

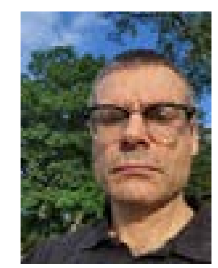
300-32040 Downes Road
Abbotsford, BC Canada
V4X 1X5

4867 E. Townsend Avenue
Fresno, CA United States
93727-5006

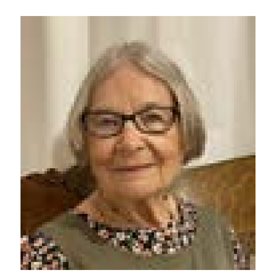
The Historical Commission, through its four archives (Fresno, Abbotsford, Hillsboro, and Winnipeg), continues to offer research and archiving services to MB churches—their institutions and their people.

At its June 2023 meeting, the Commission awarded two research grants and two publication grants.

An Alfred Neufeld $2,000 USD global church history grant was awarded to **Stephen Kapinde**, a professor at Pwani University in Kifili, Kenya. His project explores the key actors and stakeholders in the Kenyan Mennonite peacebuilding story. The project title is *Mission as Transformation: A Theo-Historical Reflection of the Mennonite Development and Peacebuilding Mission in Kenya, 1960–2010*.



An MB studies $2,500 USD project grant was awarded to **Jeremy Rich**, a professor at Marywood University in Scranton, Pennsylvania. His project probes the impacts of agricultural development initiated by Mennonite missionaries in the 20th century. The project title is *Congolese Perspectives on Mennonite Brethren Missionary Development, 1960–1990*.



The first publication grant—a $2,000 USD Katie Funk Wiebe women's studies grant—went to Canadian Mennonite University Press to help with the production costs of a forthcoming publication. The CMU Press book features a collection of poetry from award-winning Mennonite poet, **Sarah Klassen**. The title is *Sarah Klassen: New and Selected Poems*, edited by Nathan Dueck.

The second publication grant—a $2,000 USD MB studies grant—went to CMU Press to help with the production costs of another forthcoming publication. This CMU

Press book features a collection of academic essays by field-defining author, **Hildi Froese Tiessen**, professor emerita, Conrad Grebel University College, Waterloo, Ontario. The title is *On Mennonite/s Writing: Selected Essays by Hildi Froese Tiessen*, edited by Robert Zacharias.

The Commission also awarded a $750 USD J.B. Toews college scholarship to Olivia Chittick of Columbia Bible College in Abbotsford, B.C.

For details about the Commission's funding initiatives and application procedures—and the news releases announcing past recipients—see the Commission's website, mbhistory.org.

Please consider submitting a manuscript proposal or a project grant application, perhaps something to mark the upcoming 500th anniversary of the start of the Anabaptist movement in 1525.

Since its formation in 1969, the Commission has helped coordinate the collection, preservation, and interpretation of MB archival records that form and inform MB theology and history (congregational meeting minutes, conference proceedings, personal papers, periodicals, publications, and photographs).

More information about the work of the Commission—a funded ministry of both the U.S. Conference of MB Churches and the Canadian Conference of MB Churches—is available on its website, mbhistory.org.

—Jon Isaak, exec. secretary, jon.isaak@mbchurches.ca

*Elected Commission members include **Don Isaac**, chair (Hillsboro), **Chris Koop**, vice-chair (St. Catharines), **Valerie Rempel**, recording secretary (Fresno), **Karla Braun** (Winnipeg), **Benny Leung** (Calgary), and **Maricela Chavez** (Fresno). Archival representation on the Commission includes **Kevin Enns-Rempel** and **Hannah Keeney** (Fresno), **Peggy Goertzen** (Hillsboro), **Richard Thiessen** (Abbotsford), and **Jon Isaak**, executive secretary (Winnipeg).*

2022-2023 ICOMB REPORT

Amidst Ongoing Changes

Over the past year and the current one, we have faced several challenges that have made us reevaluate, rethink, and seek solutions. The pandemic disrupted the regular functioning of our Executive, and we had to operate in an interim mode last year. I also had personal health challenges and took a three-month sabbatical from November to January. As a result, we started this year with delays in organizing our work and preparing for the Summit. During this period, I became increasingly convinced that a new director should take over the leadership of ICOMB in 2024.

Summit 2023

The Summit took place in May and was a significant event. Unfortunately, several delegates from Latin America, Asia, and Africa couldn't attend due to visa issues, which was quite sad. However, during critical decision-making meetings, we tried to conduct hybrid sessions, blending in-person attendance with virtual participation via Zoom. Despite the absence of many delegates, we managed to engage in meaningful discussions and reach some decisions. We discussed several plans and ideas formulated during the previous year or months, focusing on our priorities, organizational structure, and decision-making processes. Our primary focus was on how to serve our member conferences better, establish more intentional relationships with emerging groups, and increase the funds necessary to support these endeavours. In the weeks following the Summit, we began implementing those decisions. Elton DaSilva was officially confirmed as the new Global Director, starting in January 2024.

ICOMB visits, March-June 2023

In March, I had the privilege of attending the Executive Committee meetings in BC. It was a valuable experience for me as I got the chance to meet many dedicated individuals and gain insights into the numerous opportunities for mutual support and collaboration among our diverse communities. I became aware of the significant presence of the MB population within the MWC constituency. Our voice holds importance in discussions concerning the fundamental values of our Christian faith.

I have had the privilege of attending several Assemblies in recent years, during which I had the opportunity to share about ICOMB. The discussions about the changing role of the church in today's society and its relation to the government and societal values were insightful and highly appreciated. These reflections are of great importance and relevance in several other countries. The exchange of insights on this matter across continents can be immensely valuable. We invited Luke Etelamaki of Saskatchewan to lead a workshop at our Summit.

I had the opportunity to attend an MB Pastors/Leaders meeting and make church visits in the northwest of the United States. Witnessing their genuine enthusiasm for participating in ICOMB and actively engaging in the Global Family was truly inspiring.

In June, I attended a Preachers Conference of over 600 participants in Germany, organized by MB Conference, BeF. I shared the ICOMB's vision and purpose. There was a strong emphasis on preaching the Word with the guidance of the Holy Spirit. I also had the privilege of visiting and preaching in various churches. Their commitment to prayer and dedication to being witnesses to their children, connections, and missions beyond Germany was impressive.

The Canadian "ICOMB Society" (ICOMB-Canada) was founded in 2019 and received charitable status in 2020. The Board is currently composed of Victor Wiens (President), Elton DaSilva (Treasurer), and Denis Federau (Secretary), with Rudi Plett (Global Director) and Bob Davis (ICOMB-USA) serving as Members-At-Large. This year's notable advances included a Joint Ministry Agreement with ICOMB-USA, a successful fundraiser in Abbotsford for ICOMB scholarships and non-formal training, and a growing collaboration with other MB partners (CCMBC, Multiply, Legacy).

As a global family, we want to remind each other to «... not forget to do good and to share with others, for with such sacrifices God is pleased.» Hebrews 13:16. We are committed to creating opportunities for this engagement and request your prayers for God's wisdom and creativity to guide us.

United in Christ,
Rudi Plett

Mennonite World Conference
A Community of Anabaptist related Churches

Mennonite World Conference

Annual report: 2022

The commandment we have from him is this: those who love God must love their brothers and sisters also. (1 John 4:21)

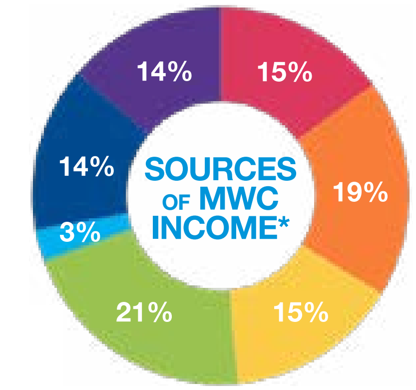
Thank you! ¡Gracias! Merci ! Terima kasih!

With your faithful support, we followed Jesus together as brothers and sisters across barriers of all kinds in 2022. You supported a successful global Assembly in Indonesia in July. And you supported the core work of the worldwide Anabaptist community of faith through MWC's commissions, networks, and young adults.

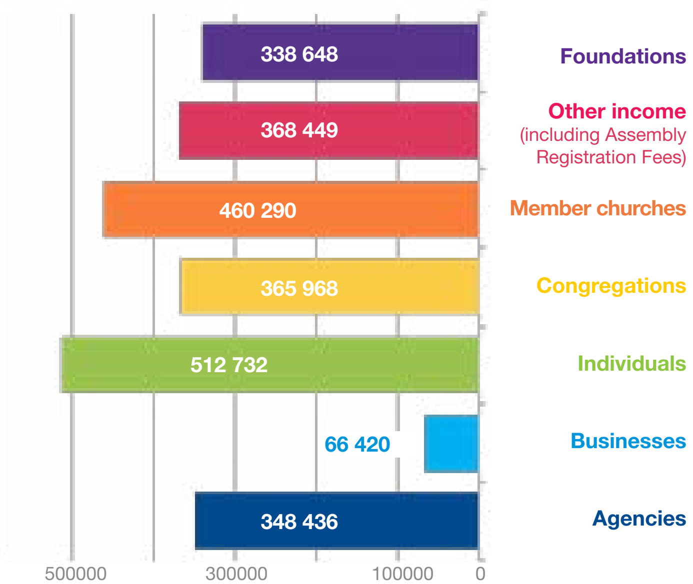
Thank you for nourishing the global Anabaptist family through investing in MWC's mission. Your partnership strengthens MWC as it carries out the mission of God in the world!

Unrestricted revenue in 2022 was 13% higher than in 2021, but 2% below budget. Revenues and expenses for the 2022 Assembly in Indonesia were essentially break even.

*All amounts in US$



TOTAL REVENUES
2 460 944



We believe prayer can make a difference

Amos Chin, leader of Bible Missionary Church (an MWC member church) in Myanmar, shared about the violence and persecution his churches are facing. Mennonite World Conference exhorted our global church family to pray for the churches in Myanmar. We have shared stories, prayer requests and pastoral letters. Despite a lower profile in national news, MWC has kept this urgent need in the forefront for the Anabaptist communion and has called us to intercede. "Pray for us," Amos urged us, "We believe prayer can make a difference."

MWC Executive Committee members Paul Phinehas (India, 2015-2022) and Amos Chin (Myanmar, 2022-2028) at MWC Assembly Indonesia 2022.

YOUR CONTRIBUTION

- **resources Anabaptist leaders around the world**
- **encourages Anabaptist congregations and their witness worldwide**
- **nurtures a thriving global communion through MWC's commissions, networks and gatherings**

Visit mwc-cmm.org to give now or send your contribution to:

Mennonite World Conference
PO Box 5364, Lancaster, PA
17606-5364, USA

Mennonite World Conference
50 Kent Avenue, Suite 206,
Kitchener, ON N2G 3R1, Canada

Donate Online: mwc-cmm.org/donate

Mennonite Central Committee 2023 Report to CCMBC

Jesus promises us living water, a gift without cost, a well springing up into eternal life. What an incredible promise!

Over the past year, MCC has held to this verse with hopeful anticipation. We have seen many who are thirsty – thirsty for clean water, for food, for an end to war, for peace and justice, for life. We hold onto Jesus's promise as we serve in his Name.

Giving Thanks

We are grateful for our partnership with CCMBC as we share God's love and compassion with those in need. We give thanks for the many MB staff and board members who serve. We are grateful to our generous supporters and donors, and thousands of faithful volunteers.

This support has allowed us to respond to disasters and conflicts around the globe. Since February 2022, for example, MCC has reached more than 93,000 people and allocated USD $11.8 million to our **response in Ukraine.**

We also continue to walk alongside **communities in the Democratic Republic of the Congo** who are suffering from the consequences of ongoing conflict and violence. MCC is partnering with the Community of MB Churches (CEFMC) in the Kikwit region to provide agricultural support, heath and trauma care, school tuition and clean drinking water.

"Peace is a synonym of shalom. When we say shalom in Hebrew, it is the total salvation of mankind," says Antoine Kimbila, general secretary of CEFMC. "What [MCC] brings to us in the community … when it is married with the word of Christ, that brings peace to humankind."

Looking Ahead

MCC's commitment to peacebuilding will continue to shape the way we care for God's creation and accompany communities harmed by climate change. Want to get involved? Visit **climateactionforpeace.com**.

And in the coming year, we look forward to settling into our new head office in downtown Winnipeg. We invite you to visit our environmentally friendly space, which gives us another opportunity to be good stewards of God's gifts.

We covet your prayers for the coming year:
- For strength and resiliency of MCC partners, many who are weary and tired after years of crisis
- For God's nourishment and provision in places facing extreme hunger or poverty
- For wisdom for MCC staff and leaders as they shape programs and projects, including our new Seek discipleship program for 18 to 20-year-olds.

In Christ's peace,

RICK COBER BAUMAN
EXECUTIVE DIRECTOR, MCC CANADA
RICKCOBERBAUMAN@MCCCANADA.CA

A woman* in Ukraine's Kherson region received a small wood stove from an MCC partner, helping her survive the cold winter months without electricity. *The names of people pictured are not provided for security reasons. (Photo courtesy of Uman Help Center)

Channele Kingenzi washes her hands with clean water drawn from a well in DR Congo, built by MCC and partner CEFMC. Clean water has improved the health of thousands of people in the region. It has also reduced the fighting that commonly took place at remote springs where people used to get their water. (MCC/Fairpicture photo/ Justin Makangara)

Check out MCC's Climate Action for Peace campaign!

"Come, all who are thirsty, come to the waters…."
— Isaiah 55:1

MCC

Mennonite Disaster Service Canada

REPORT

MDS Canada 2022: **"We became friends."**

2022 was a busy year for MDS Canada. After the inactivity of 2020-21, due to the pandemic, we were busy responding to many needs across the country.

Through Hay West, farmers in Ontario who had good crops supported farmers in Saskatchewan who were threatened with the loss of their herds due to severe drought.

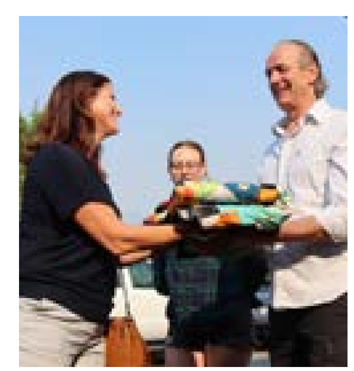
"I want to thank you," said Saskatchewan cattle farmer Curtis Mattson. "I was really up against it. It gave me some optimism to know there are people out there trying to help us."

In August 2021, the White Rock Lake Wildfire in Monte Lake, B.C. ravaged that community near Kamloops. MDS volunteers built four new homes in that community.

"The words don't come for how grateful we feel towards MDS," said Robert Hugh, who received a new home in Monte Lake. "Awesome, fantastic, incredible, that's what comes to mind when I think about what MDS is doing."

Following the devastating November 2021 flood in B.C., volunteers responded in Princeton and the Fraser Valley in B.C. Volunteers repaired 45 homes in both locations.

"I can honestly say we wouldn't be where we are today without your help," said Princeton Mayor Spencer Coyne. "You will never be forgotten. You will always be a part of our community." Added Dian Brooks, who lives with her brother, Danie, in a home that was repaired by volunteers in Princeton: "I don't know a better way to put it, but MDS helped with that sense of hope," she said. Said Danie: "We became friends."



Shelley Dueck presents a quilt to Michelle and Ted Swanson

In the Fraser Valley, Tom Johnstone not only saw his house badly damaged by flood waters, but also lost his wife to cancer during that time. Help from MDS not only repaired his house—it helped him at a dark time.

Jobin family in front of their house, Barry's Bay

"MDS was there when I needed it the most," he said.

In Barry's Bay, Ontario, MDS volunteers worked with the Roman Catholic Knights of Columbus to help a family with a severely disabled child who needed special accommodation. Prior to building an addition to the farmhouse, the family had been separated so the child could have the controlled environment she needed. With help from MDS volunteers and the Knights, the family was reunited.

"God brought us together in an act of love," said the mother, grateful to be reunited with the rest of her family after living apart with her disabled child for about two years.

MDS volunteers also responded to Hurricane Fiona in Atlantic Canada. 133 volunteers spent ten weeks doing 179 tree clean-up jobs and 28 roof repair or rebuild jobs in Cape Breton. Homeowners were grateful. "It's beautiful what they did," said Edith Ball, a widow, of the volunteers who cleaned up the trees on her yard. Added Johnny Parson, a person living with a disability: "People here appreciate what MDS did."

For MDS Canada, it was privilege to be the hands and feet of Jesus for our neighbours across Canada in 2022. Thanks for your support

—Ross Penner, Director of Canadian Operations

Mennonite Disaster Service Canada

MDS Canada
200-600 Shaftesbury Blvd.
Winnipeg, MB Canada R3P 2J1
204-261-1274 / toll-free 866-261-1274
mdscanada@mds.org
mds.org

ETEQ
École de Théologie Évangélique du Québec

by ETEQ's Seminary President Jean-Christophe Bieselaar, Ph.D

WHY SHOULD YOU CARE?

WHY SHOULD YOU CARE ABOUT SUPPORTING A FRENCH-SPEAKING SEMINARY IN MONTRÉAL?

THE ANSWER LIES IN TWO WORDS: MISSION AND LEADERSHIP!

> *Less than 2% of Quebecers are Evangelical Christians and ETEQ is training the upcoming generation of Mennonite Brethren workers in Quebec.*

COLLABORATION

You should care because ETEQ has been collaborating with our denomination to equip the local MB church family with gifted leaders and professors. Some of our lecturers are MB workers and teach classes that are ultimately important in our MB theology. In addition, half of ETEQ's Board are MB leaders and lay people, as per our constitution.

ACCESSIBLE

You should care because ETEQ makes accessible university-level theological education. Tuition fees are particularly low in Quebec. ETEQ scholarships for financial assistance are primarily for students belonging to our denomination. Since the pandemic, all our classes are offered at our campus in Montreal and through Zoom to anyone in Canada or overseas. The tuition fees for Quebec and Canadian students are shown below by program:

	MICROPROGRAMS	CERTIFICATE	BACHELOR'S	MASTER'S	DOCTORATE (Ph.D)
QC	$1,400	$4,500	$13,500	$7,800	$14,900
CAN	$3,200	$10,500	$31,300	$16,700	$14,900

RESOURCES

You should care because ETEQ provides resources to local churches. ETEQ has been placing interns in local churches and our professors are regularly preaching in MB churches to support their ministries Furthermore, ETEQ offers training, continuing education, symposium, and valuable tools for churches and lay leaders (such as certification for Prepare-Enrich inventory).

ENGAGED

You should care because ETEQ is engaged in the mission in Quebec. Our budget for 2022-2023 was modest for a seminary offering undergraduate, graduate and postgraduate programs. At the same time, it reflects the hardships of ministry in an unreached mission field.

REVENUES	
SUBSIDY (Alliance, MB)	$276,900
TUITION	$210,200
SALES TO STUDENTS (BOOKS, COURSE MANUALS)	$10,150
DONATIONS	$233,500
PARTNER REVENUES	$3,000
ADMINISTRATION REVENUES	$27,915
OTHER REVENUES	$1,000
TOTAL	**$762.665**

EXPENSES	
TEAM DEVELOPMENT	$2,500
PUBLIC RELATIONS	$17,750
PEDAGOGICAL RESOURCES	$18,500
STUDENT SERVICES AND CONFERENCE	$5,700
SALARY COSTS	$503,000
GENERAL ADMINISTRATION COSTS	$63,065
OCCUPANCY COSTS (RENTAL, ELECTRICITY)	$152,150
TOTAL	**$762,665**

In partnership with UNIVERSITÉ LAVAL

CMU
CANADIAN MENNONITE UNIVERSITY

CMU Mission

Canadian Mennonite University is an innovative Christian university, rooted in the Anabaptist faith tradition, moved and transformed by the life and teachings of Jesus Christ. Through teaching, research, and service CMU inspires and equips for lives of service, leadership and reconciliation, in church and society.

2022-23 Enrolment

60 Mennonite Brethren students

19 Mennonite Brethren churches in CCMBC sending students

32 Mennonite Church Canada churches sending students

8 Other **Mennonite/Anabaptist churches** sending students

18 Other denominational traditions across Canada and globally sending students

Small university Big opportunities

Why CMU?

Academic excellence
Professors know you
Work experience in every program
Faith and community matter

cmu.ca

Greetings to the Canadian Conference of Mennonite Brethren Churches

Here's a glimpse into CMU classrooms:

Exploring Christian Spirituality | Dr. Andrew Dyck | An introductory survey of various traditions and disciplines of Christian spirituality in the context of their historical development and contemporary expression.

Introduction to Global Health | Dr. Rachel Krause | A survey of global health issues, including infectious and neglected tropical diseases, malnutrition and the nutrition transition, maternal and child health, and environmental health.

Christianity and the Mass Media | David Balzer | This course will investigate the relationship between Christian faith and the mass media through a series of case studies asking, how do the faith convictions of the communicator shape production and how has mainstream media reported and portrayed Christian faith?

Adult Development: Aging and Society | Dr. Heather Campbell-Enns | A comprehensive study of aging in individual and societal contexts. The course will look critically at the physical, cognitive, social, and psychological aspects of aging in society today as well as theories related to aging.

The Psalms | Dr. Pierre Gilbert | Students will explore the art of biblical poetry, the theological and moral vision of the Psalms, and the function of these poems in the context of life and worship, in ancient Israel and today. (*winter 2023*)

Introduction to Peace and Conflict Transformation Studies | Dr. Wendy Kroeker | This course will enable students to develop an understanding of the roots and nature of conflict, violence, and peace. It examines a variety of models for constructive ways to respond to conflict, violence, and peace.

Resourcing the church

Xplore | A lifelong learning program investigating dimensions of Christian faith, our world, and life. Visit **cmu.ca/xplore**.

Graduate School of Theology and Ministry | Study part time or full time, in person or online. Full scholarships for full time students available. Visit **cmu.ca/gstm**.

renew 2024 | Leading with Hope in Anxious Times | A pastor and church leader conference on February 5–6, 2024. Visit **cmu.ca/renew**.

"Alongside its theological commitments, we also recognize and value the unique approach to academics and pedagogy that CMU embodies. We value its rigorous, dialogical, interdisciplinary, and deeply embodied way of knowing."
– Letter from Hutterite students 2022

CBC 2021-2022 HIGHLIGHTS

COLUMBIA BIBLE COLLEGE

Columbia Bible College seeks to equip people for a life of discipleship, ministry, and leadership in service to the church and community.

