NA

2022 NATIONAL ASSEMBLY

GRACE AND TRUTH

JOHN 1:14-17

JUNE 9-12, 2022

Canadian Conference
of Mennonite Brethren Churches

WELCOME

Each year, we gather as a National Family to review our work and progress, refresh our purpose and goals, celebrate and pray together, and make decisions. Historically, we have met in a physical location, but the past two years have forced us to innovate and use a virtual base. Overall, we hope for two national gatherings in a year: our National Assembly in June and then an EQUIP event in Fall. We have thought that it would be more important to gather physically for an EQUIP event and so we plan to hold the National Assembly as a virtual event. Along with saving time and money, it allows for more engagement from all corners of the country.

We plan three events:

- Thursday Evening Information and Discussion Sessions on three key topics: Finances, Theology, and Agreements.
- Friday Evening Celebration and Worship around the theme “Grace and Truth”; and
- Saturday’s Annual General Meeting for Reports, Decisions, and Elections.

This year, we lean into our new reality of blending delegates from our churches as well as provincial and partner boards. If you have questions prior to the event, please feel free to **email me**.

Ron Penner
CCMBC 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, June 11, 2022
Location 1310 Taylor Ave,
Winnipeg, MB R3M 3Z6
Time 10 am – 3 pm CDT

1. Meeting called to order – welcome and instructions
2. Consent Motion to appoint parliamentarians, ballot team, and minute review committee
3. Consent Motion to approve agenda and the June 12, 2021 AGM minutes as presented
4. Moderator's Report
5. National Director's Report
6. MB Seminary Report
7. Motion to approve the audited financial statements as presented:
    a. CCMBC Non-Consolidated Financials
    b. Consolidated CCMBC Legacy Fund Inc. Consolidated Financials
    c. CCMBC Pension Plan
8. Motion to approve KPMG as auditors for:
    a. CCMBC
    b. CCMBC Legacy Fund Inc.
    c. CCMBC Pension
    d. CCMBC Investments
9. Legacy Report
10. Motion to approve the 2022 CCMBC budget as presented.
11. Motion to approve the 2023 CCMBC Pro Forma as presented.
12. National Faith & Life Report
13. Multiply Report
14. Motion to accept all 2022 ministry reports as presented.
15. Motion to approve the Canadian MB CUSP Strategic Partnership Agreement as presented
16. Motion to approve the MOU between The Canadian Conference of Mennonite Brethren Churches and Mennonite Brethren Biblical Seminary as presented
17. Motion to approve the MOU between The Canadian Conference of Mennonite Brethren Churches and CCMBC Legacy Fund Inc. as presented
18. Elections by ballot
    a. Executive Board
    b. National Faith & Life Team
    c. Legacy Board
    d. Nominating Committee
    e. Multiply Board
    f. Historical Commission
    g. MCC
19. 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.

FROM THE MODERATOR

When our Lord shared his parting words with His disciples, He said, *"But you will receive power when the Holy Spirit comes on you, and you will be my witnesses in Jerusalem, and in all Judea and Samaria, and the ends of the earth."* Acts 1:8 NIV. The Holy Spirit has come and "we are now continuing be His witnesses" around the globe.

Our mission is expressed as follows: "To cultivate a community and culture of healthy disciple-making churches and ministries, faithfully joining Jesus in his mission."

Our primary work as National is to serve as facilitator of our joint work, as monitor of our progress, as encourager of one another, and as steward of our theological unity and clarity.

Our agencies also provide direct support for our provinces and churches – Legacy through its financial services, MB Seminary through it educational and equipping events, Multiply through its expertise and connections in mission work, CCMBC national staff through their communication and events work, and the Historical Commission through it records, research, and publications work.

Progress on Collaborative Model

Several years ago, our churches, provinces, and ministries worked to focus our efforts in four areas which now form the key goals for our Collaborative Unified Strategic Plan (CUSP):

Spiritual Health and Theology,
Leadership Development,
Mission, and
Organizational Health.

Over the past several years, we have pursued the development of a collaborative model in which we agree and partner together in order to accomplish more together than we can alone.

Together we have crafted Bylaws, created new Teams (National Ministry Team consisting of senior leaders from all Provinces, and National Ministry Agencies; National Faith and Life Team), and developed new venues in which we shape plans together (National Council consisting of Board reps from all Provinces and National Ministry agencies, as well as National Townhalls in which any church members have opportunity to speak into plans and policies).

Our National Assemblies continue to be the place in which we make "big decisions together," but now include Board members reps from our National Agencies (Legacy, Multiply, and MB Seminary) as delegates to the National Assembly.

This year, we bring several Agreements to you for approval:

- Canadian SPA - The SPA represents our goals and commitments among our conferences and partner agencies to jointly pursue implementing our CUSP goals.
- Two revised MOUs articulating our general working relationship between ourselves and two of our Partner Agencies: Legacy, and MB Seminary. Two additional ones remain to be redone: Multiply, and Historical Commission, which we intend to have ready for June 2023.