APPLIED LEADERSHIP PROGRAM ADDITIONS

We are excited to announce new program elements within the Applied Leadership degree. Built upon a strong biblical foundation, the Applied Leadership program focuses on equipping young men and women to make an impact in the world. The additions to this program will provide a degree option for those interested in pursuing leadership based learning within specific concentrations. These concentrations include options of Social Entrepreneurship, Leader Development, or Intercultural Engagement.

This revised degree offers a unique combination of courses that give students excellent Christian leadership training that is paired with practical business, management and intercultural skills.

"The Applied Leadership degree prepares you to engage your calling and passions. The focus of these concentrations is to grow you as a person - growing in self-awareness, character development, and relational ability." Program Co-Director, Matt Kaminski

2021-22 ENROLLMENT STATS

194 Residents

149 Commuters

17 Offsite

CURRENT STUDENTS: 360

BE KNOWN. MAKE A DIFFERENCE.

COLUMBIA'S NEW TAGLINE

BE KNOWN. Columbia is a community that welcomes in those trying to figure out their place in the world. Many young adults are wrestling with questions of identity, belonging and purpose. We want every student to come to know who they are in Christ Jesus. We want every student to experience a place where they are seen and where they know they belong.

MAKE A DIFFERENCE. Everyone wants their life to count. For that to happen, they need to develop the relational and leadership skills that will prepare them for whatever God has for them. Most importantly, they need to have a Christ-centered, biblical foundation from which to launch into the future.

MENNONITE DISASTER SERVICE

With the BC floods of November 2021, families, homes and businesses were left with the overwhelming task for cleaning up the mud and mess that was left behind. In late February, nine CBC students and staff drove up to Princeton, BC, to assist in the restoration process. They were able to connect and encourage families who have been deeply impacted by the floods. Joah, a first-year General Studies student shared this about her experience in Princeton, "The heaviness of Princeton was very evident in everyone we met, **but I also experienced this excitement to be able to show God's love and character in such a physical way to people who desperately need it**. A few days after we returned I received an email from one of the ladies our team helped. I had never met her, but she expressed so much gratitude. This whole experience has been eye opening to me. Not just about what the extent of flooding can look like, but also how God can work through a random group of people and change lives." We are so grateful for the generous spirit of our students and staff in such difficult times.

Association des Églises
des frères mennonites du Québec

September 2023

Dear members of the Canadian conference, as you can certainly tell, the message below is in French. I'm hoping it will bring back good memories of elementary school French classes. However, if it does not, we do believe it is worth your time to copy / paste your digital copy of it into an online translation tool to figure out what it says. God is doing some encouraging things in Québec and you can discover it with a few clicks. It might feel a little bit like unlocking a secret code. Thanks for taking the extra time to read our report. We appreciate you!

— Nathan Whatley - moderator AEFMQ

Bonjour,

L'association des églises des frères mennonites de la province de Québec et moi-même vous saluons et vous souhaitons une assemblée annuelle encourageante et productive. Nous aimerions profiter de cette occasion pour vous partager quelques nouvelles.

Dans nos églises cette année, nous remercions le Seigneur pour sa fidélité et sa providence. Nous avons commencé 2023 avec notre assemblée générale virtuelle et une rencontre de prière en personne sous le thème de "Approchons-nous". Lors de cette rencontre, j'ai trouvé très émouvant quand nous nous sommes dispersés dans la grande salle à Westside Gathering pour prier pour nos 8 églises et nos agences partenaires.

Je crois sincèrement que Dieu a écouté nos prières cette journée-là et qu'il est à l'œuvre pour mener ses plans à fruition. Je vois des preuves partout ! Je le vois dans nos églises anglophones comme City Church qui célèbre ses 10 ans cette année et Westside qui aura 20 ans cet octobre! Je le vois dans nos églises francophones qui accueillent de plus en plus des membres venant de partout dans le monde! Je le vois dans à Péniel, notre camp de vacances qui a eu un été record et qui prévoit accueillir plus de jeunes l'année prochaine. J'entends des histoires de baptêmes, d'entraide et de vies changées. Dieu à l'œuvre parmi son peuple au Québec.

Avons-nous des défis à relever? Certainement. Nous voyons que l'avenir exigera une nouvelle génération de dirigeants serviteurs. Heureusement, le soutien de la conférence canadienne envers l'ETEQ - notre séminaire - nous aide à développer cette relève. Je continue à croire que la moisson est grande au Québec et nous devons prier pour des ouvriers. Nos ressources pour trouver et former ces ouvriers sont limitées. Par contre, même si nous demeurons une petite association d'églises, nous servons un grand Dieu.

Merci de votre intérêt pour nous, de vos prières et de votre soutien. N'hésitez pas à nous contacter si vous avez des besoins aussi, pour que nous puissions prier pour vous. Malgré la langue qui nous sépare, le Saint-Esprit nous unit.

Bénédictions en lui,
Nathan Whatley
Pour l'AEFMQ

In Our Brokenness, Jesus Shines.

This was our theme as the Ontario Conference of Mennonite Brethren Churches gathered for Convention, February 23-24 at Maple View Mennonite Church in Wellesley. We felt this truth deeply throughout 2022-2023.

We have experienced brokenness. Sadly, in the past year the leadership of Ed Willms as Executive Director came to a conclusion after 10 years of blessing our churches. Two churches were also removed from membership with ONMB by a vote of our convention members. As they heard from all our member churches, the ONMB Board recognized the need for clarity in this complex and challenging season, and to guide our churches in life and mission according to the shared convictions of our MB Confession of Faith. An additional church has communicated their departure from ONMB membership, effective at the close of 2023, due to a divergent theological vision. No question, we have been feeling the grief of these losses.

We have also experienced Jesus shining brightly. Through these challenging events, our churches and leaders have rallied together. Despite the transitions and departures, the ONMB Board has observed an emerging sense of increased unity and focus. We see that our churches are eagerly anticipating a greater collective disciple-making focus as we hire a permanent Executive Director and continue to embrace the CUSP. The stories of Jesus shining across our churches and initiatives are plentiful. People are finding new life and freedom in Christ. We are grateful for God's faithfulness.

A key focus for myself (Ryan Jantzi) in 2022-2023 has been strengthening relational trust across our churches and leaders. This has meant much time on the road gathering with our churches for worship and entering into conversations and prayer over coffee or meals. This has been a blessing and has offered a window into how Jesus is shining brightly. Our pastors have also begun regular regional gatherings for prayer.

Spiritual Health and Theology

Throughout 2023 our pastors have engaged in robust conversations based on the book *A Church Called Tov* by McKnight and Barringer. We're actively asking the question, "What does it look like to shepherd our churches in a good way that gives life?" We also continue to work with our leaders to grow in our capacity to care for and disciple 2SLGBTQ+ persons well, within our commitments to a biblical sexual ethic as expressed in the MB Confession of Faith. Members of our Faith and Life Team are receiving coaching from a believer with same-sex attraction, committed to celibacy within a traditional sexual ethic, through a cohort-based program with Revoice. We're also hosting monthly zoom calls for our leaders to learn from people who are committed to a traditional sexual ethic and also identify as LGBTQ+ or are closely connected to someone who is.

Leadership Development

In November 2022, approx. 40 pastors, leaders and spouses gathered for a Retreat at Muskoka Bible Centre. Following the covid-19 pandemic and ONMB transitions, this became a beautiful space to rest together. Six young adults also participated in our Leaders Collective program, growing together as disciple-makers. We are anxiously anticipating the establishment of an MB Seminary Teaching Church here in Ontario.

Mission

Our latest church plant, Bytown Community Church led by Dan Chook Reid in Ottawa is experiencing steady growth as it matures to become a thriving church. A disciple-making initiative in the trucking industry is also being launched by Darren Milley. ONMB has ongoing partnership with Multiply workers doing cross-cultural disciple-making here in Ontario. Fifteen leaders also participated in Disciple Making Movement (DMM) Training with Derek Parenteau. Sadly, with the shift for myself to the Interim Executive Director role, leadership in this realm has been largely on hold until a permanent Executive Director is hired for Ontario.

Organizational Health

Our dedicated Organizational Health Team, PFLT and Board continue to work with churches and partner ministries as they navigate hiring, church conflict, potential mergers and updating bylaws. ONMB policy work to enable efficiency and focus has also been a focus of the past year.

As the ONMB Board experienced renewed health and joy through the spring of 2023, they have sought God's direction for our Conference, which will lead into the hiring of a permanent Executive Director. This hiring process started in September with November 2023 set as the desired conclusion point. With this hire comes hope and anticipation for what God has in store for our churches in 2024. Would you join us in praying for the leading of the Holy Spirit?

We are grateful for our partnership across CCMBC and for the extra support we've received from national and regional staff through the transitions of the past year. You've all been a gift to ONMB.

With love and hope,

Ryan Jantzi,
Interim Executive Director

MENNONITE BRETHREN CHURCH OF MANITOBA

Over the past year, there have been numerous reasons for celebration! Simonhouse Bible Camp successfully conducted its first full summer of junior and senior camps since the pandemic disrupted its ministry in 2020. Situated in northern Manitoba, Simonhouse serves an underserved community that was profoundly affected by pandemic-related closures. Thankfully, God showered them with a summer filled with campers and dedicated staff. To learn more about their exciting experiences, you can **watch their windup videos**.

Many of our churches have joined forces with Multiply Central Canada's programs. SOAR Heartland drew participation from a significant number of our Manitoba MB churches. Additionally, the nine-month FOCUS program has led to an enduring collaboration with Fort Garry MB, primarily through their **Next Door ministry**.

In June, Manitoba had the honor of hosting this year's Pastors Credentialing Orientation. This enlightening three-day event was held at The Meeting Place and brought together a total of 33 pastors, with 21 hailing from our own province. We are greatly encouraged by the committment displayed by our pastors in partnering together and building relationships towards our collective mission to follow Jesus.

In other work, the MBCM board and staff have dedicated themselves to the task of finalizing a range of critical policies and templates aimed at serving and resourcing our churches. This fall, we will introduce recently approved Pastoral Staff Employment Policy Template and agreement, a Ministerial Misconduct Policy, a Confidentiality Agreement Template, and a Code of Ministry and Personal Ethics Policy.

Our provincial Assembly was one of the largest we've had in our collective memory. Friday kicked off the weekend with workshops and time for fellowship together. Saturday began with a time of worship and shared stories curated by conference friend David Balzar. (Listen here). There was much discussion and decision making on the agenda, but one motion, in particular, was foremost on most attendees' hearts and minds.

A special resolution to remove Jubilee Mennonite Church from the Manitoba Conference passed at Assembly 2023. While such decisions are never easy, our intention is to inspire our churches in the life of discipleship, according to the shared convictions of our MB Confession of Faith. We grieve this loss to our Mennonite Brethren Church of Manitoba.

This report cannot capture the breadth of work that goes on within the conference - work that we continue to do by the grace of God and the ongoing collaboration of our churches.

Thank you.

ALBERTA CONFERENCE OF MENNONITE BRETHREN CHURCHES

ABMB is committed to ***cultivating a community of healthy disciple-making churches and ministries.***

Our churches and ministries are "back at it in full swing"! The opportunities and the challenges are exhilarating and also wearying. The apostle's prayer in Ephesians 3 seems appropriate for this season: "To him who is able to do more than all we ask or imagine, according to his power that is at work within us…" (3:20).

- that encourage ministry partnerships and support. Zero (0) pastoral resignations in the last 15 months.
- 19 Full-member Churches, with additional churches in various stages of joining ABMB.
- 10 – 18% membership and attendance increase
- 3 Congolese congregations are seeking pastoral credentialing (6 pastors) and church membership
- Overall ABMB weekly attendance in churches is up by 18%

ABMB is Focusing on Four Priorities

- Fostering Relationships that encourage ministry partnerships and support.
- Leadership Development of our next generation.
- Missional Opportunities that give opportunity for churches ministry together.
- The development of the Four Ministry Teams: Theological Health (Faith & Life) Team, Leadership Team, Mission Team, Organizational Health Team.

Overall, ABMB has been on a pathway of increasing cohesion in our collective mission. We continue in our commitment to our theological positions as articulated in our Confession, and while those conversations are not always easy, they have also proven to increase our unity. We continue to plan toward increased multiplying discipleship, offering access to a discipling coach. There is an apparent awakening in society for spiritual things, to explore the supernatural; we want to be prepared for a harvest that is surely coming!

A Story

RUKINISHA Nkundabatware, age 52, was a member of Goshen Church (Congolese) and a permanent resident of Canada since 2014. He was married and had 7 children. He was stabbed and killed on Sunday night July 9, 2023, at the Belvedere Train Station in Edmonton while coming home after a prayer visit to a family who had recently arrived in Canada. He was looking for work and his wife recently had surgery and is unable to work.

Goshen Church mobilized the community around them and were able to gather enough funds to cover funeral and burial costs. ABMB churches were also encouraged to provide support, and as a result raised over $20,000 to assist the family moving forward.

This is what God's family does in a time of loss and tragedy! We come together to pray for each other and support one another in our time of need. We bear each other's burdens.

BCMB
BRITISH COLUMBIA CONFERENCE OF MENNONITE BRETHREN CHURCHES

This summer, BC roadside signs noted the severity of drought conditions. Warning words like "acute" and "critical" provide a sober moment for those thinking about watering their lawn or washing the car. What adjectives are appropriate to describe the challenging times facing the body of Christ in Canada?

The Hope of Renewal

In this darkening horizon, the light of the gospel and the hope of God's people the church is more relevant than ever. Following the trying years of Covid lockdowns, BCMB assessed its ministry. As a direct result of that time of discernment and listening, BCMB, at its April 2023 convention, voted overwhelmingly to refocus its staff and resources on the priority of church renewal. In general, the vision is to see….

- Every BCMB church renewed in prayer to, worship of, and obedient submission to, Christ.
- Every BCMB church bearing witness to the gospel in their community resulting in people experiencing salvation, being baptized and maturing in the faith.
- Every BCMB church impacting their community on mission expressing the life of Christ by bringing healing to the broken, freedom to the addicted and justice to the oppressed.

Our National Partnership

BCMB giving has not been strong in 2023 and this has reduced our ability to forward funds to our partners including CCMBC. Despite this reality, we are excited about the collaborative relationship that has been established across Canada over the past few years and we believe that our new BCMB focus on renewal may be of interest and benefit to other provinces in the coming years, just as we hope to gain insight from the other provinces as they engage strategically in their particular contexts. BCMB believes that the strategic initiative for serving churches in a given province resides with the leadership of that province. We are eager to pursue a national relationship based on an understanding that provincial conferences bring their insights and initiatives to a national table for the benefit of all. We would appreciate further discussion on the details of the CUSP model put forward in 2022. Specifically, the description of the National office as the ""Principal"" organization with provinces focused on "coordination and distribution" of resources.

BCMB has engaged in the collaborative discussion with the assumption that in the collaborative model provinces will serve and resource their churches strategically. The national office will convene gatherings of the provinces and agencies, guard our doctrinal integrity around the Confession of Faith and reinforce our common mission to reach the people of Canada and the nations with the Gospel of Jesus Christ. We have done our best to articulate this perspective over the past few years, but it may be that a clearer or "different" understanding is now emerging. It appears that our BCMB strategic initiative to bring renewal to our churches is ushering us into a new season, and there is work to be done to understand how the CUSP interfaces with that.

Currently BCMB is…

- In a season of prayer for renewal and God's guidance going forward
- Seeking a new Executive Director with a Renewal Mandate
- Building resources for a cohort network to equip pastors and churches in Renewal principles and practices.

On the administrative front, we are excited to report that Wanda Froese is the new Director of Operations for BCMB. Wanda began her new role in late July. She has been well received by the office staff and is learning the systems that pertain to her role. We are excited to see the new level of excellence and knowledge that Wanda brings to her role.

Signs of God's Faithfulness

Finally and most importantly we are thrilled to report of God's faithfulness in the growth and mulitiplication that we have seen in many of our churches. Last year BC reported on the launch of Praxis church. As of this fall in year two of their existence they have trained over 100 people in personal evangelism and have grown in Sunday attendance to over 600!

We praise God for reports of many coming to faith through over 20 Alpha courses that are presented across BCMB churches. We are deeply grateful for the Camps ministries which reported many hundreds of first-time decisions for Christ. (Over 300 reported at Gardom Lake Camp alone).

Church renewal has been on display at Cedar Park church in Ladner where a small remnant committed to following Christ as outlined in our MB Confession is now thriving and growing with the help of pastors Chris and Rachel Wilson from Church on Five (formerly Richmond Bethel MB). The willingness of healthy congregations to come alongside those who are in decline or crises has been a source of great joy and hope across the province.

In Christ,
Rob Thiessen

NOTICE OF MOTIONS

Date	Saturday, October 28, 2023
Location	Northview Community Church 32040 Downes Road, Abbotsford, BC
Time	8:30 am – 12:30 pm Pacific time

1. Consent Motion to appoint a parliamentarian and minute review committee
2. Consent Motion to approve the October 28, 2023, National Assembly agenda and the June 08, 2023, AGM minutes as presented
3. Motion to approve the CCMBC 2024 Budget as presented
4. Consent Motion to adjourn

DETAILED MOTIONS (AND RELATED DOCUMENTS)

Consent Motion – Parliamentarians, Ballot Team, and Minute Review Committee

- It is moved that the parliamentarians, ballot team, and minute review committee be approved as presented.

Consent Motion – Approval of Agenda and 2023 AGM Minutes

- It is moved that the agenda for the October 28, 2023, National Assembly and the June 8, 2023, AGM minutes be approved as presented.
  Related Documents
  2022 Agenda (page 1)
  2023 AGM Minutes (online)

Motion – CCMBC Budget

- Motion to approve the CCMBC 2024 Budget as presented
  Related Documents:
  2024 CCMBC Draft Budget by Ministry Area (page 10)
  2024 CCMBC Draft Budget by Expense Type (page 11)
  2024 Draft Budget Notes (page 12)

Consent Motion – Adjournment

- It is moved the Annual General Meeting be adjourned.

na.mennonitebrethren.ca

OCTOBER 28, 2023 | ABBOTSFORD, BRITISH COLUMBIA

CCMBC
CANADIAN CONFERENCE OF MENNONITE BRETHREN CHURCHES

CCEFM
CONFÉRENCE CANADIENNE DES ÉGLISES DES FRÈRES MENNONITES

CCMBC

2023 Pro-forma and 2023 proposed budgets

	Budget 2022	Actual 2022	Budget 2023	Pro-forma 2023
Revenue				
Church Contributions through Single Stream Funding				
Church Contributions		$10,000		
Church Contributions - ABMB	70,000	61,105	70,000	73,500.00
Church Contributions - AEFMQ	7,000	6,067	6,000	6,000.00
Church Contributions - BCMB	265,000	264,484	292,000	292,000.00
Church Contributions - MBCM	236,000	217,000	220,000	256,000.00
Church Contributions - ONMB	150,000	150,000	142,000	150,000.00
Church Contributions - SKMB	100,000	119,765	115,000	125,000
Church Contributions through Single Stream Funding Total	828,000	828,421	845,000	902,500
Donations & Grants	3,200	1,258,591	3,400	6,200
Donations & Grants - Church Planting	3,000	2,364	3,200	
Sales & Registration	108,000	68,987	123,300	116,700
Revenue Total	**942,200**	**2,158,363**	**974,900**	**1,025,400**
Expenses				
Spiritual Health & Theology				
NFLT Board	15,100	12,584	20,000	15,100
NFLT Director	108,675	141,988	122,220	111,175
Events - AGM		440		
Events - Equip Study Conference	52,500		50,000	52,500
Events - PCO	12,000	646	12,000	12,000
Centre for M.B. Studies	40,000	39,002	43,796	40,500
Kindred Productions	12,200	9,983	11,515	12,300
M.B. Herald	7,700	6,752	27,000	7,700
Direction	1,000		1,000	1,000
Spiritual Health & Theology Total	**249,175**	**211,395**	**287,531**	**252,275**
Leadership Development				
Leadership Development - General Programing			10,000	
ETEQ	20,000	20,000	20,000	20,000
MB Seminary	165,000	165,000	165,000	165,000
Leadership Development Total	**185,000**	**185,000**	**195,000**	**185,000**
Mission				
Operationalizing the CUSP			15,000	11,655
ICOMB	30,000	30,000	30,000	30,000
Mennonite World Conference (Subisidy)	10,000	10,000	10,000	10,000
Mission	3,000	2,663		3,000
Mission - Church Planting		2,566		
Mission Total	**43,000**	**45,229**	**55,000**	**54,655**
Organizational Health				
Executive Board	27,000	55,343	45,000	27,000
Executive Director	220,510	239,819	237,254	224,010
Communications Administration	142,660	141,021	158,215	146,360
Administration	41,500	38,529	89,300	113,200
Events - Gathering/AGM	300	150	10,000	300
Plan to Protect	600	878	600	600
MB Historical Commission	13,000	13,000	13,000	13,000
Evangelical Fellowship of Canada	9,000	8,800	9,000	9,000
Contingency	10,455			
Organizational Health Total	**465,025**	**497,540**	**562,369**	**533,470**

Expenses Total	**942,200**	**939,164**	**1,099,900**	**1,025,400**
Surplus (Deficiency) of Revenue over Expenses	**-**	**1,219,199**	**(125,000)**	**-**

Non-consolidated Financial Statements of

THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA

Year ended December 31, 2022

THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA

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Year ended December 31, 2022

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of The Canadian Conference of the Mennonite Brethren Church of North America

Opinion

We have audited the non-consolidated financial statements of The Canadian Conference of the Mennonite Brethren Church of North America (the "Entity"), which comprise the non-consolidated statement of financial position as at December 31, 2022, the non-consolidated statements of operations, changes in net assets and cash flows for the year then ended, and notes to the non-consolidated financial statements, comprising a summary of significant accounting policies (hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the non-consolidated financial position of the Entity as at December 31, 2022, and its non-consolidated results of operations and its non-consolidated cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants

Winnipeg, Canada
____, 2023

THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA

Non-Consolidated Statement of Financial Position

December 31, 2022, with comparative information for 2021

	2022	2021
Assets		
Cash (note 8)	$ 2,795,489	$ 3,519,838
Accounts and other receivables (note 2[i])	329,887	65,089
Due from related party (note 8)	141,832	561,443
Benefit plan receivable	122,980	–
Donated securities	35,780	–
Inventories	5,879	5,423
Prepaid expenses and deposits	9,292	53,761
	3,441,139	4,205,554
Capital assets (note 3)	36,221	49,634
	$ 3,477,360	$ 4,255,188
Liabilities, Deferred Contributions and Net Assets		
Accounts payable and accrued liabilities (note 5)	$ 410,204	$ 1,012,698
Benefit plan payable	–	113,716
Due to related party (note 8)	1,127,793	2,249,741
	1,537,997	3,376,155
Deferred contributions:		
Expenses of future periods (note 6)	473,954	633,406
Net assets:		
Restricted for endowments (note 7)	1,367,648	1,367,064
Unrestricted	97,761	(1,121,437)
	1,465,409	245,627
Subsequent event (note 8)		
	$ 3,477,360	$ 4,255,188

See accompanying notes to non-consolidated financial statements.

On behalf of the Governing Board:

______________________ Director ______________________ Director

THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA

Non-Consolidated Statement of Operations

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
Revenue:		
Church contributions	$ 828,421	$ 968,867
Grants and donations (note 8)	3,298,255	2,739,214
Sales	135,647	131,693
Government assistance (note 2[i])	–	158,765
	4,262,323	3,998,539
Expenditures:		
Cost of sales	54,378	46,565
Staffing	530,299	414,266
Specific programming costs	917,621	1,863,896
Support of outside agencies	1,386,732	1,245,091
Office expenses (note 8)	55,935	108,643
Board costs and convention	95,367	92,837
Public relations costs	2,793	1,867
	3,043,125	3,773,165
Excess of revenue over expenditures	$ 1,219,198	$ 225,374

See accompanying notes to non-consolidated financial statements.

THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA

Non-Consolidated Statement of Changes in Net Assets

Year ended December 31, 2022, with comparative information for 2021

	Unrestricted	Restricted for endowments	2022 Total	2021 Total
Balance, beginning of year	$ (1,121,437)	$ 1,367,064	$ 245,627	$ 19,715
Reinvested earnings during the year	–	584	584	538
Excess of revenue over expenditures	1,219,198	–	1,219,198	225,374
Balance, end of year	$ 97,761	$ $1,367,648	$ $1,465,409	$ 245,627

See accompanying notes to non-consolidated financial statements.

THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA

Non-Consolidated Statement of Cash Flows

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
Cash flows from (used in) operating activities:		
Excess of revenue over expenditures	$ 1,219,198	$ 225,374
Adjustments for:		
Amortization	11,645	45,178
Loss on disposal of capital assets	5,045	26,291
Change in non-cash operating working capital:		
Accounts and other receivables	(264,798)	391,746
Due from related party	419,611	(561,443)
Donated securities	(35,780)	34,231
Inventories	(456)	(1,374)
Prepaid expenses	44,469	(33,271)
Accounts payable and accrued liabilities	(602,494)	117,198
Benefit plan receivable/payable	(236,696)	(518,023)
Net change in deferred contributions related to expenses of future periods	(159,452)	(327,590)
	400,292	(601,683)
Cash flows from financing activities:		
Endowments	584	538
Cash flows from (used in) investing activities:		
Purchase of capital assets	(3,277)	(15,230)
Change in due to related party (note 8)	(1,121,948)	(893,099)
	(1,125,225)	(908,329)
Decrease in cash	(724,349)	(1,509,474)
Cash, beginning of year	3,519,838	5,029,312
Cash, end of year	$ 2,795,489	$ 3,519,838

See accompanying notes to non-consolidated financial statements.

1. Nature of organization:

The Canadian Conference of the Mennonite Brethren Church of North America (the "Conference") was incorporated by an Act of the Parliament of Canada on December 18, 1945. The Conference is a registered charity within the meaning of the *Income Tax Act* and therefore is exempt from income taxes under Section 149(1) of the *Income Tax Act*.

The Conference provides services to Mennonite Brethren supported missions, institutions, local churches and their members. In addition, the Conference administers endowment funds which generate earnings to fund various Mennonite Brethren ministries.

The Conference is the sole member of CCMBC Legacy Fund Inc. (Legacy), a registered charity. CCMBC Investments Ltd. (CCMBC Investments) is a for-profit wholly-owned subsidiary of Legacy.

2. Significant accounting policies:

(a) Basis of accounting:

The non-consolidated financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

These non-consolidated 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 Multiply (formerly MB Mission).

(b) Controlled entities:

The Conference accounts for its controlled entities using the cost method, except that when a controlled entity's equity securities are quoted in an active market, the investment is accounted for at its quoted amount.

Investments in non-consolidated controlled entities are assessed individually for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment the Conference determines if there is a significant adverse change in the expected timing or amount of future cash flows from the investment. If there is a significant adverse change in the expected cash flows, the carrying amount of the investment is reduced to the higher of the present value of the expected cash flows and the amount that could be realized from selling the investment. When the extent of impairment of a previously written down investment decreases and the decrease can be related to an event occurring after the impairment was recognized, the impairment loss is reversed to the extent of the improvement.

2. Significant accounting policies (continued):

(c) Revenue recognition:

The Conference follows the deferral method of accounting for contributions. Restricted contributions other than endowment contributions are recognized as revenue in the year in which the related expenses are recognized. Endowment contributions are recognized as direct increases in endowment net assets. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Sales revenue is recognized when the order is shipped or picked up by the customer.

(d) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized.

The Conference amortizes its capital assets as follows:

Asset	Rate
Computer equipment	3 - 5 years straight-line
Office equipment	5 - 10 years straight-line

The current year's income has been charged with an amount of $11,645 (2021 - $45,178) reflecting the current year`s amortization which is included in office expenses in the non-consolidated statement of operations.

(e) Impairment of long-lived assets:

Capital assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. When circumstances indicate that a capital asset is impaired, the net carrying amount of the capital asset is written down to the asset's fair value or replacement cost. The write-down of the asset is charged to income during the year. An impairment loss is not reversed if the fair value of the related asset subsequently increases.

2. Significant accounting policies (continued):

(f) Inventories:

Inventories are measured at the lower of cost and net realizable value. Cost is determined on the first-in, first-out basis.

(g) Financial instruments:

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

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

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

(h) Contributed services:

Volunteers are an integral part of the activities of the Conference. Contributed services are not recognized in the financial statements because of the difficulty in determining their fair value.

2. Significant accounting policies (continued):

(i) Government assistance:

Government assistance related to current expenses is included in the determination of net income for the period when the related expenditures are incurred. A liability to repay government assistance, if any, is recorded in the period in which the condition arises that causes the assistance to become repayable.

During the year ended December 31, 2022, the Conference incurred $1,019,277 (2021 - $1,243,682) of salaries expenditures. Of this amount, $545,790 (2021 - $768,265) relate to non-registered church plants salaries expenditures and are included in specific programming costs on the statement of operations. Of the remaining $473,487 (2021 - $475,417), $470,920 (2021 - $393,664) is included in staffing expenses and $2,566 (2021 - $81,753) is included in specific programming costs on the statement of operations.

No government assistance was received during the year ended December 31, 2022. During the year ended December 31, 2021, the Conference has included in grants and donations income $158,765 for government assistance related to salaries expenditures under the Canada Emergency Wage Subsidy program of which $8,261 is included in accounts and other receivables at December 31, 2021. $97,709 relates to non-registered church plants salaries expenditures of which $6,933 is included in the above noted accounts and other receivables at December 31, 2021.

(j) Use of estimates:

The preparation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations 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 revenue and expenditures during the reporting period. Actual results could differ from management`s best estimates as additional information becomes available in the future.

3. Capital assets:

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Computer equipment	$ 24,274	$ 22,002	$ 2,272	$ 4,559
Office equipment	77,790	43,841	33,949	45,075
	$ 102,064	$ 65,843	$ 36,221	$ 49,634

4. Guarantee:

The Conference has provided a guarantee in the amount of $1,275,000 (2021 - $1,275,000) and a general security agreement to the Bank of Montreal as security for the operating facility of Legacy. As at December 31, 2022, the operating facility of Legacy was unutilized. In addition, the Conference has provided a guarantee in the amount of $1,500,000 and a general security agreement to the Bank of Montreal as security for the operating facility of CCMBC Investments. As at December 31, 2022, the operating facility of CCMBC Investments was unutilized.

5. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities is $534 (2021 - $781) for government remittances.

6. Deferred contributions related to expenses of future periods:

Deferred contributions related to expenses of future periods are externally restricted contributions that have been received and relate to expenses to be incurred in subsequent years. Changes in deferred contributions related to expenses of future periods are as follows:

	2022	2021
Balance, beginning of year	$ 633,406	$ 960,996
Add amount received relating to future periods	695,874	525,323
Less amount recognized as revenue in the period	(855,326)	(852,913)
Balance, end of year	$ 473,954	$ 633,406

6. Deferred contributions related to expenses of future periods (continued:

As at December 31, deferred contributions related to expenses of future periods consists of the following:

	2022	2021
Emerging leaders	$ 4,109	$ 4,109
Centre for Mennonite Brethren Studies	28,990	28,990
Non-registered church plants	406,250	525,614
United Bible Society	4,684	48,514
Church planting initiatives	9,696	9,157
Church planters reserve	16,917	16,967
Other externally restricted	3,309	55
	$ 473,954	$ 633,406

7. Restrictions on net assets:

All of the net assets restricted for endowment purposes are subject to externally imposed restrictions stipulating that the principal be maintained intact. Investment income earned on endowments is externally restricted for specific purposes.

At December 31, net assets restricted for endowments consists of the following:

	2022	2021
CMU Endowment	$ 205,077	$ 205,077
Manitoba Conference Endowment	73,797	73,797
Evangelism Endowment	158,803	158,803
Family Endowment	929,971	929,387
	$ 1,367,648	$ 1,367,064

8. Related party transactions:

At December 31, 2022, the Conference has a payable in the amount of $1,127,793 (2021 - $2,249,741) to Legacy which is due on demand with no specified terms of repayment. During the year ended December 31, 2022, the Conference made a cash payment in the amount of $1,121,948 (2021 - $1,000,000) to Legacy to reduce the amount payable. Subsequent to December 31, 2022, the Conference made a cash payment in the amount of $500,000 to Legacy to reduce the amount payable to $627,793.

At December 31, 2022, the Conference has a receivable in the amount of $141,832 (2021 - $561,443) due from Legacy relating to contributions to the employee pension plan and premiums on the group benefit plan. The receivable is due on demand with no specified terms of repayment.

At December 31, 2022, the Conference has $1,397,696 (2021 - $2,283,725) on deposit with Legacy which bears interest at a variable rate of interest, 3.15 percent (2021 - 1.40 percent) at December 31, 2022.

During the year ended December 31, 2022, Legacy provided accounting and payroll services to the Conference for nil (2021 - $50,000). Additionally, during the year ended December 31, 2022, Legacy donated $996,204 (2021 - $117,570) to the Conference which is included in grants and donations in the non-consolidated statement of operations.

These transactions are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

9. Employee pension plan:

The Conference is a participant 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 2022 was 5 percent (2021 - 5 percent) of the employee salaries. The pension expense for the year ended December 31, 2022 was $40,095 (2021 - $49,667).

10. Financial risks:

(a) 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 Conference holding cash denominated in USD. Fluctuations in the relative values of the Canadian dollar against USD can result in a positive or a negative impact on the fair value of the investments and cash. The Conference currently holds USD and manages this cash for the purposes of achieving foreign exchange gains and meeting the cash requirements of the Conference. This cash management approach exposes the Conference to changes in exchange rates which can affect the fund balances.

(b) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Conference does not have any material exposure to interest rate risk.

The Conference is not involved in any hedging relationships through its operations and does not hold or use any derivative financial instruments for trading purposes.

(c) Liquidity risk:

Liquidity risk is the risk that the Conference will encounter difficulty in meeting financial obligations as they become due and arises from the Conference's management of working capital. The Conference's policy is to ensure that it will have sufficient cash to allow it to meet its liabilities when they become due and maintain a minimum cash balance in excess of the aggregate amount of endowments and the benefit plan payable.

(d) Credit risk:

Credit risk is the risk that a party to a financial instrument will cause a financial loss for the other party by failing to discharge the obligation. The Conference's exposure to credit risk is limited to the carrying amount of accounts and other receivables. The Conference closely monitors the amount and age of balances outstanding and establishes a provision for bad debts based on specific customers' credit risk, historical trends, and other economic information. The total provision at December 31, 2022 is nil (2021 – nil).

There have been no changes to the Conference's financial instrument risk exposures from the end of the prior year.

Financial Statements of

CANADIAN MENNONITE BRETHREN PENSION PLAN

Year ended December 31, 2022

CANADIAN MENNONITE BRETHREN PENSION PLAN
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Year ended December 31, 2022

INDEPENDENT AUDITOR'S REPORT

To the Trustees of Canadian Mennonite Brethren Pension Plan

Opinion

We have audited the financial statements of Canadian Mennonite Brethren Pension Plan (the "Entity"), which comprise:

- the statement of financial position as at December 31, 2022;
- the statement of changes in net assets available for benefits for the year then ended;
- and notes to the financial statements, including a summary of significant accounting policies (hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31 2022, and its changes in net assets available for benefits for the year then ended in accordance with Canadian accounting standards for pension plans.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants

Winnipeg, Canada
_________, 2023

CANADIAN MENNONITE BRETHREN PENSION PLAN

Statement of Financial Position

December 31, 2022, with comparative information for 2021

	2022	2021
Assets		
Cash and short-term investments	$ 3,227,501	$ 3,688,796
Receivable for investments sold	407,616	–
Equity mutual funds	4,807,423	5,831,386
Fixed income mutual fund	27,911,416	31,320,585
Canadian equity and related securities	8,717,191	10,355,814
U.S. equity and related securities	28,058,923	32,442,145
International equity and related securities	17,510,761	22,570,485
	90,640,831	106,209,211
Liabilities		
Payable to CCMBC Legacy (note 7)	(102,305)	–
Net assets available for benefits	$ 90,538,526	$ 106,209,211

See accompanying notes to financial statements.

On behalf of the Board:

______________________________ Director

______________________________ Director

CANADIAN MENNONITE BRETHREN PENSION PLAN

Statement of Changes in Net Assets Available for Benefits

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
Increase in net assets:		
Contributions:		
Employer	$ 2,459,002	$ 2,312,170
Employees	2,459,002	2,312,170
Employee voluntary	55,072	52,113
Investment income (note 3)	1,683,200	2,077,720
Realized investment gains, net of realized losses	1,080,330	6,222,906
Net unrealized investment gains	–	2,786,751
	7,736,606	15,763,830
Decrease in net assets:		
Retirement withdrawals	7,436,422	8,289,775
Terminations	87,570	111,561
Investment management fees	573,907	644,050
Trustee fees	130,491	129,314
Administrative expense	102,305	–
Net unrealized investment losses	15,076,596	–
	23,407,291	9,174,700
Decrease (increase) in net assets available for benefits	(15,670,685)	6,589,130
Net assets available for benefits, beginning of year	106,209,211	99,620,081
Net assets available for benefits, end of year	$ 90,538,526	$ 106,209,211

See accompanying notes to financial statements.

1. Description of the Plan:

Canadian Mennonite Brethren Pension Plan (the “Plan”) is an employer pension plan which provides pensions for the employees of the Canadian Conference of Mennonite Brethren Churches (the “Conference”) 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 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 percent 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.

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

2. Significant accounting policies:

(a) Basis of presentation:

These financial statements are prepared using Canadian accounting standards for pension plans. For accounting policies that do not relate to the Plan’s investment portfolio, the Plan has elected to apply Canadian accounting standards for private enterprises.

A statement of changes in pension obligations has not been provided since the changes in the pension obligation for the year is equal to the change in net assets available for benefits that year.

2. Significant accounting policies (continued):

(b) Financial instruments:

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

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

(c) Fair value measurement:

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date.

The Plan uses closing market price for fair value measurement. When available, the Plan measures the fair value of an instrument using quoted prices in an active market for that instrument. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis.

If a market for a financial instrument is not active, then the Plan establishes fair value using a valuation technique. Valuation techniques include using recent arm's length transactions between knowledgeable, willing parties (if available), reference to the current fair value of other instruments that are substantially the same, discounted cash flow analyses and option pricing models.

2. Significant accounting policies (continued):

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 Plan's assumptions about the assumptions market participants would use in pricing the assets or liabilities.

All changes in fair value, other than interest and dividend income, are recognized in the statement of changes in net assets available for benefits within unrealized and realized investment gains and losses.

Fair values of investments are determined as follows:

Bonds, equities and exchange-traded funds are valued at year-end closing market prices.

Since money market instruments are primarily comprised of Canada treasury bills, government and corporate short-term notes, their carrying value approximates fair value given the nature of these investments.

Mutual funds are valued at the unit values supplied by the fund administrator, which represents the Plan's proportionate share of underlying net assets at fair values determined using year-end closing market prices.

2. Significant accounting policies (continued):

Investments in derivative financial instruments, being forward foreign exchange contracts, are valued at year end quoted market prices where available. Where quoted prices are not available, values are determined using pricing models, which take into account current market and contractual prices of the underlying instruments, as well as time value and yield curve or volatility factors underlying the positions.

Alternative investments are recorded at fair value determined by the external manager. A number of valuation methodologies are considered in arriving at the fair value of unquoted investments, including internal or external valuation models, which may include discounted cash flow analyses. The most appropriate methodology to determine fair value is chosen on an investment by investment basis. Any control, size, liquidity or other discounts or premiums on the investment are considered by the external manager in their determination of fair value.

(d) Foreign currency translation:

Transactions in foreign currencies are translated into Canadian dollars at the exchange rate at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into Canadian dollars at the exchange rate at that date.

Foreign currency differences arising on translation are recognized in the statement of changes in net assets available for benefits within unrealized investment gains and losses.

(e) Investment transactions and income recognition:

(i) Investment transactions:

Investment transactions are accounted for on a trade date basis.

(ii) Income recognition:

Investment income has been accrued as reported by the issuer of the mutual funds and bonds. Dividend income from publicly traded securities is recorded as of the ex-dividend date. Interest income has been accrued as earned.

2. Significant accounting policies (continued):

(f) Contributions:

Employee and employer contributions are recognized on an accrual basis.

(g) Benefits:

Benefit payments to members, termination refunds to former members, and transfer payments to other plans are recorded in the period in which they are paid or payable. Any benefit payment accruals not paid are reflected in accounts payable and accrued liabilities.

(h) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets during the year. Actual results could differ from those estimates.

3. Investment income:

	2022	2021
Cash and short-term investments	$ –	$ 1,172
Fixed income and related securities	43,124	335,341
Canadian equity and related securities	263,260	264,057
Fixed income mutual fund	744,748	853,157
U.S. equity and related securities	255,571	275,694
International equity and related securities	376,497	348,299
	$ 1,683,200	$ 2,077,720

4. Risk management:

The Plan is exposed to a variety of financial risks as a result of its investment activities and has policies and procedures that govern the management of market, credit and liquidity risk. The Finance and Audit Committee establishes a target asset mix among interest bearing instruments and Canadian and foreign equities to ensure diversification across asset classes. This strategy is provided to the investment managers who implement and monitor it to ensure the policies are met.

4. Risk management (continued):

The Board of Directors through the Finance and Audit 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 Statement of Investment Policies and Procedures (SIPP) and as required by the law. The Finance and Audit Committee receives regular reports from RBC Dominion Securities through which it reviews the market values of the Plan assets.

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

(i) cash, short-term investments and mutual funds; and

(ii) investments in fixed income and related securities, Canadian equity and related securities, U.S. equity and related securities, international equity and related securities and exchange-traded funds.

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.

(a) Market risk:

(i) Interest rate risk:

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments. Interest rate risk arises when the Plan invests in interest-bearing financial assets. The Plan is exposed to the risk that the value of such financial assets will fluctuate due to changes in the prevailing levels of market interest rates. At December 31, 2022, Plan's exposure to interest rate risk is concentrated in its investments in a fixed income mutual fund. To manage the Plan's interest rate risk, appropriate guidelines on the weighting and duration for fixed income investments are set by the Finance and Audit Committee and monitored by the investment manager. As at December 31, 2022, if the prevailing interest rates were raised or lowered by 100 basis points, with all other factors held constant, net assets would likely have decreased or increased, respectively, by approximately 1.32 percent (2021 - 1.56 percent).

4. Risk management (continued):

(ii) Foreign currency risk:

Currency risk is the risk that 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 rates. 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.

The Plan's direct exposure to foreign currencies and the Canadian dollar is shown below:

As at December 31, 2022	Actual currency exposure	%
Canadian	$ 35,225,842	38.75
U.S. dollar	51,981,885	57.46
Other	3,433,104	3.79
	$ 90,640,831	100.00

As at December 31, 2021	Actual currency exposure	%
Canadian	$ 36,236,216	34.12
U.S. dollar	64,961,701	61.17
Other	5,011,294	4.71
	$ 106,209,211	100.00

A 10 percent increase or decrease in exchange rates at December 31, 2022, with all other variables held constant, would have resulted in a change in unrealized gains of approximately $5,541,000 (2021 - $6,997,000).

(iii) Other price risk:

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The Plan is subject to equity price risk due to daily changes in the market values of its equity portfolio.

4. Risk management (continued):

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.

As at December 31 2022, a decline of 10 percent in equity values, with all other variables held constant, would have impacted the equity investments held directly by the Plan by approximately $5,429,000 (2021 - $6,537,000).

(b) Credit risk:

At December 31, 2022, the Plan is indirectly exposed to credit risk through its investment in a fixed income mutual fund. Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. All transactions in listed securities are settled upon delivery using approved investment managers. The risk of default is considered minimal, as delivery of securities sold is only made once the investment manager has received payment. Payment is made on a purchase once the securities have been received by the investment manager. The trade will fail if either party fails to meet its obligation. The Plan utilizes multiple counterparties and those that have a high credit rating in order to minimize credit risk.

Unless otherwise authorized by the Board, the asset mix of the fund must at all times be in accordance with the Plan's SIPP. 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 and Audit Committee reviews investment reports with the investment advisor to monitor exposure to risk.