Partner Ministries

Our National Ministry agencies, Legacy, MB Seminary, and Multiply have each gone through major challenges over the past several years.

Legacy has largely moved through a good transition, and we appreciate the leadership that Jason Krueger (President) is bringing to the ministry. Legacy has its own reports and we will see their Financial Statements and Audit Reports; they are doing well.

MB Seminary has weathered significant financial difficulties in the past several years and now looks forward to a balanced budget. Your Executive Board annually reviews the MBS Financial Statements and Audit.

Multiply has gone through a major review led by USMB and CCMBC and is now led by a new Board of Directors and soon to be led by a new General Director. We look forward to a joint working group from USMB, CCMBC, and Multiply to implement the major recommendations for change arising from the Review as well as update the major documents guiding Multiply (Bylaws and MOU).

Partnerships

On your behalf, we continue to uphold memberships and participation in a number of organizations:

- Evangelical Fellowship of Canada (EFC),
- Canadian Council of Anabaptist Leaders (CCAL),
- International Council of Mennonite Brethren (ICOMB),
- Mennonite World Conference (MWC), and
- Mennonite Central Committee (MCC).

Over the past year, leaders of USMB and CCMBC have worked through concerns around our working relationship around Multiply and have reaffirmed our partnership. We are also committing to strengthen our care and partnership for one another. We have reinitiated invitations for representatives from our respective conferences to be guests at our National Conventions. We hope to see that occur for this upcoming National Assembly.

Finances

We first wish to express our thanks to the churches and conferences for continuing to support our joint national cooperation and ministries, and we are thankful that we have ended the 2021 fiscal year with a surplus. We have used that surplus to continue reducing the amount due to Legacy stemming from the separation of CCMBC and Legacy in 2020. We also wish to express our thanks to Legacy for several significant donations toward reducing the amount due.

Several years ago, the Executive Board tabled *Our Financial Story* and *Keeping our Promises*, explaining how we had gotten into financial troubles, along with a series of promises. Here are a few updates:

- We are pleased to tell you that our agencies are continuing to operate in compliance with our regulatory requirements.
- Major financial policies and investment policy statements have been approved and implemented. A comprehensive Policies & Procedures manual was approved June 28, 2021
- We publish regular financial updates on our website. In fact, we will have a brand new Website in place by the time of our National Assembly.
- We have implemented the use of National Councils and National Townhalls for people to informed and given voice in the shaping of our plans.
- Our conference and related agencies are operating “within our means.”
- Progress is being made on disposing of investment properties. Significant interest from multiple parties has recently been shown in the largest property.
- We have a commitment to establish a Reserve fund of 5% once our debts are fully repaid.

Staff Appreciation

We express our deep appreciation to our staff who work very hard to help us pursue our mission and goals. So, our thanks to Elton DaSilva our National Director, Ken Esau, our Interim Director of National Faith and Life, Bertha Dyck, our CFO, Jon Isaak, Director of CMBS, Carson Samson, Director of Operations and Communications, Kara Friesen, Executive Assistant, and Holly Hannigan, Communications.

Ingrid Reichard has been on a medical leave from her role as Director of the NFLT since March 2021 and is still recovering. Special thanks to Ken Esau for stepping into an interim director role.

Please continue to pray for Ingrid’s continuing recovery.

A special note that Bertha will be retiring this October following 32 years of service; we thank your and wish you well Bertha!

Board Thanks

We greatly appreciate the care and expertise of many Board and Committee members who serve us all as stewards and trustees.

Thanks to outgoing EB members:

- Karen Grace Pankratz, MAL
- Kerry Dyck, MAL
- Ruth Schellenberg, MBCM Moderator's Rep
- Karen West, ONMB Moderator's Rep
- Rob Dyck, MB Seminary Rep

We are now part of an international MB Family consisting of about 22 national conferences, over 2500 churches and almost 500,000 people involved. Multiply is involved in 70 countries. A number of our churches and hundreds of our "family members" are in war-torn or mega-stressed countries – let's not forget them!

A New Era

The past two years have been challenging in some many ways – from health concerns around COVID, to conflicts stemming from measures to dealing with COVID, as well as the economic and mental health challenges stemming from restrictions.

Alongside, we have found new ways to keep in touch with one another, new ways to share ministry (eg. Online), and new ways to meet (eg. Zoom). Hard times have helped us become inventive; now we need to keep being creative and committed. We anticipate continuing to make our events and resources accessible and affordable through the use of online or hybrid media.

We have much work to do, and we look forward to tackling it together!