4. Risk management (continued):

The breakdown of the Plan's fixed income portfolio by credit ratings from various rating agencies is presented below as a percentage of the fixed income investments. At December 31, 2022, the amounts relate to the investment in a fixed income mutual fund:

Credit rating	2022 %	2021 %
AAA	14.7%	12.4%
AA	15.8%	14.3%
A	11.7%	13.5%
BBB	27.8%	21.0%
BB	17.6%	20.8%
B	6.2%	11.9%
CCC	1.5%	2.1%
D	0.2%	0.1%
Unrated	4.5%	3.9%
	100.0%	100%

Credit risk associated with contributions receivable is minimized due to their nature. No provision for doubtful contributions has been recorded in either 2022 or 2021.

(c) Liquidity risk:

Liquidity risk is the risk that the Plan will encounter difficulty in meeting financial obligations as they come due. The Plan may be subject to liquidity constraints because of insufficient volume in the markets for the securities of the Plan or the securities may be subject to legal or contractual restrictions on their resale. Liquidity risk is managed by investing the majority of the Plan's assets in investments that are traded in an active market and can be readily disposed.

CANADIAN MENNONITE BRETHREN PENSION PLAN

Notes to Financial Statements (continued)

Year ended December 31, 2022

4. Risk management (continued):

The table below summarizes the fair value by the earliest contractual maturity of the Plan's fixed income investments as a percentage of the fixed income investments. At December 31, 2021, the amounts relate to fixed income securities directly held by the Plan. At December 31, 2022, the amounts relate to the investment in the fixed income mutual fund:

	2022	2021
Less than one year	4.0%	4.0%
One to five years	39.3%	39.3%
After five years	56.7%	56.7%
	100.0%	100.0%

5. Disclosures relating to fair value measurements:

The following table summarizes the fair value measurements recognized in the statement of financial position categorized by fair value hierarchy:

December 31, 2022	Level 1	Level 2	Level 3	Total
Cash and short-term investments	$ 3,227,501	$ –	$ –	$ 3,227,501
Equity mutual funds	–	4,807,453	–	4,807,453
Fixed income mutual funds	27,911,416	–	–	27,911,386
Canadian equity and related securities	8,717,191	–	–	8,717,191
U.S. equity and related securities	28,058,923	–	–	28,058,923
International equity and related securities	17,510,761	–	–	17,510,761
	$ 85,425,762	$ 4,807,453	$ –	$ 90,233,215

5. Disclosures relating to fair value measurements (continued):

December 31, 2021	Level 1	Level 2	Level 3	Total
Cash and short-term investments	$ 3,688,796	$ –	$ –	$ 3,688,796
Equity mutual funds	–	5,831,386	–	5,831,386
Fixed income mutual funds	31,320,585	–	–	31,320,585
Canadian equity and related securities	10,355,814	–	–	10,355,814
U.S. equity and related securities	32,442,145	–	–	32,442,145
International equity and related securities	22,570,485	–	–	22,570,485
	$100,377,825	$ 5,831,386	$ –	$106,209,211

During the year ended December 31, 2022, there were no transfers between levels.

6. Capital management:

The capital of the Plan is represented by net assets available for benefits. There have been no changes in what the Plan considers to be its capital since the previous period. The Plan fulfils its objectives by adhering to specific investment policies outlined in the SIPP which is reviewed annually by the Finance and Audit Committee.

The Plan's investment positions expose it to a variety of risks which are discussed in note 4. The Plan manages net assets by engaging knowledgeable investment managers who are charged with the responsibility of investing existing funds and new funds (current year's employee and employer contributions) in accordance with the approved SIPP.

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 days 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.

7. Related Party Transaction:

At December 31, 2022, the Pension Plan has a payable in the amount of $102,305 (2021 – nil) to Legacy for administrative services provided.

These transactions are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

Consolidated Financial Statements of

CCMBC LEGACY FUND INC.

Year ended December 31, 2022

CCMBC LEGACY FUND INC.
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Year ended December 31, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Directors of CCMBC Legacy Fund Inc.

Opinion

We have audited the consolidated financial statements of CCMBC Legacy Fund Inc. (the "Entity"), which comprise the consolidated statement of financial position as at December 31, 2022, the consolidated statements of operations, changes in net assets and cash flows for the year then ended, and notes to the consolidated financial statements, comprising a summary of significant accounting policies (hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at December 31, 2022, and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Chartered Professional Accountants

Winnipeg, Canada
_________, 2023

CCMBC LEGACY FUND INC.

Consolidated Statement of Financial Position

December 31, 2022, with comparative information for 2021

	2022	2021
Assets		
Cash	$ 8,012,435	$ 9,134,592
Accounts receivable	167,278	158,947
Income tax receivable	–	146,907
Other investments (note 4)	74,065,903	68,520,712
Mortgage investments (note 3)	63,342,791	71,898,900
Prepaid expenses and other assets	254,883	239,503
Due from related parties (note 13)	1,230,098	2,249,741
Land held for sale (note 16)	6,981,492	6,963,022
Capital assets (note 5)	4,005,236	4,156,058
Future tax asset	136,006	162,478
	$ 158,196,122	$ 163,630,860
Liabilities, Deferred Contributions and Net Assets		
Accounts payable and accrued liabilities (note 7)	$ 1,118,524	$ 500,205
Income taxes payable	67,987	–
Deposit notes (note 8)	30,303,346	31,110,368
Promissory notes (note 9)	120,947,139	125,847,166
Due to related party (note 13)	141,832	561,443
Preferred shares (note 10)	630,500	678,500
	153,209,328	158,697,682
Deferred contributions:		
Capital assets (note 11)	2,303,414	2,495,108
Net assets:		
Unrestricted	2,683,380	2,438,070
Subsequent event (note 16)		
	$ 158,196,122	$ 163,630,860

See accompanying notes to consolidated financial statements.

On behalf of the Governing Board:

______________________ Director ______________________ Director

CCMBC LEGACY FUND INC.

Consolidated Statement of Operations

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
Revenue:		
Grants and donations	$ 70,000	$ 50,000
Payroll and accounting services (note 13)	249,047	294,026
Rental and property management revenue	383,905	335,148
Mortgage interest (note 3)	3,699,151	3,420,131
Income from other investments	4,159,609	4,216,087
Other interest income	120,597	6,203
Deferred contributions related to capital assets (note 11)	191,694	198,623
Net realized gains on sale of other investments	54,562	118,569
Other revenue	32,126	27,991
	8,960,691	8,666,778
Expenditures:		
Salaries and benefits	1,390,465	1,209,268
Professional fees	243,124	366,301
General and administrative	336,126	223,511
Interest on deposit notes (note 8)	744,607	419,643
Interest on promissory notes (note 9)	3,062,504	1,967,869
Interest on preferred shares (note 10)	6,499	7,161
Investment management fees (note 12)	650,057	676,827
Occupancy	25,166	61,194
Property administration	364,117	208,046
Property taxes	225,425	225,534
Insurance	57,024	61,663
Depreciation	224,784	211,326
Donation to related party (note 13)	996,204	117,570
	8,326,102	5,755,913
Excess of revenue over expenditures before the undernoted	634,589	2,910,865
Other income (loss):		
Loss on disposal of capital assets	–	(2,197)
Change in unrealized appreciation (depreciation) in value of other investments	(1,059,094)	10,263
Recovery of (allowance for) credit losses (note 3)	892,641	(717,380)
	166,453	(709,314)
Excess of revenue over expenditures before income taxes	468,137	2,201,551
Income taxes:		
Current	196,354	163,405
Future	26,473	23,619
	222,827	187,024
Excess of revenue over expenditures	$ 245,310	$ 2,014,527

See accompanying notes to consolidated financial statements.

CCMBC LEGACY FUND INC.

Consolidated Statement of Changes in Net Assets

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
Balance, beginning of year	$ 2,438,070	$ 423,543
Excess of revenue over expenditures	245,310	2,014,527
Balance, end of year	$ 2,683,380	$ 2,438,070

See accompanying notes to consolidated financial statements.

CCMBC LEGACY FUND INC.

Consolidated Statement of Cash Flows

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
Cash flows from (used in) operating activities:		
Excess of revenue over expenditures	$ 245,310	$ 2,014,527
Adjustments for:		
Net realized gains on sale of other investments	(54,562)	(118,569)
Change in unrealized depreciation (appreciation)		
In value of other investments	1,059,094	(10,263)
Depreciation	224,784	211,326
Deferred contributions related to capital assets	(191,694)	(198,623)
Loss on sale of capital assets	–	2,197
Amortization of transaction costs (note 9)	155,985	141,912
Allowance for (recovery of) credit losses (note 3)	(892,641)	717,380
Current income taxes	196,354	163,405
Future income taxes	26,473	23,619
Mortgage interest (note 3)	(3,699,151)	(3,420,131)
Interest on deposit notes (note 8)	744,607	419,643
Interest on promissory notes (note 9)	2,906,519	1,825,957
Interest on preferred shares (note 10)	6,499	7,161
Change in non-cash operating working capital:		
Accounts receivable	(8,331)	(52,972)
Prepaid expenses	(15,380)	46,738
Accounts payable and accrued liabilities	618,323	(121,229)
Due to/from related parties (note 13)	(521,916)	561,443
Funding of mortgage investments	(3,890,484)	(1,759,551)
Mortgage repayments	13,717,869	7,531,271
Purchase of other investments	(23,251,240)	(14,480,606)
Proceeds from sale of other investments	16,701,517	9,646,752
Mortgage interest received	3,320,515	2,938,433
Interest paid on deposit notes (note 8)	(32,842)	(16,819)
Interest paid on promissory notes (note 9)	(77,657)	(81,831)
Interest paid on preferred shares (note 10)	(249)	(431)
Income taxes paid	18,540	(581,654)
	7,306,242	5,409,085
Cash flows from (used in) financing activities:		
Proceeds on issuance of deposit notes (note 8)	3,843,639	3,225,995
Repayment of deposit notes (note 8)	(5,362,426)	(1,563,242)
Proceeds on issuance of promissory notes (note 9)	8,148,475	12,511,333
Repayment of promissory notes (note 9)	(16,047,599)	(18,993,060)
Proceeds from issuance of preferred shares (note 10)	14,000	15,500
Repayment on redemption of preferred shares (note 10)	(54,000)	(81,000)
Change in due from related party (note 13)	1,121,948	893,099
	(8,335,963)	(3,991,375)
Cash flows used in investing activities:		
Purchase of capital assets	(78,142)	(395,224)
Proceeds on disposal of capital assets	4,179	–
Expenditures on land held for sale	(18,474)	(23,161)
	(92,437)	(418,385)
Increase (decrease) in cash	(1,122,158)	999,325
Cash, beginning of year	9,134,593	8,135,267
Cash, end of year	$ 8,012,435	$ 9,134,592

See accompanying notes to consolidated financial statements.

CCMBC LEGACY FUND INC.

Notes to Consolidated Financial Statements

Year ended December 31, 2022

1. Nature of organization:

CCMBC Legacy Fund Inc. (the “Legacy”) was incorporated under the Canada Not-for-profit Corporations Act on July 30, 2015 and amended on May 30, 2016. Legacy is a registered charity within the meaning of the *Income Tax Act* and therefore is exempt from income taxes under Section 149(1) of the *Income Tax Act*. The sole member of Legacy is The Canadian Conference of Mennonite Brethren Church of North America (CCMBC).

Through its wholly-owned for-profit subsidiary, CCMBC Investments Ltd. (CCMBC Investments), Legacy’s objective is to facilitate the raising of funds to accomplish the charitable purposes of CCMBC. CCMBC Investments issues redeemable preferred shares (preferred shares) and promissory notes (promissory notes) to facilitate the lending of money secured by mortgages for Mennonite Brethren Churches (MB Churches), pastors of Mennonite Brethren Churches (MB Church Pastors) and other Mennonite Brethren and affiliated institutions such as schools and camps (MB Church Entities). Any excess funds not required for lending are invested in other investments pursuant to specified investment guidelines. Legacy also provides accounting and payroll services to Canadian MB Churches and MB Church Entities and administers deposit notes for MB Churches and MB Church Entities. In addition, Legacy provides administration services for the Canadian Mennonite Brethren Pension Plan and the CCMBC’s group benefits program.

These consolidated financial statements present the activities of Legacy and its wholly-owned subsidiaries CCMBC Investments and CCMBC Holdings Inc. (CCMBC Holdings). CCMBC Holdings is a for-profit entity that owns all of the shares in the following entities:

CP Printing Solutions
Crossfield Highways Development Inc.
Deer River Properties Inc.

2. Significant accounting policies:

(a) Basis of accounting:

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

(b) Revenue recognition:

Legacy follows the deferral method of accounting for contributions. Restricted contributions other than endowment contributions are recognized as revenue in the year in which the related expenses are recognized. Contributions restricted for the purposes of capital assets are deferred and amortized into revenue at a rate corresponding with the related capital assets. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

2. Significant accounting policies (continued):

Interest on mortgage investments and other investments is recorded as income on an accrual basis, using the effective interest method. Rental revenue includes recovery of common area maintenance costs and is recognized on an accrual basis over the term to which it applies.

(c) Land held for sale:

Purchased land held for sale is recorded at cost. Costs that are directly attributable to development of the land are capitalized, provided that the carrying value does not exceed net realizable value.

(d) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized.

Legacy amortizes its capital assets as follows:

Asset	Rate
Buildings	30 years straight-line
Computer equipment	3 - 5 years straight-line
Office equipment	5 - 10 years straight-line
Parking lot	15 years straight-line
Artwork	Indefinite

(e) Impairment of long-lived assets:

Capital assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. When circumstances indicate that a capital asset is impaired, the net carrying amount of the capital asset is written down to the asset's fair value or replacement cost. The write-down of the asset is charged to income during the year. An impairment loss is not reversed if the fair value of the related asset subsequently increases.

2. Significant accounting policies (continued):

(f) Assets held for sale:

Long-lived assets are classified by Legacy as an asset held for sale at the point in time when the asset is available for immediate sale, management has committed to a plan to sell the asset and is actively locating a buyer for the asset at a sales price that is reasonable in relation to the current fair value of the asset, and the sale is probable and expected to be completed within a one-year period.

Assets to be disposed of are separately presented on the consolidated statement of financial position and reported at the lower of the carrying amount or fair value less costs to sell, and are no longer depreciated. The assets and liabilities of a disposal group classified as held for sale are presented separately in the appropriate asset and liability sections of the consolidated statement of financial position.

(g) Mortgage investments:

Mortgage investments are initially measured at fair value plus incremental direct transaction costs. Mortgage investments are subsequently re-measured at their amortized cost, net of allowance for credit losses, using the effective interest method. Interest income is accounted for on the accrual basis.

A mortgage is classified as impaired when, in management's opinion, there has been deterioration in credit quality to the extent that there is no longer reasonable assurance as to the timely collection of the full amount of principal and interest.

When a mortgage is classified as impaired the carrying amount of the mortgage is reduced to its estimated realizable amount. Estimated realizable amounts are measured by discounting the expected future cash flows, if they can be reasonably estimated, using the effective interest rate inherent in the mortgage. When the amounts and timing of cash flows cannot be reasonably estimated, the carrying amount of the mortgage is reduced to its estimated net realizable value based on either:

(i) the fair value of any security underlying the mortgage, net of expected costs of realization or;

(ii) observable market prices for the mortgage.

2. Significant accounting policies (continued):

(h) Allowance for credit losses:

Legacy maintains an allowance for credit losses which, in management's opinion, is adequate to absorb all credit related losses in its portfolio. The allowance for credit losses consists of specific provisions, being provisions against specific credit exposures determined on an item-by-item basis, and a general provision for losses which have occurred, but where such losses cannot be determined on an item-by-item basis.

In assessing existing credit losses, management must rely on estimates and exercise judgment regarding matters for which the ultimate outcome is unknown. Changes in circumstances may cause future assessments of credit risk to be significantly different than current assessments and may require an increase or decrease in the allowance for credit losses.

(i) Inventories:

Inventories are measured at the lower of cost and net realizable value. Cost is determined on the first-in, first-out basis.

(j) Financial instruments:

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

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

2. Significant accounting policies (continued):

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

(k) Income taxes:

The for-profit subsidiaries of Legacy use the future income taxes method of accounting for income taxes. Under the future income taxes method, future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the year that includes the date of enactment or substantive enactment. Refundable taxes that will be recovered on the payment of qualifying dividends are recognized as a future income tax asset.

A valuation allowance is recorded against any future income tax asset if it is more likely than not that the asset will not be realized. Income tax expense or benefit is the sum of the company's provision for the current income taxes and the difference between the opening and ending balances of the future income tax assets and liabilities.

(l) Government assistance:

Government assistance related to current expenses is included in the determination of net income for the period when the related expenditures are incurred. A liability to repay government assistance, if any, is recorded in the period in which the condition arises that causes the assistance to become repayable.

2. Significant accounting policies (continued):

(m) Use of estimates:

The preparation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations 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 revenue and expenditures during the reporting period. Significant items subject to estimates and assumptions include the allowance for credit losses and the carrying amounts of capital assets and land held for sale. Actual results could differ from management`s best estimates as additional information becomes available in the future.

3. Mortgage investments:

Legacy's mortgage investments consist of the following at December 31:

	2022		2021	
	Principal	Accrued interest	Principal	Accrued interest
Mortgages investments	$ 66,361,628	$ 140,281	$ 76,104,245	$ 99,148
Allowance for credit losses	(3,159,118)	–	(4,304,493)	–
	63,202,510	140,281	71,799,752	99,148
		$ 63,342,791		$ 71,898,900

As at December 31, 2022, unadvanced mortgage commitments under the existing gross mortgage investments amounted to $2,097,385 (2021 - $3,974,589). The mortgage investments are secured by real property and will mature between 2023 and 2048. During the year ended December 31, 2022, Legacy generated net interest income of $3,699,151 (2021 - $3,420,131).

All mortgage investments bear interest at a variable rate. At December 31, 2022, the interest rate on mortgages to MB Churches and MB Church Entities is 5.90 percent (2021 - 3.90 percent) and for MB Church Pastors is 4.25 percent (2021 - 2.90 percent). Legacy reviews the interest rates every six months and adjusts the rates, as required, to ensure a positive difference between its outstanding promissory notes and the mortgage investments. During the year ended December 31, 2022, the weighted average interest rate earned on net mortgage investments was 5.81 percent (2021 - 3.85) percent.

3. Mortgage investments (continued):

A majority of the mortgage investments contain a prepayment option, whereby the borrower may repay the principal at any time prior to maturity without penalty or yield maintenance.

If not demanded, principal repayments by contractual maturity dates are expected as follows:

2023	$	2,391,479
2024		1,687,282
2025		1,790,915
2026		1,871,673
2027 and thereafter		58,620,279
	$	66,361,628

The provision for credit losses amounted to $3,159,118 as at December 31, 2022 (2021 - $4,304,493) which is recorded in mortgage investments on the statement of financial position. Certain mortgage investments held by Legacy do not have a provision for credit losses due to the value of the underlying collateral.

During the year ended December 31, 2022, the Company worked with borrowers on a case-by-case basis on deferral arrangements. At December 31, 2022, 3.9 percent (2021 - 1.1 percent) of borrowers (excluding those in default) were still on deferral arrangements or had not resumed their principal and interest payments. Additionally, the Company entered into mortgage agreements which modified the original mortgage agreements with two existing borrowers. Subsequent to December 31, 2022, deferral arrangements were entered into with an additional 6.5 percent of borrowers.

During the year ended December 31, 2022, the borrower for one mortgage in default disposed of their property and repaid their mortgage to the Company. This resulted in a reversal for the provision for credit losses of $1,726,695.

CCMBC LEGACY FUND INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

3. Mortgage investments (continued):

The following table summarizes the mortgage investments and allowance for credit losses at December 31:

December 31, 2022	MB Churches	MB Church Entities	MB Church Pastors	Total
Mortgage investments, including interest receivable	$ 48,863,720	$ 14,119,616	$ 3,518,573	$ 66,501,909
Allowance for credit losses	(2,242,959)	(813,089)	(103,070)	(3,159,118)
	$ 46,620,761	$ 13,306,527	$ 3,415,503	$ 63,342,791

December 31, 2021	MB Churches	MB Church Entities	MB Church Pastors	Total
Mortgage investments, including interest receivable	$ 57,937,288	$ 14,818,943	$ 3,447,162	$ 76,203,393
Allowance for credit losses	(3,393,921)	(786,254)	(124,318)	(4,304,493)
	$ 54,543,367	$ 14,032,689 $	$ 3,322,844	71,898,900

The internal risk ratings presented in the table below are defined as follows:

Low risk: Mortgage investments that have lower credit risk than Legacy's risk appetite and credit standards and that have a below average probability of default.

Medium-low risk: Mortgage investments that are typical for Legacy's risk appetite and credit standards and retain a below average probability of default.

Medium-high risk: Mortgage investments that are within Legacy's risk appetite and credit standards and retain an average probability of default.

High risk: Mortgage investments within Legacy's risk appetite and credit standards that have an additional element of credit risk that could result in an above average probability of default.

Default: Mortgage investments that are 90 days past due and when there is objective evidence that there has been a deterioration of credit quality to the extent Legacy no longer has reasonable assurance as to the timely collection of the full amount of principal and interest and/or when Legacy has commenced enforcement remedies available to it under its contractual agreements.

CCMBC LEGACY FUND INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

3. Mortgage investments (continued):

The following table presents the gross carrying amounts of mortgage investments by internal risk ratings used by Legacy for credit risk management purposes:

December 31, 2022	MB Churches	MB Church Entities	MB Church Pastors	Total
Low risk	$ 11,248,004	$ 5,276,777	$ –	$ 16,524,781
Medium-low risk	20,859,078	7,777,378	1,989,182	30,625,638
Medium-high risk	4,775,762	–	1,168,045	5,943,807
High risk	9,186,117	–	310,918	9,497,035
Default	2,794,759	1,065,461	50,428	3,910,648
Mortgage investments	48,863,720	14,119,616	3,518,573	66,501,909
Allowance for credit losses	(2,242,959)	(813,089)	(103,070)	(3,159,118)
Mortgage investments	$ 46,620,761	$ 13,306,527	$ 3,415,503	$ 63,342,791

December 31, 2021	MB Churches	MB Church Entities	MB Church Pastors	Total
Low risk	$ 26,600,255	$ 6,170,051	$ –	$ 32,770,306
Medium-low risk	13,537,818	6,641,565	1,215,645	21,395,028
Medium-high risk	10,863,491	948,058	1,723,490	13,535,039
High risk	1,326,192	–	439,986	1,766,178
Default	5,609,532	1,059,269	68,041	6,736,842
Mortgage investments	57,937,288	14,818,943	3,447,162	76,203,393
Allowance for credit losses	(3,393,921)	(786,254)	(124,318)	(4,304,493)
Mortgage investments	$ 54,543,367	$ 14,032,689	$ 3,322,844	$ 71,898,900

CCMBC LEGACY FUND INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

3. Mortgage investments (continued):

Geographic analysis:

December 31, 2022	MB Churches	MB Church Entities	MB Church Pastors	Total
British Columbia	$ 32,069,892	$ 5,734,742	$ 1,033,786	$ 38,838,420
Ontario	4,215,236	6,938,169	1,159,250	12,312,655
Alberta	6,232,268	252,588	–	6,484,856
Saskatchewan	135,772	78,116	227,099	440,987
Manitoba	3,808,751	–	474,582	4,283,333
Quebec	40,604	302,912	520,786	864,302
Atlantic Provinces	118,238	–	–	118,238
	$ 46,620,761	$ 13,306,527	$ 3,415,503	$ 63,342,791

December 31, 2021	MB Churches	MB Church Entities	MB Church Pastors	Total
British Columbia	$ 37,779,757	$ 6,084,860	$ 1,384,640	$ 45,249,257
Ontario	6,094,768	7,464,187	640,906	14,199,861
Alberta	6,255,477	88,197	–	6,343,674
Saskatchewan	250,868	85,025	262,101	597,994
Manitoba	3,989,877	–	488,550	4,478,427
Quebec	49,608	310,420	546,647	906,675
Atlantic Provinces	123,012	–	–	123,012
	$ 54,543,367	$ 14,032,689	$ 3,322,844	$ 71,898,900

CCMBC LEGACY FUND INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

4. Other investments:

Other investments are comprised of the following at December 31:

	2022		2021	
	Cost	Fair Value	Cost	Fair Value
Private fixed income funds	$ 41,161,319	$ 40,726,917	$ 41,611,788	$ 41,355,224
Private mortgage funds	29,394,999	29,677,183	21,826,099	21,991,031
Private equity fund	–	–	1,040,088	1,116,859
Corporate bonds	1,890,611	1,703,645	2,458,420	2,440,907
Equities and exchange traded funds	636,599	556,748	260,715	277,281
Convertible debentures	496,271	504,000	451,171	459,545
Preferred shares	242,761	197,410	271,986	279,865
Guaranteed income certificates	700,000	700,000	600,000	600,000
	$ 74,522,560	$ 74,065,903	$ 68,520,267	$ 68,520,712

The funds in which Legacy invests (Investee Funds) are managed by asset managers who apply various investment strategies to accomplish their respective investments objectives. These objectives include generating income and cash flow along with capital appreciation by investing in fixed income securities, mortgages and equities. The Investee Funds also invest in underlying funds. At December 31, 2022 and 2021, Legacy invests in two (2021 - six) private fixed income funds, two (2021 - two) private mortgage funds and one (2021 - nil) equity fund. Legacy can redeem their investment in the Investee Funds ranging from weekly to semi-annually.

The guaranteed income certificates have interest rates ranging from 1.60 percent to 4.12 percent (2021 - ranging from 1.30 percent to 1.85 percent) and mature between March 2023 and June 2024 (2021 - March 2022 and March 2023). At December 31, 2022, the weighted average interest rate is 2.96 percent (2021 - 1.63 percent). The preferred shares have coupon rates ranging from 3.90 percent to 4.70 percent.

The par value of the corporate bonds and convertible debentures at December 31, 2022 is $2,400,000 (2021 - $2,950,000). The corporate bonds and convertible debentures have interest rates ranging from 3.15 percent to 7.85 percent (2021 - ranging from 3.15 percent to 7.85 percent) and mature between December 2024 and October 2032 (2021 - between May 2023 and October 2032).

CCMBC LEGACY FUND INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

4. Other investments (continued):

Maturities and interest rates of the corporate bonds and convertible debentures are as follows:

December 31, 2022	Under one year	1 - 5 years	6 - 10 years	Over 10 years	Total	Weighted average yield
	$ –	$ 1,308,750	$ 898,895	$ –	$ 2,207,645	4.81%

December 31, 2021	Under one year	1 - 5 years	6 - 10 years	Over 10 years	Total	Weighted average yield
	$ –	$ 1,060,935	$ 1,545,199	$ 294,318	$ 2,900,452	4.36%

5. Capital assets:

Legacy's capital assets consist of the following at December 31, 2022:

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Land	$ 1,109,453	$ –	$ 1,109,453	$ 1,109,453
Artwork	46,681	–	46,681	46,681
Buildings	3,357,751	556,563	2,801,188	2,929,053
Computer equipment	112,190	81,676	30,514	46,978
Office equipment	45,391	28,598	16,793	23,081
Parking lot	5,163	4,556	607	812
	$ 4,676,629	$ 671,393	$ 4,005,236	$ 4,156,058

6. Operating facility and guarantee:

On August 22, 2021, and as amended October 25, 2021 and May 6, 2022, Legacy entered into a Letter of Agreement with the Bank of Montreal which provides for an operating facility for use by Legacy in the aggregate amount of $1,250,000 (2021 - $1,250,000), bearing interest at prime. The operating facility is secured by a general security agreement over the assets of Legacy and its subsidiaries, a $1,275,000 (2021 - $1,275,000) corporate guarantee from CCMBC, a general security agreement over the assets of CCMBC, and by the corporate bonds and guaranteed income certificates held by Legacy (note 4). As at December 31, 2022 and 2021, the operating facility was unutilized.

CCMBC LEGACY FUND INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

6. Operating facility and guarantee (continued):

In addition, On May 6, 2021, CCMBC Investments entered into a Letter of Agreement with the Bank of Montreal providing for an operating facility in the amount of $1,500,000 (2021 - $1,500,000) which bears interest at the prime rate and is repayable on demand. The operating facility is secured by a general security agreement over the assets of CCMBC Investments, a $1,500,000 (2021 - $1,500,000) corporate guarantee from Legacy, CCMBC and CCMBC Holdings Inc., a pledge of securities and accounts from Legacy and general security agreements over the assets of Legacy, CCMBC and CCMBC Holdings Inc. As at December 31, 2022 and 2021, the operating facility was unutilized.

7. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities is $5,395 (2021 - 3,802) for government remittances.

8. Deposit notes:

Legacy issues deposit notes to MB Churches and MB Church Entities. All deposit notes are due on demand and bear interest at a variable rate of interest which is determined at July 1 and December 31 of each year. The deposit notes bear interest at a variable rate. At December 31, 2022, the interest rate on the notes ranged between 1.60 percent and 3.15 percent (2021 - 1.40 percent)

The following table summarizes activity for the deposit notes for the years ending December 31, 2022 and 2021:

	Note	2022	2021
Balance, beginning of year		$ 31,110,368	$ 29,044,791
Deposit notes issued		3,843,639	3,225,995
Deposit notes repaid		(5,362,426)	(1,563,242)
Interest on deposit notes		744,607	419,643
Interest paid		(32,842)	(16,819)
Balance, end of year		$ 30,303,346	$ 31,110,368

CCMBC LEGACY FUND INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

9. Promissory notes:

CCMBC Investments is authorized to issue an unlimited number of promissory notes which can be issued in one or more series. The initial minimum subscription amount for each holder of a promissory note is $2,500. The promissory notes are payable on demand and bear interest at a variable interest rate which is determined on January 1 and July 1 of each year. The variable interest rate is equal to the overnight lending rate of the Bank of Canada plus 115 basis points. Interest is compounded and payable on a semi-annual basis on June 30 and December 31 of each year. The payment of the demand promissory notes will be limited to available cash, and CCMBC Investments will use reasonable commercial efforts to cover such requests, but will not be required to sell assets or borrow money in order to fund such payments.

On December 20, 2022, CCMBC Investments amended the terms and conditions of the promissory notes to allow for additional interest to be paid at the discretion of CCMBC Investments. Effective January 1, 2022 to June 30, 2022, the interest rate on the promissory notes was increased by 20 basis points to 135 basis points above the overnight lending rate of the Bank of Canada. Effective July 1, 2022 to December 31, 2022, the interest rate on the promissory notes was increased by an additional 30 basis points to 165 basis points above the overnight lending rate of the Bank of Canada.

The following table summarizes the promissory notes as at December 31, 2022 and 2021:

	2022	2021
Promissory notes	$ 121,213,177	$ 126,269,189
Less transaction costs	(266,038)	(422,023)
	$ 120,947,139	$ 125,847,166

The following table summarizes activity for the promissory notes for the years ending December 31:

	Note	2022	2021
Balance, beginning of year		$ 125,847,166	$ 130,427,625
Promissory notes issued		8,148,475	12,511,333
Transfer from preferred shares	10	8,000	8,500
Promissory notes repaid		(16,047,599)	(18,993,060)
Amortization of transaction costs		155,985	141,912
Interest on promissory notes		2,906,519	1,825,957
Transfer of interest on preferred shares	10	6,250	6,730
Interest paid		(77,657)	(81,831)
		$ 120,947,139	$ 125,847,166

CCMBC LEGACY FUND INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

10. Preferred shares:

Preferred shares are issued on the first $500 invested by an investor in CCMBC Investments with the remainder invested in promissory notes. The preferred shares are redeemable at the option of the holder for $1, with a minimum of fourteen days' notice to CCMBC Investments. The preferred shares are not entitled to vote at any meetings of shareholders, except where otherwise provided by the Canada Business Corporations Act, and, in such case, they shall then be entitled to one vote for each preferred share held. The preferred shares are entitled in each financial year of CCMBC Investments, cumulative dividends at a rate equal to 1 percent of the redemption amount of $1 per preferred share. Individual holders of preferred shares must subscribe for 500 preferred shares and no holder of preferred shares can hold more than 500 preferred shares.

The following table summarizes the preferred shares at December 31:

	2022		2021	
	Number	Amount	Number	Amount
Authorized:				
Unlimited preferred shares, non-voting, cumulative dividend entitlement of 1 percent of the redemption amount annually, redeemable at the option of the holder for $1	630,500	$ 630,500	678,500	$ 678,500

The following table summarizes activity for the preferred shares:

	Note	2022	2021
Balance, beginning of year		$ 678,500	$ 752,500
Preferred shares issued		14,000	15,500
Preferred shares transferred to promissory notes	9	(8,000)	(8,500)
Preferred shares repurchased		(54,000)	(81,000)
Accrued interest		6,499	7,161
Interest paid		(249)	(431)
Transfer of interest to promissory notes	9	(6,250)	(6,730)
Balance, end of year		$ 630,500	$ 678,500

CCMBC LEGACY FUND INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

11. Deferred contributions related to capital assets:

Deferred contributions related to capital assets represent the unamortized amount of donated capital assets. The amortization of capital contributions is recorded as revenue in the statement of operations.

			2022	2021
	Donations	Recognized in revenue	Ending balance	Ending balance
Buildings	$ 2,459,823	$ 176,209	$ 2,283,614	$ 2,459,823
Computer equipment	13,969	8,992	4,977	13,969
Office equipment	17,358	6,288	11,070	17,358
Parking lot	3,958	205	3,753	3,958
	$ 2,495,108	$ 191,694	$ 2,303,414	$ 2,495,108

12. Investment management fees:

CCMBC Investments and Legacy have entered into Investment Management and Distribution Agreements with a third party that can be cancelled at any time on written notice without penalty. The investment management fees are based on a percentage of the respective assets under management of each of CCMBC Investments and Legacy as defined in the Investment Management and Distribution Agreements.

For the year ended December 31, 2022, the Company incurred investment management fees of $645,957 (2021 - $660,427) related this agreement.

13. Related party transactions:

At December 31, 2022, Legacy had a receivable in the amount of $1,127,793 (2021 - $2,249,741) from CCMBC which is due on demand with no specified terms of repayment. During the year ended December 31, 2022, Legacy received a cash payment in the amount of $1,121,948 (2021 - $1,000,000) from CCMBC to reduce the amount receivable. Subsequent to December 31, 2022 year, Legacy received $500,000 from the Conference to reduce the amount receivable to $627,793.

At December 31, 2022, Legacy has a payable in the amount of $141,832 (2021 - $561,443) due to CCMBC relating to contributions to the employee pension plan and premiums on the group benefit plan administered by CCMBC.

CCMBC LEGACY FUND INC.

13. Related party transactions (continued):

At December 31, 2022, Legacy has a receivable in the amount of $102,305 (2021 - nil) due from Canadian Mennonite Brethren Pension Plan (CMBPP) relating to administrative expenses paid by Legacy on behalf CMBPP. The payable is due on demand with no specified terms of repayment.

At December 31, 2022, Legacy holds $1,397,696 (2021 - $2,283,725) on deposit from CCMBC which bears interest at a variable rate of interest, 3.15 percent (2021 - 1.40 percent) at December 31, 2022.

During the year ended December 31, 2022, Legacy provided accounting and payroll services to CCMBC for nil (2021 - $50,000). Additionally, during the year ended December 31, 2022, Legacy donated $996,204 (2021 - $117,570) to CCMBC which is included in donation to related party in the consolidated statement of operations.

These transactions are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

14. Employee pension plan:

Legacy is a participant of a money purchase pension plan. Members of the plan include employees of Legacy. The cost of funding the plan is shared by employee and employer. The rate of employer contributions to the fund in 2022 was 5 percent (2021 - 5 percent) of the employee salaries. The pension expense for the year ended December 31, 2022 was $47,903 (2021 - $45,183).

15. Financial risks:

(a) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Legacy is exposed to interest rate risk on its investments in private fixed income funds and mortgage investments.

As of December 31, 2022, $63,342,791 (2021 - $71,898,900) of net mortgage investments bear interest at variable rates. If there were a decrease or increase of 1 percent in interest rates, with all other variables constant, the impact from variable rate mortgage investments would be a decrease or increase in revenue over expenditures of approximately $689,000 (2021 - $759,000).

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15. Financial risks (continued):

As of December 31, 2022, $120,947,139 (2021 - $125,847,166) of promissory notes and $30,303,346 (2021 - $31,110,368) of deposit notes bear interest at variable rates. If there was a decrease or increase of 1 percent in interest rates, with all other variables constant, the impacting from variable rate promissory notes and deposit notes would be a increase or decrease in revenue over expenditures of approximately $1,537,000 (2021 - $1,609,000).

Legacy manages its sensitivity to interest rate fluctuations by managing the interest rate spread between its promissory notes and mortgage investments.

Legacy is also exposed to interest rate risk through its investments in Investee Funds (note 4).

The Investee Funds are exposed to interest rate risk through their investments in interest-bearing financial instruments and in underlying funds exposed to interest rate risk. Two of the Investee Funds have high-yield (or below investment grade) exposure to mortgages and therefore net assets tend to be affected more by changes in economic growth than changes in interest rates.

(b) Other price risk:

Other price risk is the risk that the fair value of the financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer or factors affecting all instruments traded in the market or market segment.

The maximum risk resulting from financial instruments held by Legacy is determined by the fair value of the financial instruments. Legacy moderates this risk through careful selection of its investments within the parameters of the investment strategy.

For Legacy, the most significant exposure to other price risk arises from the investment in equity securities and a private equity fund. As at December 31, 2022, had the prices increased or decreased by 10 percent, all other variables held constant, net income would have increased or decrease by approximately $28,555 (2021 - $128,000).

(c) Currency risk:

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. Legacy has no significant direct exposure to currency risk at December 31, 2022 and 2021 or indirect exposure at December 31, 2021. Legacy does have indirect exposure to currency risk through its investment in Investee Funds at December 31, 2022.

15. Financial risks (continued):

(d) Credit risk:

Credit risk is the risk that a borrower may be unable to honour its debt commitments as a result of a negative change in market conditions that could result in a loss to Legacy. Legacy mitigates this risk by the following:

(i) adhering to the mortgage investment policies and investment guidelines (subject to certain duly approved exceptions);

(ii) ensuring all new mortgage investments over a pre-determined threshold are approved by the Board of Directors, and by appropriate members of management below a pre-determined threshold before funding; and

(iii) actively monitoring the mortgage investments and initiating recovery procedures, in a timely manner, where required.

The exposure to credit risk at December 31, 2022 relating to net mortgages amounts to $63,342,791 (2021 - $71,898,900) and for accounts receivable amounts to $199,353 (2021 - $158,947). Legacy has recourse under these mortgages in the event of default by the borrower; in which case, Legacy would have a claim against the underlying collateral. Management believes that the potential loss from credit risk with respect to cash that is held at a Schedule 1 bank to be minimal.

Legacy is also exposed to credit risk through its investments in Investee Funds (note 4).

The private fixed income Investee Funds, which represent 100 percent (2021 – approximately 75 percent) of the investment in private fixed income funds, are exposed to credit risk through investments in debt securities, mortgage loans and promissory notes. The mortgage loans are secured by all assets of the borrower as defined by general security agreements which may be subordinate to other lenders.

For one of the other private fixed income Investee Funds, it is exposed to credit risk through direct investment in debt securities and for the other two private fixed income Investee Funds, they are indirectly exposed to credit risk through investment in underlying funds that are exposed to credit risk.

15. Financial risks (continued):

(e) Liquidity risk:

Liquidity risk is the risk that Legacy will encounter difficulty in meeting financial obligations as they become due. This risk arises in normal operations from fluctuations in cash flow as a result of the timing of mortgage investment advances and repayments and the need for working capital. Management routinely forecasts future cash flow sources and requirements to ensure cash is efficiently utilized.

Legacy's deposit notes, promissory notes and preferred shares are due on demand. The payment of the demand promissory notes will be limited to available cash, and the Company will use reasonable commercial efforts to cover such request, but will not be will not be required to sell assets or borrow money in order to fund such payments. All of the rest of Legacy's financial liabilities are due within one year.

Legacy is also exposed to liquidity risk through its investments in Investee Funds (note 4).

The fixed income Investee Funds are exposed to liquidity risk through weekly or monthly cash redemptions on their units and therefore they invest the majority or a portion of assets in investments and underlying funds that can be readily disposed of. The mortgage Investee Funds are exposed to liquidity risk through monthly or semi-annual cash redemptions on their units and therefore use cash flow projections to forecast funding requirements on mortgage proposals and anticipated redemption of units and my also enter into loan facilities with one or more Canadian chartered banks to hedge the liquidity risk of redemptions.

A portion of the amounts invested in underlying funds are subject to redemption restrictions exercisable by the manager of the underlying fund to manage extraordinary liquidity pressures which includes the ability to suspend redemptions or withhold varying amounts of any redemption requested.

16. Subsequent event:

On March 2, 2023, Legacy sold certain land held for sale with a carrying amount of $5,281,492 at December 31, 2022 for cash proceeds of $5,700,000.

Financial Statements of

CCMBC INVESTMENTS LTD.

And Independent Auditor's Report thereon

Year ended December 31, 2022

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of CCMBC Investments Ltd.

Opinion

We have audited the financial statements of CCMBC Investments Ltd. (the "Entity"), which comprise the statement of financial position as at December 31, 2022, the statements of comprehensive income, equity and cash flows for the year then ended, and notes to the financial statements, comprising a summary of significant accounting policies (hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants

Winnipeg, Canada
__________, 2023

CCMBC INVESTMENTS LTD.

Statement of Financial Position

As at December 31, 2022, with comparative information for 2021

	Note		2022		2021
Assets					
Cash		$	2,466,414	$	2,836,210
Income taxes receivable			–		146,907
Prepaid expenses			10,566		9,363
Other investments	5		58,003,784		53,019,565
Mortgage investments, net	4		63,342,791		71,898,900
Deferred tax assets	11		136,006		162,478
Total assets		$	123,959,561	$	128,073,423
Liabilities and Equity					
Accounts payable and accrued liabilities		$	411,589	$	342,446
Income taxes payable			67,987		–
Promissory notes	6		120,947,139		125,847,166
Preferred shares	7		630,500		678,500
Total liabilities			122,057,215		126,868,112
Equity			1,902,346		1,205,311
Total liabilities and equity		$	123,959,561	$	128,073,423

The accompanying notes form an integral part of these financial statements.

On behalf of the Board:

______________________ Director ______________________ Director

CCMBC INVESTMENTS LTD.

Statement of Comprehensive Income

Year ended December 31, 2022, with comparative information for 2021

	Note		2022		2021
Investment income:					
Mortgage interest	4	$	3,699,151	$	3,420,131
Income from other investments			3,384,314		3,813,750
Other income			65,390		–
Net realized gains on sale of other investments			13,796		49,107
			7,162,650		7,282,988
Expenses:					
Interest on promissory notes	6		3,062,504		1,967,869
Interest on preferred shares	7		6,499		7,161
Management fees	9, 10		500,000		422,000
Investment management fees	9		575,253		660,427
General and administrative			287,283		330,965
Donation to related party	10		2,290,000		2,400,000
			6,721,539		5,788,422
Net income before other income (expenses)			441,112		1,494,566
Other income (expenses):					
Change in unrealized depreciation in value of other investments			(413,892)		(25,640)
Provision for credit losses	4		(649,467)		(717,380)
Gain on POCI mortgage investment	4		1,542,108		–
			478,749		(743,020)
Net income before taxes			919,862		751,546
Income taxes:					
Current	11		196,354		163,405
Deferred	11		26,473		23,619
			222,827		187,024
Net comprehensive income		$	697,035	$	564,522

The accompanying notes form an integral part of these financial statements.

CCMBC INVESTMENTS LTD.

Statement of Equity

Year ended December 31, 2022, with comparative information for 2021

	Note		Common share	Retained earnings	Total equity
Balance, beginning of year	8	$	100	$ 1,205,211	$ 1,205,311
Net comprehensive income for the year			–	697,035	697,035
December 31, 2022		$	100	$ 1,902,246	$ 1,902,346

	Note		Common share	Retained earnings	Total equity
Balance, beginning of year	8	$	100	$ 640,689	$ 640,789
Net comprehensive income for the year			–	564,522	564,522
December 31, 2021		$	100	$ 1,205,211	$ 1,205,311

The accompanying notes form an integral part of these financial statements.

CCMBC INVESTMENTS LTD.