For the Executive Board

Ron Penner

Moderator

TABLE OFFICERS

RON PENNER
Executive Board Moderator

SHARON SIMPSON
Assistant Moderator and British Columbia Representative

REG TOEWS
Secretary

MICHAEL DICK
Treasurer/Member at Large

PROVINCIAL REPS

RICHARD LOUGHEED
Quebec (AEFMQ)

KAREN WEST
Ontario (ONMB)

RUTH SCHELLENBERG
Manitoba (MBCM)

JEFF SIEMENS
Saskatchewan (SKMB)

TIM DOERKSEN
Alberta (ABMB)

MEMBERS AT LARGE

JEFF DYCK
KERRY DYCK
KAREN GRACE-PANKRATZ
SAM REIMER
CAM STUART

EX-OFFICIO (NON-VOTING)

ELTON DASILVA
CCMBC National Director

ROB DYCK
MB Seminary Board Representative

RON WILLMS (LEGACY BOARD)
COREY REGIER (LEGACY BOARD)

NMT MEMBERS

ROB THIESSEN (BCMB)
DENIS FEDERAU (BCMB)
PAUL LOEWEN (ABMB)
PHIL GUNTHER (SKMB)
CAM PRIEBE (MBCM)
ED WILLMS (ONMB)
JASON KRUEGER (LEGACY)
LARRY NEUFELD (MULTIPLY)
MARK WESSNER (MB SEMINARY)

CCMBC STAFF

KEN ESAU
Interim Director, NFLT

BERTHA DYCK
Legacy Chief Financial Officer

KARA FRIESEN
Executive Assistant

FROM THE NATIONAL DIRECTOR

Samuel then took a large stone and placed it between the towns of Mizpah and Jeshanah. He named it Ebenezer (which means "the stone of help"), for he said, "Up to this point the Lord has helped us!" 1 Samuel 7:12

I know the passage of scripture above has become cliche. It is primarily used as comfort in moments where endurance is needed. But as I reflect on the last four years, there is no better text able to convey the reality of our recent history accurately. Today with this report, I want to place an Ebenezer (a stone of hope).

It is hard to believe that this June marks four years in the role of National Director. Some days it seems like time has flown by, and other times it has felt like a long Winnipeg winter. For the first time in a while, I feel hopeful about our future as a family of churches. Consider for a moment the difficult situation we found ourselves in a few years ago: depleted reserves, large debt due to overspending, a need to reorganize and bring our stewardship ministry into regulatory compliance, a Seminary at the brink of financial collapse, a failed merger of C2C and MB Mission, and strained relationship with our US counterparts. Not to mention entering a Pandemic. These and other issues created a disconnect between the many parts of our collective ministry.

God has been gracious to us. At the time of writing this report, Legacy is fully compliant and in a healthy position. MB Seminary is coming out of exigency. CCMBC has a plan for debt repayment and rebuilding reserves. There is healing in our relationship with the US Conference with a recommitment to working together. Multiply has just announced the hiring of a new General Director, affirmed by both owner conferences. Many people prayed and worked hard over the last few years, and God has worked with and through them.

As part of my report to the National Assembly in 2019, I suggested that we would need to enter five stages of rebuilding: Shoring Up, Demolishing , Design, Building and Living-in

With the Strategic Partnership Agreements and MOUs coming for voting and approval at this National Assembly, we are coming to the end of the design stage. The Collaborative Model is functional, with its many parts operating as intended. Now we look forward to the building stage.

So, what can you envision for us? What do you believe God has for us?

I envision a denomination that invests collectively and strategically in preparing tomorrow's leaders, carefully integrating elements of non-formal and formal training and education.

I envision a united and committed denomination to a robust theology and spiritual practice. One that is in keeping with the convictions articulated in our Confession of Faith.

I envision a denomination that, at its core, understands the need to raise, empower and send disciples who will lead new churches across Canada and the world.

I envision a denomination that invests in the training, resourcing, and support of its leaders by providing healthy processes, policies, and programs that lead to healthy organizations.

I envision a denomination that responds to the needs of our country and world with generosity and faith.

I'm full of hope, how about you? Can you see yourself building this kind of future for our family of churches? Christ is our Ebenezer, and with Him, we can move forward.

I want to end my report by extending my thanks and appreciation to those whom I could not do this work without. After 30+ years of service with CCMBC and Legacy, Bertha Dyck is retiring in fall 2022. She will be greatly missed. It is a blessing to work with both Bertha and Jason Krueger as they diligently provide oversight to Legacy.

Thank you to Jon Isaak of CMBS, Carson Samson, Kara Friesen, Ken Esau and Holly Hannigan. Working with this team is a privilege and I am blessed by their tireless work ethic and joyful attitude as they serve our family of churches well.

Thank you also to the Executive Board for their ability to tackle many difficult things with courage and commitment. Lastly, I want to extend my gratitude to the National Faith and Life Team and the National Ministry Team for their work on behalf of our denomination.

In Christ,

Elton DaSilva,

CCMBC National Director

Faith & Life

It seems like the question of what holds us together as a Canadian MB family is becoming more urgent than ever. The new introduction to our Confession of faith describes how we are bonded together because of "shared convictions, shared relationships, and shared mission." These three are like the legs of a three-legged stool. We need all three to have any stable place to sit—and even then, sitting on a three-legged stool requires constant awareness of its unstable nature.

There is no question that all three legs of this stool are profoundly being challenged across our larger MB family here in Canada. With fewer opportunities to meet together face-to-face, our relational trust and confidence are more easily threatened when we hear disconcerting things about churches and/or individuals in some other part of the country. With fewer opportunities to join together in mission, we feel less connected and therefore tempted just to do our own thing locally. With significant questions about the nature and function of our shared MB Confession of Faith, we wonder what it actually looks like to agree with it and affirm it together. But without these three legs of the stool equally strong, we will teeter off balance and constantly be in danger of falling to the ground.