Statement of Cash Flows

Year ended December 31, 2022, with comparative information for 2021

	Note	2022	2021
Cash flows from (used in) operating activities:			
Net comprehensive income		$ 697,035	$ 564,522
Adjustments for:			
Net realized gains on sale of other investments		(13,796)	(49,107)
Change in unrealized depreciation (appreciation) in value of other investments		413,892	25,640
Amortization of transaction costs	6	155,985	141,912
Provision for credit losses	4	649,467	717,380
Gain on POCI mortgage investment	4	(1,542,108)	–
Income taxes	11	196,354	163,405
Deferred taxes	11	26,473	23,619
Mortgage interest	4	(3,699,151)	(3,420,131)
Interest on promissory notes	6	2,906,519	1,825,957
Interest on preferred shares	7	6,499	7,161
Change in non-cash operating items:			
Prepaid expenses		(1,203)	(2,598)
Accounts payable and accrued liabilities		69,143	(24,390)
Funding of mortgage investments		(3,890,484)	(1,759,551)
Mortgage repayments		13,717,869	7,531,267
Purchase of other investments		(6,426,897)	(9,313,749)
Proceeds from sale of other investments		1,042,582	7,500,000
Mortgage interest received		3,320,515	2,938,433
Interest paid on promissory notes	6	(77,657)	(81,831)
Interest paid on preferred shares	7	(249)	(431)
Income tax paid		18,540	(581,654)
		7,569,328	6,205,854
Cash flows from (used in) financing activities:			
Proceeds on issuance of promissory notes	6	8,148,475	12,511,333
Repayment of promissory notes	6	(16,047,599)	(18,993,060)
Proceeds from issuance of preferred shares	7	14,000	15,500
Repayment on redemption of preferred shares	7	(54,000)	(81,000)
		(7,939,124)	(6,547,227)
Decrease in cash		(369,796)	(341,373)
Cash, beginning of year		2,836,210	3,177,583
Cash, end of year		$ 2,466,414	$ 2,836,210

The accompanying notes form an integral part of these financial statements.

CCMBC INVESTMENTS LTD.

Notes to Financial Statements

Year ended December 31, 2022

1. Organization of the Company:

CCMBC Investments Ltd. (the "Company") was incorporated under the *Canadian Business Corporations Act* on May 14, 2019. The Company commenced active operations on August 30, 2019. The head office of the Company is located at 1310 Taylor Avenue Winnipeg, Manitoba, Canada.

The Company's objective is to facilitate the raising of funds to accomplish the charitable purposes of the Canadian Conference of the Mennonite Brethren Church of North America (CCMBC) and CCMBC Legacy Fund Inc. (Legacy or Manager). The Company issues redeemable preferred shares (preferred shares) and promissory notes (promissory notes) to facilitate the lending of money secured by mortgages for Mennonite Brethren Churches (MB Churches), pastors of Mennonite Brethren Churches (MB Church Pastors) and other Mennonite Brethren and affiliated institutions such as schools and camps (MB Church Entities). Any excess funds not required for lending are invested in other investments pursuant to specified investment guidelines.

The Company is managed by Legacy, a registered charity.

2. Basis of preparation:

(a) Statement of compliance:

The financial statements of the Company have been prepared by management in accordance with International Financial Reporting Standards (IFRS).

The financial statements were approved by the Board of Directors and authorized for issue on _____, 2023.

(b) Basis of measurement:

The financial statements have been prepared on a going concern and historical cost basis, except for other investments which are measured at fair value through profit or loss (FVTPL).

(c) Functional and presentation currency:

The financial statements are presented in Canadian dollars, which is the Company's functional currency.

CCMBC INVESTMENTS LTD.

2. Basis of preparation (continued):

(d) Critical accounting estimates, assumptions and judgments:

The preparation of financial statements in accordance with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and disclosures of contingent assets and liabilities. Actual results could differ from these estimates. Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

The significant items subject to estimates and assumptions include:

Measurement of expected credit losses:

The determination of expected credit losses takes into account different factors and varies by nature of mortgage investment. These judgments include changes in circumstances that may cause future assessments of credit risk to be materially different from current assessments, which would require an increase or decrease in the expected credit loss. Refer to note 3(b).

Fair value measurement:

Where the fair values of financial assets and financial liabilities recorded in the financial statements cannot be derived from active markets, they are determined using a variety of valuation techniques that may include the use of mathematical models. The inputs to these models are derived from observable market data where possible, but where observable market data is not available, estimates are required to establish fair values. The Company's other investments consistent of investments in private investment funds and are valued based on the net asset value of each of the investment funds.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include:

Classification of mortgage investments:

Mortgage investments are classified based on the business model for managing assets and the contractual cash flow characteristics of the asset. The Company exercises judgment in determining both the business model for managing the assets and whether cash flows of the financial asset comprise solely payments of principal and interest.

2. Basis of preparation (continued):

Income taxes:

The Company is subject to income taxes in different jurisdictions. Judgment is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the year in which such determination is made.

3. Significant accounting policies:

(a) Cash:

Cash is comprised of cash balances held on deposit.

(b) Financial instruments:

(i) Classification and measurement:

Financial assets are required to be classified into one of the following categories: fair value through profit or loss (FVTPL), amortized cost or fair value through other comprehensive income (FVOCI) based on the company's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. Financial liabilities are measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is derivative or it is designated as such on initial recognition.

All financial instruments are measured at fair value on initial recognition. Measurement in subsequent years depends on the classification of the financial instrument. Transaction costs are included in the initial carrying amount of financial instruments except for financial instruments classified as FVTPL, in which case transaction costs are expensed as incurred.

3. Significant accounting policies (continued):

Financial instruments at FVTPL are recognized initially on the trade date, which is the date on which the company becomes a party to the contractual provisions of the instrument. Other financial assets and financial liabilities are recognized on the date on which they are originated.

Financial assets:

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL.

3. Significant accounting policies (continued):

Financial assets - Business model assessment:

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

The information considered includes:

- the policies and objectives for the portfolio and the operation of those policies in practice. These include whether the Company's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Company's management;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed; and

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectation about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets. Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets - assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

3. Significant accounting policies (continued):

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets.

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

(ii) FVTPL:

Financial instruments classified as FVTPL are subsequently measured at fair value at each reporting period with changes in fair value recognized in the statements of comprehensive income in the period in which they occur. The Company classifies its other investments as measured at FVTPL.

3. Significant accounting policies (continued):

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and marketable securities) are based on quoted market prices at the close of trading on the reporting date.

The Company uses the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of financial assets and liabilities that are not traded in an active market, including derivative instruments, is determined using valuation techniques. Valuation techniques also include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and others commonly used by market participants and which make the maximum use of observable inputs. Should the value of the financial asset or liability be inaccurate, unreliable or not readily available, the fair value is estimated on the basis of the most recently reported information of a similar financial asset or liability.

(iii) Amortized cost:

Financial instruments classified as amortized cost include financial assets that are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest and financial liabilities not classified as FVTPL. Such financial assets and liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent measurement of these financial assets and financial liabilities is at amortized cost using the effective interest method, less any impairment losses. Interest income is recognized by applying the effective interest rate. The Company classifies cash, investment income receivable, mortgage investments, accounts payable and accrued liabilities, due to related parties, promissory notes payable and preference shares as measured at amortized cost.

The effective interest method is a method of calculating the amortized cost of a financial asset or liability and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

3. Significant accounting policies (continued):

(iv) Derecognition:

Financial assets:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities:

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

(v) Offsetting:

Financial assets and liabilities are offset and the net amount presented in the statements of financial position only when the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. At December 31, 2022 and 2021, no amounts have been offset in the statement of financial position.

(vi) Impairment of financial assets:

The Company recognizes loss allowances for expected credit loss (ECL) on financial assets measured at amortized cost. The Company applies a three-stage approach to measure allowance for credit losses. The Company measures the loss allowance at an amount equal to 12 months of expected losses for performing mortgages if the credit risk at the reporting date has not increased significantly since initial recognition (Stage 1) and at an amount equal to lifetime expected losses on performing mortgages that have experienced a significant increase in credit risk since origination (Stage 2) and at an amount equal to lifetime expected losses on mortgages which are credit impaired (Stage 3).

3. Significant accounting policies (continued):

The determination of a significant increase in credit risk takes into account different factors and varies by nature of investment. The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due interest payment or maturity date, or pursuant to borrower specific relative criteria as identified by the Manager.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonably and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment that includes forward-looking information.

The Company considers a financial asset to be credit impaired when the borrower is more than 90 days past due or when there is objective evidence that there has been a deterioration of credit quality to the extent the Company no longer has reasonable assurance as to the timely collection of the full amount of principal and interest or/and when the Company has commenced enforcement remedies available to it under its contractual agreements.

The assessment of significant increase in credit risk requires experienced credit judgment. In determining whether there has been a significant increase in credit risk and in calculating the amount of expected credit losses, the Manager relies on estimates and exercises judgment regarding matters for which the ultimate outcome is unknown. These judgments include changes in circumstances that may cause future assessments of credit risk to be materially different from current assessments, which could require an increase or decrease in the allowance for credit losses.

In cases where a borrower experiences financial difficulties, the Company may grant certain concessionary modifications to the terms and conditions of a mortgage. Modifications may include payment deferrals, extension of amortization periods, debt consolidation, forbearance and other modifications intended to minimize the economic loss and to avoid foreclosure or repossession of collateral. The Company determines the appropriate remediation strategy based on the individual borrower. If the Company determines that a modification results in expiry of cash flows, the original asset is derecognized while a new asset is recognized based on the new contractual terms.

Significant increase in credit risk is assessed relative to the risk of default on the date of modification. If the Company determines that a modification does not result in derecognition, significant increase in credit risk is assessed based on the risk of default at initial recognition of the original asset.

3. Significant accounting policies (continued):

Expected cash flows arising from the modified contractual terms are considered when calculating the ECL for the modified asset. For mortgages that were modified while having a lifetime ECL, the mortgages can revert to having 12-month ECL after a period of performance and improvement in the borrower's financial condition.

Measurement of ECLs:

ECLs are probability-weighted estimates of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset. Lifetime ECLs are the ECLs that result from all possible default event over the expected life of a financial instrument. 12-months ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). 12 month and lifetime probabilities of default are based on historical data from external credit rating agencies. Loss given default parameters generally reflect an assumed recovery rate of 70 percent (2021 - 80 percent). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

When determining the expected credit loss provision, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. The Manager considers past events, current market conditions and reasonable forward-looking supportable information about future economic conditions. In assessing information about possible future economic conditions, the Company utilizes multiple economic scenarios including a base case, which represents the most probable outcome and is consistent with the Manager’s view of the mortgage investments. In considering the lifetime of a mortgage, the contractual period of the mortgage, including prepayment, extension and other options is generally used.

The Company incorporates forward-looking information into both the assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and measurement of ECL. The key drivers for credit risk used by the Company are GDP growth, unemployment rates and housing price indicators. The Company may also make qualitative adjustments or overlays using the Manager’s credit judgment.

Credit-impaired financial assets:

Allowances for Stage 3, including those purchase or originated credit impaired (POCI), are recorded for individually identified impaired mortgages to reduce their carrying value to the expected recoverable amount.

3. Significant accounting policies (continued):

The Company reviews its mortgage investments on an ongoing basis to assess whether any mortgages carried at amortized cost should be classified as credit impaired and whether an allowance or write-off should be recorded. The review of individually significant problem mortgages, including POCI, is conducted at least quarterly by the Manager, who assesses the ultimate collectability and estimated recoveries for a specific mortgage based on all events and conditions that are relevant to the mortgage. To determine the amount the Company expects to recover from an individually significant impaired mortgage, the Company uses the value of the estimated future cash flows discounted at the mortgage's original effective interest rate. The determination of estimated future cash flows of a collateralized impaired mortgage reflects the expected realization of the underlying security, net of expected costs and any amounts legally required to be paid to the borrower.

Presentation of allowance for ECL in the statement of financial position:

Loss allowances for financial asset measured at amortized cost are deducted from the gross carrying amount of the asset.

Write-offs:

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to write-off. The Company expects no significant recovery from the amount written off.

However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(c) Preferred shares:

The Company's preferred shares include a contractual obligation to deliver cash or another financial asset and therefore the ongoing redemption feature is not the Company's only contractual obligation. As such, the Company's preferred shares are classified as financial liabilities in accordance with International Accounting Standard 32, *Financial Instruments: Presentation*.

(d) Income taxes:

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

CCMBC INVESTMENTS LTD.

Notes to Financial Statements (continued)

Year ended December 31, 2022

3. Significant accounting policies (continued):

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

4. Mortgage investments:

The Company's mortgage investments consist of the following at December 31:

	2022	2021
Mortgage investments	$ 64,679,676	$ 73,113,607
Interest receivable	157,718	96,575
	64,837,394	73,210,182
Allowance for credit losses	(1,494,603)	(1,311,282)
Mortgage investments at amortized cost	$ 63,342,791	$ 71,898,900

As at December 31, 2022, unadvanced mortgage commitments under the existing gross mortgage investments amounted to $2,097,385 (2021 - $3,974,589). The mortgage investments are secured by real property and will mature between 2023 and 2048. During the year ended December 31, 2022, the Company generated net interest income of $3,699,151 (2021 - $3,420,131).

All mortgage investments bear interest at a variable rate. At December 31, 2022, the interest rate on mortgages to MB Churches and MB Church Entities is 5.90 percent (2021 - 3.90 percent) and for MB Church Pastors is 4.25 percent (2021 - 2.90 percent).

CCMBC INVESTMENTS LTD.

Notes to Financial Statements (continued)

Year ended December 31, 2022

4. Mortgage investments (continued):

The Company reviews the interest rates every six months and adjusts the rates, as required, to ensure a positive difference between its outstanding promissory notes and the mortgage investments.

During the year ended December 31, 2022, the weighted average interest rate earned on net mortgage investments was 5.81 percent (2021 - 3.85 percent). A majority of the mortgage investments contain a prepayment option, whereby the borrower may repay the principal at any time prior to maturity without penalty or yield maintenance.

If not demanded, principal repayments are expected as follows:

2022	$	2,391,479
2023		1,687,282
2024		1,790,915
2025		1,871,673
2026 and thereafter		58,620,279
	$	66,361,628

Allowance for Credit Losses:

The allowance for credit losses is maintained at a level that the Company considers adequate to absorb expected credit-related losses on the mortgage investments. The allowance for credit losses amounted to $1,494,603 as at December 31, 2022 (2021 - $1,311,282) which is recorded in mortgage investments on the statement of financial position. Certain mortgage investments held by the Company do not have an allowance for credit losses due to the value of the underlying collateral.

During the year ended December 31, 2022, the Company worked with borrowers on a case-by-case basis on deferral arrangements. At December 31, 2022, 3.9 percent (2021 - 1.1 percent) of borrowers (excluding those POCI) were still on deferral arrangements or had not resumed their principal and interest payments. Additionally, the Company entered into mortgage agreements which modified the original mortgage agreements with two existing borrowers. Subsequent to December 31, 2022, deferral arrangements were entered into with an additional 6.5 percent of borrowers.

During the year ended December 31, 2022, the borrower for one POCI mortgage disposed of their property and repaid their mortgage to the Company. This resulted in a reversal for the provision for credit losses of $184,587 and a gain of $1,542,108 recorded in the statement of comprehensive income.

CCMBC INVESTMENTS LTD.

Notes to Financial Statements (continued)

Year ended December 31, 2022

4. Mortgage investments (continued):

December 31, 2022:

MB Churches	Stage 1	Stage 2	Stage 3	POCI	Total
Mortgage investments, including interest receivable	$ 31,012,307	$15,056,653	$ –	$ 1,517,917	$ 47,586,877
Allowance for credit losses	(29,083)	(174,764)	–	(762,266)	(966,113)
Mortgage investments, net of allowance	$ 30,983,224	$14,881,889	$ –	$ 755,651	$ 46,620,764

MB Church Entities	Stage 1	Stage 2	Stage 3	POCI	Total
Mortgage investments, including interest receivable	$ 11,842,012	$ 1,212,141	$ –	$ 728,219	$ 13,782,372
Allowance for credit losses	–	(31,774)	–	(444,073)	(475,847)
Mortgage investments, net of allowance	$ 11,842,012	$ 1,180,367	$ –	$ 284,146	$ 13,306,525

MB Church Pastors	Stage 1	Stage 2	Stage 3	POCI	Total
Mortgage investments, including interest receivable	$ 2,574,870	$ 893,275	$ –	$ –	$ 3,468,145
Allowance for credit losses	(52,643)	–	–	–	(52,643)
Mortgage investments, net of allowance	$ 2,522,227	$ 893,275	$ –	$ –	$ 3,415,502

December 31, 2021:

MB Churches	Stage 1	Stage 2	Stage 3	POCI	Total
Mortgage investments, including interest receivable	$ 40,442,728	$11,885,028	$ –	$ 3,015,413	$ 55,343,169
Allowance for credit losses	(35,313)	(5,137)	–	(759,352)	(799,802)
Mortgage investments, net of allowance	$ 40,407,415	$11,879,891	$ –	$ 2,256,061	$ 54,543,367

MB Church Entities	Stage 1	Stage 2	Stage 3	POCI	Total
Mortgage investments, including interest receivable	$ 12,716,924	$ 1,042,750	$ –	$ 728,218	$ 14,487,892
Allowance for credit losses	–	(6,495)	–	(448,708)	(455,203)
Mortgage investments, net of allowance	$ 12,716,924	$ 1,036,255	$ –	$ 279,510	$ 14,032,689

CCMBC INVESTMENTS LTD.

Notes to Financial Statements (continued)

Year ended December 31, 2022

4. Mortgage investments (continued):

MB Church Pastors	Stage 1	Stage 2	Stage 3	POCI	Total
Mortgage investments, including interest receivable	$ 2,454,239	$ 924,882	$ –	$ –	$ 3,379,121
Allowance for credit losses	(56,277)	–	–	–	(56,277)
Mortgage investments, net of allowance	$ 2,397,962	$ 924,882	$ –	$ –	$ 3,322,844

The changes in the allowance for credit losses are shown in the following tables:

December 31, 2022

MB Churches	Stage 1	Stage 2	Stage 3	POCI	Total
Balance, beginning of year	$ 35,313	$ 5,137	$ –	$ 759,352	$ 799,802
Transfer to/from:					
Stage 1	–	–	–	–	–
Stage 2	–	–	–	–	–
Stage 3	–	–	–	–	–
Remeasurement	(3,200)	159,686	–	453,253	609,739
Purchases	–	–	–	–	–
Fundings	–	10,975	–	–	10,975
Repayments	(3,030)	(1,034)	–	(184,587)	(188,651)
Write-offs	–	–	–	(265,752)	(265,752)
Balance, end of year	$ 29,083	$ 174,764	$ –	$ 762,266	$ 966,113

MB Church Entities	Stage 1	Stage 2	Stage 3	POCI	Total
Balance, beginning of year	$ –	$ 6,495	$	$ 448,708	$ 455,203
Transfer to/from:					
Stage 1	–	–	–	–	–
Stage 2	–	–	–	–	–
Stage 3	–	–	–	–	–
Remeasurement	–	25,741	–	64,234	89,975
Purchases	–	–	–	–	–
Fundings	–	–	–	10,038	10,038
Repayments	–	(462)	–	(3,536)	(3,998)
Write-offs	–	–	–	(75,371)	(75,371)
Balance, end of year	$ –	$ 31,774	$	$ 444,073	$ 475,847

CCMBC INVESTMENTS LTD.

Notes to Financial Statements (continued)

Year ended December 31, 2022

4. Mortgage investments (continued):

MB Church Pastors	Stage 1	Stage 2	Stage 3	POCI	Total
Balance, beginning of year	$ 56,277	$ –	$ –	$ –	$ 56,277
Transfer to/from:					
Stage 1	–	–	–	–	–
Stage 2	–	–	–	–	–
Stage 3	–	–	–	–	–
Remeasurement	(2,143)	–	–	–	(2,143)
Purchases	–	–	–	–	–
Fundings	–	–	–	–	–
Repayments	(1,491)	–	–	–	(1,491)
Write-offs	–	–	–	–	–
Balance, end of year	$ 52,643	$ –	$ –	$ –	$ 52,643

December 31, 2021

MB Churches	Stage 1	Stage 2	Stage 3	POCI	Total
Balance, beginning of year	$ 6,507	$ 630,288	$ –	$ 7,339	$ 644,134
Transfer to/from:					
Stage 1	–	–	–	–	–
Stage 2	(5,519)	5,519	–	–	–
Stage 3	–	–	–	–	–
Remeasurement	35,417	(631,785)	–	1,085,262	488,894
Purchases	–	–	–	–	–
Fundings	–	1,209	–	–	1,209
Repayments	(1,092)	(94)	–	–	(1,186)
Write-offs	–	–	–	(333,249)	(333,249)
Balance, end of year	$ 35,313	$ 5,137	$ –	$759,352	$ 799,802

MB Church Entities	Stage 1	Stage 2	Stage 3	POCI	Total
Balance, beginning of year	$ 7,089	$ 32,410	$ –	$131,396	$ 170,895
Transfer to/from:					
Stage 1	–	–	–	–	–
Stage 2	–	–	–	–	–
Stage 3	–	–	–	–	–
Remeasurement	(7,089)	(25,692)	–	555,290	522,509
Purchases	–	–	–	–	–
Fundings	–	–	–	–	–
Repayments	–	(223)	–	(206,547)	(206,770)
Write-offs	–	–	–	(31,431)	(31,431)
Balance, end of year	$ –	$ 6,495	$ –	$448,708	$ 455,203

4. Mortgage investments (continued):

MB Church Pastors	Stage 1	Stage 2	Stage 3	POCI	Total
Balance, beginning of year	$ 43,249	$ –	$ –	$ –	$ 43,249
Transfer to/from:					
Stage 1	–	–	–	–	–
Stage 2	–	–	–	–	–
Stage 3	–	–	–	–	–
Remeasurement	3,137		–	–	3,137
Purchases	–	–	–	–	
Fundings	10,697		–	–	10,697
Repayments	(806)	–	–	–	(806)
Write-offs	–	–	–	–	–
Balance, end of year	$ 56,277	$ –	$ –	$ –	$ 56,277

The internal risk ratings presented in the table below are defined as follows:

Low risk: Mortgage investments that have lower credit risk than the Company's risk appetite and credit standards and that have a below average probability of default.

Medium-low risk: Mortgage investments that are typical for the Company's risk appetite and credit standards and retain a below average probability of default.

Medium-high risk: Mortgage investments that are within the Company's risk appetite and credit standards and retain an average probability of default.

High risk: Mortgage investments within the Company's risk appetite and credit standards that have an additional element of credit risk that could result in an above average probability of default.

Default: Mortgage investments that are 90 days past due and when there is objective evidence that there has been a deterioration of credit quality to the extent the Company no longer has reasonable assurance as to the timely collection of the full amount of principal and interest and/or when the Company has commenced enforcement remedies available to it under its contractual agreements.

CCMBC INVESTMENTS LTD.

Notes to Financial Statements (continued)

Year ended December 31, 2022

4. Mortgage investments (continued):

The following table presents the gross carrying amounts of mortgage investments subject to impairment requirements by internal risk ratings used by the Company for credit risk management purposes at December 31, 2022:

MB Churches	Stage 1	Stage 2	Stage 3	POCI	Total
Low risk	$ 10,364,743	$ 883,262	$ –	$ –	$ 11,248,005
Medium-low risk	17,130,107	3,728,970	–	–	20,859,077
Medium-high risk	3,517,457	1,258,305	–	–	4,775,762
High risk	–	9,186,116	–	–	9,186,116
Default	–	–	–	1,517,917	1,517,917
Gross mortgage investments	31,012,307	15,056,653	–	1,517,917	47,586,877
Allowance for credit losses	(29,083)	(174,764)	–	(762,266)	(966,113)
Mortgage investments, net of allowance	$ 30,983,224	$ 14,881,889	$ –	$ 755,651	$ 46,620,764

MB Church Entities	Stage 1	Stage 2	Stage 3	POCI	Total
Low risk	$ 4,992,414	$ 284,362	$ –	$ –	$ 5,276,776
Medium-low risk	6,849,598	927,779	–	–	7,777,377
Medium-high risk	–	–	–	–	–
High risk	–	–	–	–	–
Default	–	–	–	728,219	728,219
Gross mortgage investments	11,842,012	1,212,141	–	728,219	13,782,372
Allowance for credit losses	–	(31,774)	–	(444,073)	(475,847)
Mortgage investments, net of allowance	$ 11,842,012	$ 1,180,367	$ –	$ 284,146	$ 13,306,525

MB Church Pastors	Stage 1	Stage 2	Stage 3	POCI	Total
Low risk	$ –	$ –	$ –	$ –	$ –
Medium-low risk	1,406,825	582,357	–	–	1,989,182
Medium-high risk	1,168,045	–	–	–	1,168,045
High risk	–	310,918	–	–	310,918
Default	–	–	–	–	–
Gross mortgage investments	2,574,870	893,275	–	–	3,468,145
Allowance for credit losses	(52,643)	–	–	–	(52,643)
Mortgage investments, net of allowance	$ 2,522,227	$ 893,275	$ –	$ –	$ 3,415,502

CCMBC INVESTMENTS LTD.

Notes to Financial Statements (continued)

Year ended December 31, 2022

4. Mortgage investments (continued):

The following table presents the gross carrying amounts of mortgage investments subject to impairment requirements by internal risk ratings used by the Company for credit risk management purposes at December 31, 2021:

MB Churches	Stage 1	Stage 2	Stage 3	POCI	Total
Low risk	$ 26,367,576	$ 232,679	$ –	$ –	$ 26,600,255
Medium-low risk	12,841,171	696,647	–	–	13,537,818
Medium-high risk	1,233,981	9,629,510	–	–	10,863,491
High risk	–	1,326,192	–	–	1,326,192
Default	–	–	–	3,015,413	3,015,413
Gross mortgage investments	40,442,728	11,885,028	–	3,015,413	55,343,169
Allowance for credit losses	(35,313)	(5,137)	–	(759,352)	(799,802)
Mortgage investments, net of allowance	$ 40,407,415	$11,879,891	$ –	$ 2,256,061	$ 54,543,367

MB Church Entities	Stage 1	Stage 2	Stage 3	POCI	Total
Low risk	$ 6,075,359	$ 94,692	$ –	$ –	$ 6,170,051
Medium-low risk	6,641,565	–	–	–	6,641,565
Medium-high risk	–	948,058	–	–	948,058
High risk	–	–	–	–	–
Default	–	–	–	728,218	728,218
Gross mortgage investments	12,716,924	1,042,750	–	728,218	14,487,892
Allowance for credit losses	–	(6,495)	–	(448,708)	(455,203)
Mortgage investments, net of allowance	$ 12,716,924	$ 1,036,255	$ –	$ 279,510	$ 14,032,689

MB Church Pastors	Stage 1	Stage 2	Stage 3	POCI	Total
Low risk	$ –	$ –	$ –	$ –	$ –
Medium-low risk	1,215,645	–	–	–	1,215,645
Medium-high risk	1,116,740	606,750	–	–	1,723,490
High risk	121,854	318,132	–	–	439,986
Default	–	–	–	–	–
Gross mortgage investments	2,454,239	924,882	–	–	3,379,121
Allowance for credit losses	(56,277)	–	–	–	(56,277)
Mortgage investments, net of allowance	$ 2,397,962	$ 924,882	$ –	$ –	$ 3,322,844

CCMBC INVESTMENTS LTD.

Notes to Financial Statements (continued)

Year ended December 31, 2022

4. Mortgage investments (continued):

Geographic analysis:

December 31, 2022	MB Churches	MB Church Entities	MB Church Pastors	Total
British Columbia	$ 32,069,892	$ 5,734,742	$ 1,033,786	$ 38,838,420
Ontario	4,215,236	6,938,169	1,159,250	12,312,655
Alberta	6,232,268	252,588	–	6,484,856
Saskatchewan	135,775	78,116	227,099	440,990
Manitoba	3,808,751	–	474,581	4,283,332
Quebec	40,604	302,910	520,786	864,300
Atlantic Provinces	118,238	–	–	118,238
	$ 46,620,764	$ 13,306,525	$ 3,415,502	$ 63,342,791

December 31, 2021	MB Churches	MB Church Entities	MB Church Pastors	Total
British Columbia	$ 37,779,757	$ 6,084,860	$ 1,384,640	$ 45,249,257
Ontario	6,094,768	7,464,187	640,906	14,199,861
Alberta	6,255,477	88,197	–	6,343,674
Saskatchewan	250,868	85,025	262,101	597,994
Manitoba	3,989,877	–	488,550	4,478,427
Quebec	49,608	310,420	546,647	906,675
Atlantic Provinces	123,012	–	–	123,012
	$ 54,543,367	$ 14,032,689	$ 3,322,844	$ 71,898,900

5. Other investments:

The Company's other investments consist of the following at December 31 which are unconsolidated structured entities (note 13):

	2022	2021
Private mortgage funds	$ 24,810,921	$ 21,991,031
Private fixed income funds	33,192,863	31,028,534
	$ 58,003,784	$ 53,019,565

6. Promissory notes:

The Company is authorized to issue an unlimited number of promissory notes which can be issued in one or more series. The initial minimum subscription amount for each holder of a promissory note is $2,500. The promissory notes are payable on demand and bear interest at a variable interest rate which is determined on January 1 and July 1 of each year. The variable interest rate is equal to the overnight lending rate of the Bank of Canada plus 115 basis points. Interest is compounded and payable on a semi-annual basis on June 30 and December 31 of each year. The payment of the demand promissory notes will be limited to available cash, and the Company will use reasonable commercial efforts to cover such requests, but will not be required to sell assets or borrow money in order to fund such payments.

On December 20, 2021, the Company amended the terms and conditions of the promissory notes to allow for additional interest to be paid at the discretion of the Company. Effective January 1, 2022 to June 30, 2022, the interest rate on the promissory notes was increased by 20 basis points to 135 basis points above the overnight lending rate of the Bank of Canada. Effective July 1, 2022 to December 31, 2022, the interest rate on the promissory notes was increased by an additional 30 basis points to 165 basis points above the overnight lending rate of the Bank of Canada.

The following table summarizes the promissory notes as at December 31:

	2022	2021
Promissory notes	$ 121,213,177	$ 126,269,189
Less transaction costs	(266,038)	(422,023)
	$ 120,947,139	$ 125,847,166

The following table summarizes activity for the promissory notes for the period ending December 31:

	Note	2022	2021
Balance, beginning of year		$ 125,847,166	$ 130,427,625
Promissory notes issued		8,148,475	12,511,333
Transfer from preferred shares	7	8,000	8,500
Promissory notes repaid		(16,047,599)	(18,993,060)
Amortization of transaction costs		155,985	141,912
Interest on promissory notes		2,906,519	1,825,957
Transfer of interest on preferred shares	7	6,250	6,730
Interest paid		(77,657)	(81,831)
		$ 120,947,139	$ 125,847,166

CCMBC INVESTMENTS LTD.

Notes to Financial Statements (continued)

Year ended December 31, 2022

7. Preferred shares:

Preferred shares are issued on the first $500 invested by an investor in the Company with the remainder invested in promissory notes. The preferred shares are redeemable at the option of the holder for $1, with a minimum of fourteen days' notice to the Company. The preferred shares are not entitled to vote at any meetings of shareholders, except where otherwise provided by the Canada Business Corporations Act, and, in such case, they shall then be entitled to one vote for each preferred share held.

The preferred shares are entitled in each financial year of the Company, cumulative dividends at a rate equal to 1 percent of the redemption amount of $1 per preferred share. Individual holders of preferred shares must subscribe for 500 preferred shares and no holder of preferred shares can hold more than 500 preferred shares.

The following table summarizes the preferred shares as at December 31, 2022:

	Number	Amount
Authorized:		
Unlimited preferred shares, non-voting, cumulative dividend entitlement of 1 percent of the redemption amount annually, redeemable at the option of the holder for $1	630,500	$ 630,500

The following table summarizes the preferred shares as at December 31, 2021:

	Number	Amount
Authorized:		
Unlimited preferred shares, non-voting, cumulative dividend entitlement of 1 percent of the redemption amount annually, redeemable at the option of the holder for $1	678,500	$ 678,500

The following table summarizes activity for the preferred shares for the year ending December 31:

	Note	2022	2021
Balance, beginning of year		$ 678,500	$ 752,500
Preferred shares issued		14,000	15,500
Preferred shares transferred to promissory notes	6	(8,000)	(8,500)
Preferred shares repurchased		(54,000)	(81,000)
Accrued interest		6,499	7,161
Interest paid		(249)	(431)
Transfer of interest to promissory notes	6	(6,250)	(6,730)
Balance, end of year		$ 630,500	$ 678,500

CCMBC INVESTMENTS LTD.

Notes to Financial Statements (continued)

Year ended December 31, 2022

8. Share capital:

On May 14, 2019, the Company issued 1 common share for cash consideration of $100 to Legacy.

	Number	Amount
Authorized and issued:		
1 common share	1	$ 100

9. Management and investment management fees:

The Company is managed by Legacy. For the year ended December 31, 2022, the Company incurred management fees of $500,000 (2021 - $422,000).

The Company has entered into an Investment Management and Distribution Agreement with a third party that can be cancelled at any time on written notice without penalty. The investment management fees are as follows:

- $400,000 on the first $30,000,000 of assets under management (AUM)
- 0.80% on AUM from $30,000,000 to $50,000,000
- 0.60% on AUM from $50,000,000 to $150,000,000

For the year ended December 31, 2022, the Company incurred investment management fees of $575,253 (2021 - $660,427).

10. Related party transactions:

The Company is managed by Legacy and pays management fees as described in note 9.

During the year ended December 31, 2022, the Company donated $2,290,000 (2021 - $2,400,000) to Legacy.

Key management personnel:

During the periods ended December 31, 2022 and 2021, no amounts were paid to the Company's Board of Directors. The compensation to the senior management of Legacy is paid through management fees paid to Legacy.

CCMBC INVESTMENTS LTD.

Notes to Financial Statements (continued)

Year ended December 31, 2022

11. Income taxes:

Components of income tax expense (recovery):

	2022	2021
Current taxes	$ 196,354	$ 163,405
Deferred taxes	26,473	23,619
Total income taxes	$ 222,827	$ 187,024

Reconciliation of total tax expense (recovery):

	2022	2021
Income before tax	$ 919,862	$ 751,546
Combined federal and provincial statutory tax rates	27%	27%
Expected income taxes using combined statutory rates	248,363	202,917
Effects of other differences, net	(25,536)	(15,893)
Total income taxes	$ 222,827	$ 187,024

Net deferred tax assets at December 31, 2022 and 2021:

	Statement of financial position	
	2022	2021
Provision for credit losses	$ 59,110	$ 68,639
Donation carryforward	89,503	107,835
Transaction costs	(12,607)	(13,996)
Net deferred tax assets	$ 136,006	$ 162,478

12. Fair value measurement:

When measuring the fair value of an asset or of a liability, the Company uses market observable data as much as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs). If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting year during which the change has occurred. There were no transfers between levels during the years ended December 31, 2022 and 2021.

The Company's other investments are carried at fair value and fair value is based on level 2 inputs.

There is no quoted price in an active market for the mortgage investments. The Manager makes its determination of fair value based on its assessment of the current lending market for the mortgage investments of same or similar terms. As a result, the fair value of mortgage investments is based on level 3 inputs. The fair value of mortgage investments approximates their carrying value as interest rates are comparable to market rates for similar instruments.

The promissory notes and preferred shares are due on demand and therefore their fair values approximate their carrying values. The fair values of the remaining financial assets and liabilities carried at amortized cost approximate their carrying values due to their short maturity.

CCMBC INVESTMENTS LTD.

Notes to Financial Statements (continued)

Year ended December 31, 2022

13. Interest in unconsolidated structured entities:

The table below describes the types of structured entities that the Company does not consolidate, but in which it holds an interest:

Type of structured entity	Nature and purpose	Interest held by the Company
Investments funds	To manage assets on behalf of third party investors and generate fees for the investment manager. These vehicles are financed through the issue of units to investors.	Investment in units issued by the funds

The tables below set out interests held by the Company in unconsolidated structured entities. The maximum exposure to loss is the carrying amount of the financial assets held.

December 31, 2022			
Underlying funds	Number of underlying funds held	Total net assets of underlying funds	Carrying amount
Private mortgage funds		$	$ 24,810,921
Private fixed income funds			33,192,863

Underlying funds	Principal place of business	Country of domicile	Average cost	Carrying amount included in other investments
Private mortgage funds	Canada	Canada	$ 24,544,084	$ 24,810,921
Private fixed income funds	Canada	Canada	33,593,458	33,192,863
Total			$ 58,137,542	$ 58,003,784

December 31, 2021			
Underlying funds	Number of underlying funds held	Total net assets of underlying funds	Carrying amount
Private mortgage funds	2	$ 254,871,043	$ 21,991,031
Private fixed income funds	2	139,277,182	31,028,534

Underlying funds	Principal place of business	Country of domicile	Average cost	Carrying amount included in other investments
Private mortgage funds	Canada	Canada	$ 21,826,099	$ 21,991,031
Private fixed income funds	Canada	Canada	31,370,749	31,028,534
Total			$ 53,196,848	$ 53,019,565

13. Interest in unconsolidated structured entities (continued):

During the year, the Company did not provide financial support to unconsolidated structured entities and has no intention of providing financial or other support. The Company can redeem their investment in the underlying funds ranging from weekly to semi-annually.

The Company has determined the funds (Investee Funds) in which it invests are unconsolidated structured entities generally because decision making about the Investee Funds' investing activities is not governed by voting rights held by the Company and other investors.

The Investee Funds are managed by an asset manager who is unrelated to the Company (note 9) and applies various investment strategies to accomplish their respective investment objectives. These objectives include generating income and cash flow along with capital appreciation by investing in fixed income securities and mortgages. The private fixed income are invested in unconsolidated structured entities (investment funds) which comprise approximately __ percent (2021 - 77 percent) of the aggregate net assets of the private fixed income funds.

The change in fair value of each Investee Fund is included in the statement of comprehensive income in 'Change in unrealized appreciation (depreciation) in value of other investments'.

14. Operating facility and guarantees:

On May 6, 2021, the Company entered into a Letter of Agreement with the Bank of Montreal providing for an operating facility in the amount of $1,500,000 which bears interest at the prime rate and is repayable on demand. The operating facility is secured by a general security agreement over the assets of the Company, a $1,500,000 corporate guarantee from Legacy, CCMBC and CCMBC Holdings Inc., a pledge of securities and accounts from Legacy and general security agreements over the assets of Legacy, CCMBC and CCMBC Holdings Inc. As at December 31, 2022 and 2021, the operating facility was unutilized.

On August 22, 2019, and as amended October 25, 2019, Legacy entered into a Letter Agreement with the Bank of Montreal providing for operating facilities for use by Legacy. The Company has provided a guarantee in the amount of $1,275,000 (2021 - $1,275,000) and a general security agreement over the assets of the Company to the Bank of Montreal as part of the security for the operating facility of Legacy. At December 31, 2022 and 2021, the operating facility for use by Legacy was unutilized.

15. Capital risk management:

The Company manages its capital structure in order to support ongoing operations while focusing on its primary objectives of raising funds to accomplish the charitable purposes of CCMBC and Legacy. The Company defines its capital structure to include common shares, promissory notes and preferred shares. The Company reviews its capital structure on an ongoing basis and adjusts its capital structure in response to mortgage investment opportunities and anticipated changes in general economic conditions.

The Company utilizes mortgage investment policies to manage the risk profile of the mortgage investments and investment guidelines to manage the risk profile of its other investments.

16. Risk management:

The Company is exposed to the symptoms and effects of national and global economic conditions and other factors that could adversely affect its business, financial condition and operating results. Many of these risk factors are beyond the Company's direct control.

The Manager and Board of Directors play an active role in monitoring the Company's key risks and in determining the policies that are best suited to manage these risks.

The Company's business activities, including its use of financial instruments, exposes the Company to various risks, the most significant of which are market rate risk (interest rate risk), credit risk, and liquidity risk.

(a) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of financial assets or financial liabilities will fluctuate because of changes in market interest rates.

As of December 31, 2022, $63,342,791 (2021 - $71,898,900) of net mortgage investments bear interest at variable rates. If there were a decrease or increase of 1 percent in interest rates, with all other variables constant, the impact from variable rate mortgage investments would be a decrease or increase in net comprehensive income of approximately $689,000 (2021 - $759,000).

As of December 31, 2022, $120,947,139 (2021 - $125,847,167) of promissory notes bear interest at variable rates. If there was a decrease or increase of 1 percent in interest rates, with all other variables constant, the impacting from variable rate promissory notes would be a increase or decrease in net comprehensive income of approximately $1,222,000 (2021 - $1,309,000).

16. Risk management (continued):

The Company manages its sensitivity to interest rate fluctuations by managing the interest rate spread between its promissory notes and mortgage investments.

The Company's cash, other investment income receivable, accounts payable and accrued liabilities and due to related parties have no exposure to interest rate risk due to their short-term nature. Cash carries a variable rate of interest and is subject to minimal interest rate risk and the preferred shares have no exposure to interest rate risk due to their fixed interest rate.

The Company is also exposed to interest rate risk through its investments in Investee Funds (note 13).

The Investee Funds are exposed to interest rate risk through their investments in interest-bearing financial instruments and in underlying funds exposed to interest rate risk. The Investee Funds have high-yield (or below investment grade) exposure to mortgages and therefore net assets tend to be affected more by changes in economic growth than changes in interest rates.

(b) Currency risk:

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company has no significant direct exposure, or indirect exposure through its investment in Investee Funds, to currency risk at December 31, 2022 and 2021.

(c) Credit risk:

Credit risk is the risk that a borrower may be unable to honour its debt commitments as a result of a negative change in market conditions that could result in a loss to the Company. The Company mitigates this risk by the following:

(i) adhering to the mortgage investment policies and investment guidelines (subject to certain duly approved exceptions);

(ii) ensuring all new mortgage investments over a pre-determined threshold are approved by the Board of Directors, and by appropriate members of management below a pre-determined threshold before funding; and

(iii) actively monitoring the mortgage investments and initiating recovery procedures, in a timely manner, where required.

16. Risk management (continued):

The exposure to credit risk at December 31, 2022 relating to net mortgages amounts to $63,342,791 (2021 - $71,898,900).

The Company has recourse under these mortgages in the event of default by the borrower; in which case, the Company would have a claim against the underlying collateral. Management believes that the potential loss from credit risk with respect to cash that is held at a Schedule I bank to be minimal.

The Company is also exposed to credit risk through its investments in Investee Funds (note 13).

The Investee Funds are exposed to credit risk through investments in debt securities, mortgage loans and promissory notes. The mortgage loans are secured by all assets of the borrower as defined by general security agreements which may be subordinate to other lenders.

(d) Liquidity risk:

Liquidity risk is the risk that the Company, will encounter difficulty in meeting its financial obligations as they become due. This risk arises in normal operations from fluctuations in cash flow as a result of the timing of mortgage investment advances and repayments and the need for working capital. Management routinely forecasts future cash flow sources and requirements to ensure cash is efficiently utilized.

The Company's promissory notes and preferred shares are due on demand. The payment of the demand promissory notes will be limited to available cash, and the Company will use reasonable commercial efforts to cover such requests, but will not be required to sell assets or borrow money in order to fund such payments. All of the rest of the Company's financial liabilities are due within one year.

The Company is also exposed to liquidity risk through its investments in Investee Funds (note 13).

The fixed income Investee Funds are exposed to liquidity risk through weekly or monthly cash redemptions on their units and therefore they invest a portion of assets in underlying funds that they can redeem within one week or one month or less. The mortgage Investee Funds are exposed to liquidity risk through monthly or semi-annual cash redemptions on their units and therefore use cash flow projections to forecast funding requirements on mortgage proposals and anticipated redemption of units and my also enter into loan facilities with one or more Canadian chartered banks to hedge the liquidity risk of redemptions.

16. Risk management (continued):

A portion of the amounts invested in underlying funds are subject to redemption restrictions exercisable by the manager of the underlying fund to manage extraordinary liquidity pressures which includes the ability to suspend redemptions or withhold varying amounts of any redemption requested.