The National Faith and Life Team "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." Our goal is not to safeguard and steward some dead document and impose it with heavy-handedness upon our family—as if that were even possible in our very individualistic environment. Instead, we believe our Confession of Faith is a living treasure representing our shared convictions about what our amazing God, the only Creator, Redeemer, and King, has communicated through Scripture. It is worth affirming not because we have to, but because it is rich, beautiful, and faithful to Scripture. We see ourselves as safeguarding and stewarding a treasure—and encouraging us all to live in a way that fits with it.

Our Confession is, then, sort of like a treasured recipe that we believe will produce a faithful family of churches in the evangelical Anabaptist tradition. Sometimes this recipe has quite specific instructions similar to adding 1 cup of chocolate chips to cookie dough, while other times it expresses a flexibility similar to adding a pinch or two of salt. But the Confession does not have a few essential ingredients and then a bunch of optional ingredients. It is a combination of elements that all work together to express our understanding of God, the gospel, mission, discipleship, a faithful church community, and the Kingdom of God present and future. Do we trust the recipe to produce a God-honouring faithful church? Our default stance as an NFLT is a posture of trust that this recipe is faithful to Jesus. This grounds us together as a team.

Therefore, as an NFLT, we are creating resources related to the Confession of Faith because we believe it is a biblically based foundation piece for our family that will allow us to travel together. To change the metaphor from a treasured recipe to a faithful map, without significant agreement and clarity about the map, especially with weakened relational trust and fewer opportunities for shared mission, it is difficult for us to travel in the same direction together (cf. Amos 3:3). Without our MB family embracing significant shared convictions about God, the gospel, mission, discipleship, a faithful church community, and the Kingdom of God present and future, our MB family will at best be a loose connection of churches limping around in different directions. But without a shared understanding about the nature and meaning of our Confession of Faith, we will be in constant danger of fighting and fracturing—locally, provincially, and nationally.

We stand at a key point in our history. We could try to ignore the situation and pretend it will go away—but it seems that that day has passed. It is for this reason that the NFLT is jumping into this discussion. While for some, this discussion centres on questions of sexuality and discipleship, those questions are only the catalyst for us as we explore together bigger questions that will impact all of us going forward. Here are a few of the key questions we are wrestling with:

- In a world where we can't seem to agree about anything—our conflicting responses to the pandemic is a case in point—what does it mean for us to agree together on these 18 Articles?
- Should we expect our leaders and churches to affirm "all" of the 18 Articles or only those that are "most important"? Who gets to decide which are the "most important" ones?
- If we have agreed together that our present Confession of Faith is not the final word and we are open to occasional revision, does this mean that any leader or local congregation can freely claim that they have studied some question together listening to the Holy Spirit, and they've arrived at some truth in conflict with our present Confession? Does their disagreement with our Confession mean that this is a

"disputable matter" and we should "agree to disagree" while maintaining our unity in line with John 17?

- Can the same Holy Spirit who is the Spirit of truth (John 16:13) somehow lead groups in our MB family to diametrically opposing truths in areas of theology and ethics that we have understood as being clear both in Scripture and thus in our Confession?
- Do we revise the articles in our Confession of Faith when we discover that some percentage of our leaders/churches raise questions about them—or do we revise articles when we together believe that they are not faithfully representing God's truth communicated through Scripture? Who is the "authority" to decide whether something is no longer faithful to Scripture?
- What role do other sources of authority have when we discuss our Confession of Faith? When people in our churches describe their experiences of pain and suffering, how does this interact with our understanding of biblical teachings? When people in our churches report new discoveries, presumably not known by the ancient biblical writers, what authority do these new discoveries have?

As you can see, these are complex but important questions that we must address and clarify with a level of urgency, or they will just keep popping up year after year. The NFLT is tasked with the work of safeguarding and stewarding our shared convictions. But without shared relationships and shared mission, we will fall to the ground. We all have a part to play in the three-legged stool that is fundamental to our unity as a church family.

Besides the above, here is a summary of what the NFLT has been working on since our last National Assembly gathering:

- We produced resources for the 2022 CCMBC Week of Prayer.
- We have updated what had been called the "Brief Edition" or "Digest Edition" of our Confession of Faith and renamed it the "Summary Edition." As part of this, we have retired what was referred to as the "Sidewalk Version" since we believe it is inadequate to express our rich MB theological identity.
- We have distributed (via our Provincial Conference leaders) a Resource Document entitled: "Vaccinations & Living Well for Jesus." This document was created to assist leaders and churches as they discuss and discern how we can walk together faithfully in this very divisive moment.
- We have approved an expanded "Code of Personal and Ministry Ethics" for each Provincial Conference to use for its credentialed leaders. This code of ethics clarifies expected positive ministry commitments and priorities, as well as describes behaviors that are contrary to our shared convictions. We also have created a version of this for non-credentialed leaders specifically for local churches to use for pastors prior to credentialing and for local church leaders for whom credentialing is not required.
- We have participated in offering two Pastoral Credentialing Orientations (PCO), one in-person in Ontario and one online based in BC. We anticipate offering an in-person event in Spring 2023.
- We also hosted a "Virtual EQUIP-Mini" (November 2021) with Dr. David Fitch around the topic of "Engaging Healthy Conversations." We are planning an in-person event based in BC in November 2022 with provincial in-person gatherings coordinated with the in-person event.
- We have also continued to revise several documents related to clarifying our biblical theological commitments around sexuality and faithful discipleship ("Loving Well our LGB Neighbours, Friends, and Family" and "MB Welcome to LGBQT+"). We are also finalizing a resource entitled "Living Faithfully for Jesus in Light of Bill C-4."
- We have created and implemented a Review Procedure Policy for when leaders have disputes with their provincial faith and life teams related specifically to credentialing decisions. The Review Procedure Policy explores questions of process specifically in terms of fairness, openness, and shared understanding, with the hope that disputes can be resolved well.

May God be glorified in everything we do as a larger church family; may God's Kingdom values and character be reflected in all we do; and may we be faithful to the huge mission God has called us to! Please pray for the National Faith and Life Team—for Holy Spirit wisdom, courage, and creativity to carry out the task of assisting our MB family as we seek to be more faithful to Jesus' mission in the world.

This Assembly marks the end of service for several of our NFLT members. We want to recognize their significant contributions to our team. Andrew Dyck (MB Seminary/MBCM—9 years), Robyn Serez (ONMB—4 years), and Adam Greeley (Atlantic Canada—2 years) are finishing up their work with us. We want to express our thanks to them for their faithful service. Please pass on thanks to them personally when you get the chance.

Ken Esau

Interim National
Faith & Life Director

BCMB

BRITISH COLUMBIA CONFERENCE OF MENNONITE BRETHREN CHURCHES

Leadership in times of uncertainty and change is demanding. Watching Volodymyr Zelensky the president of the Ukraine rally his fellow Ukrainians in the face of Russian bombardment is evidence in the extreme. Zelensky, it is reported, is being targeted by Putin and his generals who want to silence his voice. "If the leader is eliminated the people will lose heart."

We are not facing violence in our streets or the destruction of our homes and communities and yet, we as followers of Christ, sense that the church is under increasing pressure. Covid has tested the strength of our devotion to Christ, our commitment to one another. and our ability to live in unity when we differ on matters of conscience.

The passing of Bill C-4 calls the church to be courageous and aware of the spiritual battle that we are in. Our government is sending a message intended to intimidate those who would preach a biblical understanding of sexuality, marriage and gender identity by declaring such an understanding as a "myth that causes harm." While the constitutionality of this bill has yet to be tested by the courts, as it is currently written those who offer, promote or benefit from any therapy designed to "repress or reduce non heterosexual attraction or behaviour" may be subject to criminal prosecution. This bill, enacted to protect people's freedom from abusive therapies, also creates a climate of intimidation and hostility toward Christian values concerning sexuality, marriage and identity.

In these challenging times God's word and Spirit continue to fill us with encouragement and endurance. We recognize that our trials are not unique or even extreme, but they are ours and represent our opportunity to trust God and prove His faithfulness to us.

Throughout this year BCMB has sought to bring encouragement and endurance to pastors and churches using newsletters, podcasts, online prayer gatherings and in person visits. When covid restrictions once more forced us to cancel our pastors and spouses retreats, BCMB pivoted to host summer picnic BBQ events for pastors in the Fraser Valley and on the island. These events were a blessing to us all and especially fun for pastoral families with small children. Here again your BCMB office team was glad to put in many extra hours to make this possible.

The late summer of 2021 held great hope for our pastors as Covid restrictions were eased somewhat and in person worship gatherings were once again permitted. This proved to be short lived and the fall return to masks and restrictions was deeply discouraging for many. Denis Federau BCMBs Director of Resources enjoyed a sabbatical break over the summer but there too plans changed and Denis went into the hospital in August to support his daughter Rebecca by offering her one of his kidneys.

Summer also saw the launch of Praxis church in Kelowna under the leadership of Josh Dool. This new church plant is being supported through Northview church in partnership with Westside church. Despite Covid restrictions and some significant opposition in the community, Praxis church is up and running with two services and attendance of close to 300 people. We are amazed and thankful and pastor Josh confesses he is having the time of his life!

In the Kelowna area, Willow Park has continued to serve the community wherever and however the Lord gives opportunity. During the November floods, Willow Park became a hub for aid distribution to the city of Merit B.C.

Metro Church in downtown Kelowna has also seen major progress in the past year. They continue to serve the marginalized of the city and are experiencing God's favor in doing so. We rejoice with them as they have begun meeting for worship in their own facilities on Ellis st.