Annual Statistical Survey Report for 2022: Canadian Conference of Mennonite Brethren Churches

Survey submissions 2022 (Note 1)	**AB**	**AP**	**BC**	**MB**	**ON**	**PQ**	**SK**	**Total**
# of surveys submitted (Note 2)	18	1	85	33	13	8	23	181
total # of churches (Note 3)	21	2	87	43	30	8	34	225
survey return rate in %	86	50	98	77	43	100	68	80

Number of Churches 2022	**AB**	**AP**	**BC**	**MB**	**ON**	**PQ**	**SK**	**Total**
total # of churches 2022 (Note 3)	21	2	87	43	30	8	34	225
total # of churches 2021 (Note 4)	21	4	89	43	31	9	33	230
change in %	0.0	-50.0	-2.2	0.0	-3.2	-11.1	3.0	-2.2

Average weekly attendance 2022	**AB**	**AP**	**BC**	**MB**	**ON**	**PQ**	**SK**	**Total**
# from survey submissions	2,029	20	26,287	3,926	2,853	814	2,567	38,496
total # for all churches 2022 (Note 5)	2,355	65	26,357	4,588	4,137	814	2,958	41,274
total # for all churches 2021 (Note 4)	1,984	123	21,194	4,002	5,133	752	2,796	35,984
change in %	18.7	-47.2	24.4	14.6	-19.4	8.2	5.8	14.7

Membership as of Dec 31, 2022 (note 6)	**AB**	**AP**	**BC**	**MB**	**ON**	**PQ**	**SK**	**Total**
# from survey submissions	1,713	n/a	18,599	5,298	2,553	354	2,258	30,775
total # for all churches 2022 (Note 5)	2,003	n/a	18,684	5,771	3,758	354	2,544	33,114
total # for all churches 2021 (Note 4)	1,808	n/a	18,505	6,039	3,240	350	2,557	32,499
change in %	10.8	n/a	1.0	-4.4	16.0	1.1	-0.5	1.9

****

Note 1: The survey queried 4 areas: average weekly attendance; membership; baptisms; and contact information for leadership. Complete survey results are on file at the Centre for Mennonite Brethren Studies, Winnipeg.

Note 2: Based on survey responses returned by individual churches to the Centre for Mennonite Brethren Studies, Winnipeg.

Note 3: Using information from the 2022 Directory of Mennonite Brethren Churches in Canada or actual 2022 numbers.

Note 4: Based on the results of the 2021 Statistical Survey Report. See Gathering 2021 Yearbook.

Note 5: Based on survey responses, telephone calls, and estimates supplied by Provincial Conference Ministers' office.

Note 6: Only attendance numbers are available for the churches in the Atlantic Provinces (AP) and 18 other CCMBC churches.
And, unlike the other provinces, the BC stats are as of June 30, 2023.

CCMBC AGM Minutes

June 8, 2020
6:00pm – 8:00pm CDT

		Type of meeting:	Annual General Meeting
		Minute taker:	Reg Toews

Minutes

Agenda item: Welcome & Prayer **Presenter:** Cam Stuart

There were 109 delegates signed in at the beginning of the meeting.

Meeting called to order at 6:08 pm CDT

Cam shared some thoughts in preparation for the meeting. He referred to Proverbs 3:5,6 and the need for wisdom as we face challenges in our culture. He expressed his trust in God's work in us and the wisdom that He will provide. God will make our paths straight. We want to made wise decisions. He read a prayer from the book "Leadership Prayers".

Cam provided some general Zoom etiquette, tech support options and online voting protocols as per the virtual voting policy document.

Cam informed us who the Parliamentarians are: Marvin Dyck and Michelle Knowles and who is serving on the Minutes Review Committee – Kathy Varcoe and Kara Friesen.

Consent Motion: It is moved that the parliamentarian and minute review committee be approved as presented. **MSC 100%**

Consent Motion: It is moved that the agenda for the 2023 annual general meeting and the June 11, 2022 National Assembly minutes be approved as presented. **100%**

Cam walked us through the change of format for meetings. This is the Annual General Meeting where we will review financial reports, approve the budget and vote in people to serve. In the fall we will have a National Assembly where we will hear from our partner agencies, reports from ministries and work through any bylaw changes.

Cam thanked Michael Dick and the Finance Committee for their work. He invited them to present the audited financial statements.

Agenda item: Audited Financial Statements **Presenter:** Michael Dick, Jason Krueger, Jim Bell

Jim Bell presented the first set of non-consolidated financial statements for CCMBC.

All finance motions have been moved by the CCMBC Finance and Audit Committee and the Legacy Board

Motion: It is moved that the 2022 audited non-consolidated financial statements for CCMBC be approved as presented. **SC – 99%**

Jason Krueger walked us through the Legacy Fund consolidated financial statements. He mentioned the higher interest rates and how that is making things more complex for them. They are working at keeping borrowing costs as low as possible.
Questions: What strategy are you using to solidify any risky mortgages that Legacy has? A risk management tool is being used to help Legacy minimize the risks. Q: How have the higher interest rates affected us? We have more funds due to

the higher rates. Q: Has there been any discussion on paying back some of the surplus to the churches who have mortgages? This has been discussed but no decision made. Q: Will funds from Legacy be used to fund ministry in the future? Michael Dick replied with Yes and Maybe – the amount owing from CCMBC still needs to be paid back to Legacy. We are hopeful that this can be done in the next year or so. Following that funds will be disbursed as they come available.

Motion: It is moved that the CCMBC Member Representative approve the 2022 CCMBC Legacy Fund Inc. consolidated financial statements as presented. **SC 100%**

Jason reviewed the audited financial statements of the Canadian MB Pension Plan. He showed how the fund has progressed over a number of years. This past year was a challenge.

Motion: It is moved that the 2022 audited financial statements of the Canadian MB Pension Plan be approved as presented. **SC 100%**

Agenda item: 2023 Budget **Presenter:** Michael Dick, Jim Bell

Jim walked us through the budget as presented.

Motion: It is moved that the 2023 CCMBC budget be approved as presented.
MSC 100%

Discussion:

Agenda item: Auditors

Motion: It is moved that KPMG be appointed as auditor for CCMBC for fiscal year 2023. **MSC 100%**

Motion: It is moved that the CCMBC Member Representative vote in favour of KPMG being appointed as auditor for CCMBC Legacy Fund Inc. for fiscal year 2023. **MSC 100%**

Motion: It is moved that KPMG be appointed as auditor for the CCMBC Pension Plan for the fiscal year 2023. **MSC 100%**

Motion: It is moved that the CCMBC Member Representative vote in favour of KPMG being appointed as auditor for CCMBC Investments for fiscal year 2023. **MSC 100%**

Questions/Comments

Agenda item: Elections **Presenter:** Reg Toews

Motion: It is moved that the following individuals be received and elected, by ballot, as nominees to the following boards.
MSC All approved by more than the 75% required.

- Executive Board
  - Cam Stuart – Asst. Moderator (term: 2023 – 2025) 100%
  - Reg Toews – Secretary (term: 2022 – 2024) 98%
  - Tim Doerksen – Member at Large (term: 2023 – 2025) 100%
  - Rob Dyck – Member at Large (2022 - 2026) 100%
  - Bonita Eby – Member at Large (2022 – 2026) 100%
  - Sam Reimer – Member at Large (2022 – 2026) 100%
- National Faith & Life
  - Connie Maier – Member at Large (term: 2023 – 2027) 100%
  - Kristal Toews – Member at Large (term: 2022 – 2026) 100%
- MB Seminary Board
  - Denis Federau – Member at Large (term: 2023 – 2027) 99%
  - Rick Goosen – Member at Large (term: 2023 – 2027) 100%
- Historical Commission
  - Karla Braun (term: 2022 – 2026) 99%
- Mennonite Central Committee
  - Dave Ens (term: 2022 – 2026) 100%
  - Rich Janzen (term: 2022 – 2026) 97%

Questions: How do we go about finding a moderator? Reg T. shared the process for churches and individuals to share suggestions with the Nominations Committee. The nominations committee is made up of all Provincial representatives and two additional members. Suggestions can be sent to the office and will be forwarded to the Nominations committee.

We went to break out rooms for times of sharing and prayer.

Agenda item: Closing Remarks **Presenter:** Cam Stuart

Cam thanked everyone for coming on the Zoom call and participating. He asked Michael Dick to close in prayer following the motion to adjourn.

Consent Motion: It is moved the Annual General Meeting be adjourned. **MSC 100%**

Michael Dick closed our meeting in prayer.

Meeting adjourned at 7:45 PM CDT

Summary of Motions

1. **Consent Motion**: It is moved that the parliamentarian and minute review committee be approved as presented. **MSC 100%**
2. **Consent Motion**: It is moved that the agenda for the 2023 annual general meeting and the June 11, 2022 National Assembly minutes be approved as presented. **100%**
3. **Motion**: It is moved that the 2022 audited non-consolidated financial statements for CCMBC be approved as presented. **SC – 99%**
4. **Motion**: It is moved that the CCMBC Member Representative approve the 2022 CCMBC Legacy Fund Inc. consolidated financial statements as presented. **SC 100%**
5. **Motion**: It is moved that the 2022 audited financial statements of the Canadian MB Pension Plan be approved as presented. **SC 100%**
6. Motion: It is moved that the 2023 CCMBC budget be approved as presented. **MSC** 100%
7. **Motion:** It is moved that KPMG be appointed as auditor for CCMBC for fiscal year 2023. **MSC 100%**
8. **Motion**: It is moved that the CCMBC Member Representative vote in favour of KPMG being appointed as auditor for CCMBC Legacy Fund Inc. for fiscal year 2023. **MSC 100%**
9. **Motion**: It is moved that KPMG be appointed as auditor for the CCMBC Pension Plan for the fiscal year 2023. **MSC 100%**
10. **Motion**: It is moved that the CCMBC Member Representative vote in favour of KPMG being appointed as auditor for CCMBC Investments for fiscal year 2023. **MSC 100%**
11. **Motion:** It is moved that the following individuals be received and elected, by ballot, as nominees to the following boards. **MSC All approved by more than the 75% required.**

CCMBC National Assembly Minutes

October 28, 2023

Northview Community Church, Abbotsford, BC

		Type of meeting:	Annual General Meeting
		Minute taker:	Kara Friesen

Minutes

Agenda item: Welcome & Prayer **Presenter:** Cam Stuart

Cam welcomed guests and delegates to the 2023 National Assembly.

Quorum has been reached. There were 124 delegates signed in at the beginning of the meeting.

Meeting called to order at 9:15am PDT

Motion: To appoint parliamentarian (Victor Martens) and minute review team (Reg Toews and Brad Sumner). **MSC**

Motion: To approve the June 8, 2023 AGM minutes and the October 28, 2023 National Assembly agenda. **MSC**

Coffee Break.

Agenda item: Moderator's Report **Presenter:** Cam Stuart

Next year the in-person Equip/National Assembly in Winnipeg October 2024.

Cam highlighted his report in the National Assembly handbook.

There is a growing hunger for making the "main thing" the main thing with a Great Commandment posture. Gratitude for the leaders in each province who have led through a challenging season.

How do we foster the great commission of disciples who make disciples in our churches? Unity is an opportunity.

What is the role of the principal organization, CCMBC?

- We can do more effectively when we coordinate our efforts with other like-minded people.
- To be a supportive infrastructure to provinces and churches.
- Coordinate and track; administration; measuring outcomes.
- Function like a trellis in an apple orchard – providing structure to allow trees to grow healthy and produce good fruit.

We are in a new strategic era as we operationalize the CUSP.

Streamlining events into 2 events: virtual AGM in June (to approve financial statements, elect officers to boards); in-person National Assembly attached to Equip events in October.

The CUSP allows senior leaders, staff, and board members from across the country to collectively engage in operationalizing the elements of the CUSP through NFLT, NMT and the Exec. Board.

Agenda item: Leadership Front Counter Presentation **Presenter:** Mark Wessner

Mark Wessner presented the Leadership Front Counter concept. What is the point of the National Conference?

The conclusion is that there are 4 Priority Areas (Spiritual Health & Theology, Leadership Development, Organizational Healthy, and Mission) that are best accomplished by a collaborative, national approach.

MB Seminary will take the lead in coordinating the Leadership Development that is happening across the country. This tool does NOT do leadership development, people do that. This is a management tool for churches to access that makes what is already happening in Leadership Development accessible for churches across the country.

Core Learning: Leadership Development map; selection of self-guided leadership development pathways, a customized leadership pathway for individual churches, personalized record of completed credits for Canadian credentialed pastors through a dedicated Learning Management System (Populi).

The outcome is better equipped pastors and leaders in Evangelical Anabaptist theology.

Project Timeline:

- Draft Model (August 2023)
- National/Provincial board affirmation (Fall 2023 – Spring 2024)
- NFLT Professional Development approval (Spring 2024)
- Operationalize (Fall 2024)
- Project Launch (Spring 2025).

In June 2023, the NMT moved a motion that said: *"NMT asks MB Seminary to imagine a restructuring and rebranding to become an overall national leadership development center that includes, but is not limited to leadership front counter, GTE, and other forms of leadership development and theological training in partnership with provinces and agencies."*

Questions/Comments

Elton DaSilva (CCMBC National Director) – appreciation to the Seminary board and staff for their excitement for the project and their willingness to serve.

Andrew Dyck (FaithWorks, Winnipeg) – for the other schools across the country (CBC, ETEQ, CMU, Thrive) – would those be included in the options?

- Absolutely!

Tim McCarthy (North Langley) – hiring a coordinator/hiring a coordinator – what resources are needed?

- The NMT has affirmed a budget piece that outlines the needed funds and costs associated with it.
- Right now, a ½ administration piece is needed.
- As Legacy is in the position to provide revenue once again for ministry.

Michael Engbers (Parliament) - Internal resources within churches are needed rather than moving just to a professional perspective.

- The tendency is to outsource leadership development. If there are internal resources available in your churches, utilize those first. There are also resources that some churches cannot do.
- Ideally, it would be a blend of both.

Rob Thiessen (BCMB) – the picture NMT started with CUSP was a potluck. Now it's a picture of a trellis where the National is the principal organization. Concern we might not get the buy-in for the churches in this process.

- Years ago a ton of money was put into L2L, C2C/Multiply, both of which did not work out.
- As churches, we created a seminary to train pastors. The Seminary seems to be struggling with this (as are all seminaries). Shouldn't the Seminary be focusing on seminary education and churches should be doing leadership development. How is this different from L2L?
    - This is a management tool, for those in our churches and agencies.
    - The buy-in piece is key. The key will be pastors in each province who become part of the deployment and assessment in the process.
    - Seminary can do a good job training pastors, but pastors and churches are instrumental in identifying those leaders.
- Churches are struggling to find trained pastors for the church. Is this part of the plan?
    - Leadership Front Counter will not address that need specifically but it is a tool to facilitate that strategy.
    - The strategy will likely be in the hands of the NMT.

Concerns around the way L2L ended. Supports for lay leaders/board members is crucial. This may increase the overall buy-in.

- L2L had the right impulse, but excessive infrastructure may have been problematic. Leadership Front Counter is light in infrastructure.

Cam Stuart commented on the previous comment related to CCMBC as the Principal Organization. The full version of the CUSP quotes the Stanford Impact Report, which states that without a principal organization that provides organizational support for collaboration, the organization will fail.

Agenda item: Spiritual Health Report **Presenter:** Ken Esau

Thanks to Northview Church and their staff for all their support in Equip.

Recordings will be available from Equip for churches in the coming weeks/months.

Eph 4:4-6, 11-13 - Seeing and measuring growth for the purpose of maturing. Our purpose is to create a culture and community of healthy churches.

Defining Healthy Churches - 7 potential areas of health:

1. Love and worship the triune God (moments of prayer in the MB Herald, Code of Personal & Ministry Ethics for credentialled leaders).
2. Value and promote activities that lead to Christlike character development in all members of the congregation (moments of Prayer in the Herald, Code of Personal & Ministry Ethics for credentialled leaders).
3. Widespread familiarity with and embrace God's biblical story from Genesis to Revelation and the key biblical themes central in this biblical story (theological schools)
4. Growing understanding and unity around core theological, ethical and missional convictions (Confession of Faith, Equip, new credentialing questionnaire, PCOs, Q&R corner in the Herald, resources).
5. Gather, worship, pray, teach, love, give, evangelize, baptize, celebrate communion, disciple, serve, discern, fellowship, admonish, care, forgive, submit (Updating resources related to Living the Confession, partner with NMT for Equip).
6. Live out missional faithfulness (Equip, Multiply).
7. Live in accordance with structures and procedures to protect the vulnerable, honor confidentiality, encourage wise discernment and transitional procedures for leadership roles.

Agenda item: Multiply Report **Presenter:** Bruce Enns

Bruce highlighted the cumulative mission strategy phases:

- 2005: going to the least reached (North American Missionaries)
- 2015: together that the world may know (leaders who are nationals)
- 2025: Multiplying disciples (regular disciples multiplying).

Multiply wants to come alongside churches and provinces across the country in mission through the NMT and commitment to the CUSP in the area of mission.

Mission Strategy Map: Anchors (sending multiplying disciples, developing missional leaders, strengthening global partnerships) and Outcomes (disciples are made, churches are planted, nations are reached).

Agenda item: MB Seminary Report **Presenter:** Mark Wessner

Report is in the National Assembly Handbook.

Mark invited Walter Fast (Steinbach MB Church) and Ray Harms-Wiebe (Willingdon) to share their experience has been with teaching churches.

Willingdon – mobilize and mentor students who will graduate with a master's degree in ministry Foundations in Transformational Leadership. Head, heart and hands – biblical knowledge that transforms hearts and changes the way we live.

Steinbach – has two graduates love the MB church and its theology. We need well-equipped and trained in lay leadership as well given our current cultural moment. The hope is to continue to see local and global impact and those in the church equipped theologically.

Agenda item: Legacy Report **Presenter:** Jason Krueger

Jason highlighted the strategic plan summarized in the National Assembly Handbook

Mission statement: to provide ministry-focused financial services for kingdom growth.

Values: dependance on God, serving its partners, steward resources on God's behalf, provide high quality professional service and value the well-being of our employees.

Providing payroll services for approximately 180 churches and serving Health and Dental benefits to approximately 900 members.

Jason invited the Assembly to read Psalm 46 together.

Agenda item: CCMBC Budget **Presenter:** Jim Bell

Jim Bell (CCMBC CFO) presented the 2024 CCMBC budget.

Revenue: $933,300

Expenses: Spiritual Health – $266,640

Leadership Development: $195,000

Mission: $40,000

Organizational Health: $556,660

Total Expenses: $1,058,300

Surplus (Deficit) of Revenue over expenses: ($125,000)

*Note – the unpublished quarterly results indicate that CCMBC will likely end with a small surplus.

The deficit budget:

- Strengthen, enhance the single stream funding development.
- Committed to no deficit budgets in the future.
- Given the missionary annuity amount in 2022, the deficit has been carried over

Motion: to approve the 2024 CCMBC budget as presented. **MSC**

Questions

Jonathan Giesbrecht (Northview) – How do we forecast the future year budget? What is the plan to get a balance for the following year? Is there a plan for review of the single-stream funding? If so, at what level is that happening?

- Conversation is key between provinces and National Staff based on the previous year's budgets. The key is frequent conversation in the new year once provincial budgets are finalized.

Michael Dick (South Abbotsford) – As FAC chair, we are constantly dialogue around One Stream funding and its implications. The pressure is down to the provinces. Begin dialogue between FAC and the finance teams in provinces. We don't necessarily have a money problem, but a willingness to acknowledge that we are in this together. We have made commitments together as a family of church and we need to be reminded of that. We have been blessed as Mennonite Brethren, we need to challenge our churches to give nationally and provincially, seminaries and colleges.

Mark Burch (Northview) – Finances reflect our vision. Church health – down to 86 churches in BC. How many more churches will close in the next year. How is church planting being addressed? We have lost it. Less than 1% is designated to mission (not necessarily Canadian mission).

- In the strategic plan, the church planting piece is in the realm of provincial offices.

Agenda item: National Director Address **Presenter:** Elton DaSilva

Elton shared parting words with the Assembly.

People will be missed. Thank you to staff, the Executive Board, National Ministry Team, National Faith & Life Team, Legacy, Seminary & Multiply, Provincial Staff Leaders.

Acknowledgement of Don Morris (USMB Exec. Director), Doug Klassen (Exec. Minister of Mennonite Church Canada), and Dave Reimer (president of SBC) who are here today.

In these last 5 years we have needed to look at structural, leadership, theological and organizational health of CCMBC. We have a pathway now for moving forward.

1. As Anabaptists and as MBs, we need to wrestle with the word authority. When we call people to places, we give them great responsibility but minimize the authority we give them to accomplish those responsibilities. Authority is biblical.
2. High calling toward mission and what it means to be a church in mission. What is mission? If we minimize mission to simply, evangelism we are creating a disservice for ourselves. It is about strengthening and equipping the church and opening new spaces for the Gospel to enter. Mission is also walking with people to be more like Jesus.
3. Canada has a great responsibility for the globe. Engage in reaching other parts of the globe. And the globe is also coming to Canada.

Why MB?

We bypass the practicality of being MB. It is because God placed you here that you are to embrace, labor and build up to the best of your ability, uphold its collective understanding and practices, and diligently repent for failures.

God felt you were needed in this denomination. Being obedient to God's call is also to be obedient and to the place where he has called you.

Closed with Jude 2:24-25

Agenda item:	Commissioning for National Director	**Presenter:**	Michael Dick, Mark Wessner, Vic Wiens

Every leader is an interim leader – we all lead for a season.

Elton has led this denomination in a season of change, constriction, but have led us in a new Collaborative Governance model with a Collaborative Unified Strategic Plan (CUSP).

Thessalonians – He who calls you is faithful.

Philippians – God provides for all your needs.

Deuteronomy 34:10-12 – Moses was known by God, sent by God and he did it. The same can be said for Elton. Leading is hard. Leading nationally is hard.

Elton has been a gift from God for this family of churches. This gift is now being shared at a global level – his leadership, spirit and authority. As a global family, ICOMB wants to also invest in the family of CCMBC. The best is yet to come!

Vic Wiens prayed for Elton.

Agenda item:	Closing Remarks	**Presenter:**	Cam Stuart

Motion: to adjourn the October 28, 2023 National Assembly as presented. **MSC**

Cam closed with a blessing.

Meeting adjourned at 12:23pm PDT.

Summary of Motions

1. **Motion**: To appoint parliamentarian (Victor Martens) and minute review team (Reg Toews and Brad Sumner). **MSC**
2. **Motion**: To approve the June 8, 2023 AGM minutes and the October 28, 2023 National Assembly agenda. **MSC**
3. **Motion**: to approve the 2024 CCMBC budget as presented. **MSC**
4. **Motion:** to adjourn the October 28, 2023 National Assembly as presented. **MSC**