In the North, Westwood church is exploring new ministry models utilizing a "micro church" model in low-income housing units supported by the church. In addition, associate Pastor Ryan Beer is leading a new province wide initiative called "Ascent" that gathers young adults to help them explore their calling in the Lord. Five such groups have been running this year and there is potential for more churches to be involved in the future.

Churches in the Chilliwack area also mobilized to bring flood relief to residents. Arnold church made headlines with its various initiatives and recently was invited to distribute hundreds of thousands of dollars in aid to those most affected. In so many crises situations, BCMB churches step into the gap and provide care aid. These neighbourly acts win the appreciation and admiration of the community and often serve to draw people who are looking for answers to life's questions.

We praise God for the many signs of vitality and life in our community over this past year. Churches like North Peace, Northview, Central Community, Willingdon, Praxis, Christ City, and North Langley are all well into plans for multiplication in 2022. Others like Gospel Chapel, Whistler, Broadway, Mainstreet, Church on Five and Richmond Pacific Grace are pushing ahead with new initiatives to reach the community.

It has been a privilege to serve this community of churches who remain committed to Christ's calling to go and make disciples. I praise God for the amazing servants who make up our boards and committees. We are further blessed by our dedicated partners in Camping ministry and at the College. Our recent AGM and Pastors and Spouses Retreat in Whistler confirmed that BCMB is an amazing and vibrant community of Christ-honoring churches and there is a strong sense that, though our weariness is real, our hope in Jesus is on the rise and we are committed to stand firm. Let us face the days ahead with fortitude in Him.

Rob Thiessen,

BCMB Conference Minister

Alberta
Conference of Mennonite Brethren Churches

The Lord is my light and my salvation—whom shall I fear? The Lord is the stronghold of my life—of whom shall I be afraid? Psalm 27:1

"Fear not!" Repeatedly we hear these words in Scripture—easier said, or received, than done! Each of us, I'm sure, has succumbed to the grip of anxiety, fret, and distress in this past year. However, like a fire-torch in a cave or a flashlight on a dark night, God's presence conquers the fears. God's word is like a lamp that leads us (Psalm 119:105), and His love drives out fear (1 John 4:18). Churches and leaders have battled fear and discouragement and many good stories of life change, people who reached out to friends, neighbors, and co-workers with the goodness and kindness of God's love, keep us encouraged and focused!

We are pleased to announce that Laurence Hiebert has been able to join the ABMB team as Conference Minister (part-time). His gift of pastoral care and theological clarity will be a great asset to our pastors and churches as he is now able to donate more time and energy to this role.

ABMB continues to work toward adding churches, including a "new Canadian" congregation and a couple of churches that are being "rebuilt" or renewed. Churches are collaborating in these partnerships to assist financially or in leadership oversight. As churches specifically team together to help each other, greater strength and increased impact is developing.

We also report a couple of churches who have either closed or moved on to another church family. Although difficult, we also acknowledge that God continues to work in these situations. We currently have 18 member churches plus another two in emerging status.

This coming year one of our Calgary churches, together with ABMB and MB Seminary, will become a "teaching church". This is a valuable step in calling out and developing the leadership base in our congregations.

ABMB continues to develop the Four Ministry Teams as articulated in the CUSP and emphasizes the blessing of churches working together. Multiply is assisting a few of our churches at hosting our first ever "SOAR" this summer after years of trying to make this a reality! Additionally, Camp Evergreen is key in the development of disciple-making leaders, and they are reporting many positive developments in this past year, including a healthier financial situation. ABMB was also able to end the year with a stronger fiscal reality; this will enable us to increase our ministry impact for the future.

Finally, we acknowledge that the past two years have made us more aware of things we do well, what needs to be cleaned out, or what should to be made new. The increasing social pressures, government encroachment into church life, or financial concerns, may be frustrating and divisive, but therein is also the opportunity! People are looking for meaning, deeper relationships, and ultimately a loving God who can forgive and bring life and blessing. Let us live with less fear and more faith!

"So do not fear, for I am with you; do not be dismayed, for I am your God. I will strengthen you and help you; I will uphold you with my righteous right hand." (Isaiah 41:10)

Paul J Loewen

ABMB Executive Director

SKMB
SASKATCHEWAN CONFERENCE OF
MENNONITE BRETHREN CHURCHES

ASSEMBLY 2022 Do Not Lose Heart

On March 12th approximately 85 participants took in the online SKMB Assembly 2022. The day began with a pre-Assembly session specifically engaging questions pertaining to the 2022 Budget and Common Understanding & Common Covenant. The speaker for Assembly, Ken Esau, was introduced and provided a brief update on his work as the interim National Faith & Life Director.

The theme for Assembly 2022 was Do not lose heart from 2 Corinthians 4. Ken Esau, Old Testament instructor at Columbia Bible College provided listeners with five powerful reasons followers of Jesus should not lose heart:

- Because it is God who has called us (empowers us)
- Because Jesus is king (sovereign Lord)
- Because we have a treasure (eternal Gospel) in jars of clay (us)
- Because suffering is an expected part of discipleship
- Because no trouble changes the plan of God

Rick Schellenberg, SKMB Faith & Life Team chair, led the Assembly communion and prayer for Ukraine.

Jeff Siemens, moderator of the SKMB Executive Board brought forward five key motions all of which the delegates adopted:

- 2022 Budget of $186,000 with $19,750 of strategic investments. Financially, SKMB ended 2021 with a surplus of just over $22,000.
- The Global Gospel Advance project.
- The Common Understanding & Common Covenant.
- Gord Schroeder to serve as moderator.
- Jeff Siemens to serve as assistant moderator.
- Discipleship Coach, Luke Etelamaki, introduced the Missional Leadership video resource for lay church leaders seeking to re-gain missional traction post-COVID: "The Missional Leadership series was created to help you and me as leaders to push against missional drift."

Director of ministry, Phil Gunther, gave the following address to the Assembly:

"I want to begin by giving thanks to the LORD for His unwavering faithfulness toward Janine & I and the work of this office of Director of Ministry. God is good, all the time. I want to follow that up by saying thank you for your support, in multiple ways, of myself and our collective mission and ministry.

As a community of MB churches, camps and schools, we have had a metaphorical rollercoaster ride – emotionally, mentally, spiritually and programmatically – since the pandemic struck Saskatchewan exactly two years ago. Assembly 2020 was the sunrise event for us into a season of frustrations and adjustments, Assembly 2022 is hopefully the sunrise event of a fruitful future.

As we gaze out upon the horizon, we quickly learn that we are in a different world, a different culture, a different ministry context and set of challenges, and yet, the same spiritual needs exist, and our Gospel continues to be the only remedy and hope.

I continue to hear in my mind that words of Tod Bolsinger in his book *Canoeing the Mountains*, "The world in front of you is nothing like the world behind you...we are called to adapt to a changing world because we are called to reach that changing world [with the Gospel]." And, as Ken Esau has encouraged us, we do not lose heart in the work.

SKMB is anchored to the Gospel and seeks to advance it by the power and blessing of the Holy Spirit. We are kingdom-minded, and our king has given us our mission – to go and make disciples. We do this as a love and faith response to Jesus. SKMB's mandate is supporting churches and camps in making disciples, that is our singular focus, but it takes on different shapes from missional training, leadership training, conflict resolution, governance support, pastoral transition assistance, pastoral care and collective strategic partnerships.

A sample of the challenges our member churches and camps face in 2022 include:

- Discipleship and its relationship to authority – church and state
- Post-pandemic ministry traction
- Addressing the matter of on-going infringement of church/ministry efforts (eg. Bill C4 and summer grants program)
- Effective biblical ministry to the LGBTQ2 community
- Biblical justice and the struggles of our Indigenous neighbours
- The impact of indifference on the future of the church
- Gospel advancement, multiplication and church planting
- Effective leadership in conflict
- Sound biblical interpretation and application
- Skill development for lay leadership
- Leadership burnout and depression

SKMB Office Communication

MBCM Report

Staff and Board Update

We said a big thank you and farewell to board members Ruth Schellenberg and Harold Froese, who have both been long-time board members with MBCM while also carrying a variety of other roles in representing us on CCMBC boards. Their board participation came to an end at our Assembly in March.

Leadership Development

We are currently working on gathering a team of people that will work together to hear from our churches and begin putting together some ways forward. I look forward to hosting conversations among us that can determine how we could best meet church leadership training and development needs.

We continue to seek out ways of resourcing leaders in spiritual formation. I anticipate the leadership team to be able to help shape the academic and non-academic requirements for the Mennonite Brethren track through our affiliation with CMU's Graduate School of Theology and Ministry. We desire to continue building our awareness of our MB history and convictions; our understanding of spiritual formation and Christian character; and our knowledge and skill for studying the Bible together in community.

Organizational Health

At our most recent Assembly we reviewed and accepted updates and changes to our constitution. Much of this work was done to bring us into alignment with the updated CCMBC bylaws and the collaborative model.

In the year ahead we have been planning for the MBCM board to review and approve some important policies. These include Church staff salary and compensation draft, MBCM Pastoral Staff Employment policy, and a New Adult Abuse Response and Prevention Policy.

Church members and delegates participating in the Blanket Exercise at our MBCM Assembly. Photo credit: Tony Schellenberg

Missions

We are thankful to have good working relationships with our Central Canada Multiply Missions Staff. This spring they, together with our local churches, are hosting training Modules. The missional content has been developed for our family of churches to explore how to effectively proclaim and practice the Gospel of Jesus locally and globally.

As Simonhouse Bible Camp continues to be a significant missions opportunity to love and serve the people in northern communities, we as MBCM can support this missions project by continuing to provide ongoing partnership resources, sending workers (camp staff, volunteer staff, etc.), and praying for Darrell and the ministry he provides.

Spiritual Health and Theology

After a two-year journey of attempting to host the Posture Shift conference, it happened on Sept. 28 & 29. There were 164 total registrations with about 75 people who met in person.

Our pastoral equipping events continue to engage frontline ministry challenges, polarization in the church, care and inclusion of LGBTQ+ persons, and the emotional health of pastors. We look forward to the work ahead of seeking to live out our calling as churches, and faithfully loving and serving our churches in establishing vision and clarity around healthy discipleship practices.

Cam Priebe,
Provincial Director

MENNONITE BRETHREN CHURCH OF MANITOBA

ONMB Report for Assembly 2022

submitted by Ed Willms, ONMB Executive Director on behalf of the ONMB team

Greetings Assembly delegates and partners in ministry,

This past year has felt like a rugged cross country road trip. The terrain has been marked by bumps, curves, potholes, inclines, and descents, all exacerbated by the pandemic. Although the destination has remained in focus what has lurked around the next corner has been unsettling and at times even unnerving. These are uncharted times to give leadership.

Gratefully, when we look in the rear-view mirror, we see indisputable traces of God's amazing presence and guidance. He has been at the wheel for every twist guaranteeing a thrilling ride.

If I were to highlight a few key moments this past year, I would probably note some of the following: I recall a board meeting last summer where we discovered our Working Genius and began to consider how we might lean into those gifts. I reflect on the tireless efforts of our governance team who have sought to position our conference for health and success. I recall the days of PCO – Pastor Credentialing Orientation – where we had 30+ leaders interacting and learning together, including three Indigenous leaders. I think of several 'wellness' seminars we offered to support and build our pastors. I'm reminded of the support both prayerful and financial from our churches. I reflect on a most moving 'celebration of life' when we said farewell to one of our colleagues – Greg Allen. I marvel at the addition of a new Ministry Director – Ryan Jantzi – adding a new level of depth and energy to our team. I'm amazed by countless stories of God's activities in and through our churches.

At the same time the ride has often been difficult. There have been more than a few conflicts simmering and bubbling to the surface. Those moments have been great opportunities to listen, learn and grow. One experience shared nationally was the painful discovery of residential school graveyards. We have been 'listening and lamenting' with our Indigenous brothers and sisters and continue to seek pathways forward together. We gathered online for Equip 2021 and were encouraged to resist the tendency to fall prey to the 'enemy-making machine.' We have read books like: 'A Church called TOV' and determined to press into being that type of a witness in our world. In humility, we admit that we can and must do better, as we increase our self-awareness and embrace the Spirit's purifying of our hearts and actions.

As we look ahead, we are thrilled to again be meeting face to face. We will attempt to incorporate the lessons learnt during this pandemic season as we focus our attention and hearts on the Road Ahead – the mission that has been set out before us. We will enrich and develop four robust teams to serve our churches better: The Faith & Life Team, A Missional Expression Team, A Leadership Development Team, and An Organizational Health Team. Additionally, we will re-engage our strategic plan that was put on hold during the pandemic. For the fall we are dreaming of a Pastors Retreat to pour into our leaders.

We are so grateful that we can be on this journey together. God's spirit at work among us emboldens us for what lies around the next curves on this trip of a lifetime.

Association des Églises
des frères mennonites du Québec

Our provincial convention looked at promoting discipleship. Elton DaSilva inspired us with an outline of the complexities and needed focus for the various levels of engagement in the local church.

Our April meeting was a Friday Zoom business meeting followed by an in-person focus on discipleship the next day. Despite not having a Conference minister throughout the COVID period we made progress in several areas.

The national Code of ethics was translated and approved along with a policy for hiring pastors in conjunction with the provincial Faith and Life Team.

Camp Peniel is reopening this summer while two teams have been established to look at Discipleship and Youth. These could possibly be turned into CUSP teams.

In 2021, we began the consultation process with our churches and local partners towards the renewing of our vision and direction as an association. We are aiming to have some concrete plans for spring 2023. Our chair Nathan is working on improving relations between the two English congregations and the French churches.

We approved the accreditation of Alain Després who has become a local pastor as well as the first woman to be fully accredited : Véronique Beaudin, student coordinator at ÉTEQ.

We encourage our ÉTEQ with its new director Jean-Christophe Bieselaar as it faces continual challenges and joys to provide French language education in theology.

All our congregations are now incorporated except one. There is also the probability of two of our French congregations combining soon to form a stronger community.

Richard Lougheed continues as Quebec representative for the national bodies while chair Nathan Whatley participates regularly in evening meetings (Town Halls, EB on occasion) as his schedule permits. Our priority is finding more local representatives for our provincial Board and the CUSP committees.

Finances

We aim to be self-financing and the past year was quite positive. Camp Peniel was obliged by the CRA to donate $20,000 to us which distorted the picture leaving a $44,152.13 surplus.

Our treasurer Anne Lalonde has been very busy cleaning up years of confusion in the statements and has almost caught up.

Congregations have generally been generous allowing us to return to giving to CCMBC this year and to contribute for Abbotsford flood relief and to partially compensate ETEQ with reduced CCMBC and Missionary Alliance funding.

We are attempting to provide quarterly funding for CCMBC and encouraging local congregations to do the same for us as well as using direct deposits for security and speed.

Key Goals

Our primary goal is to establish clear goals for the upcoming years (a 3 or 5 year plan) and to develop young leaders.

The Camp seems to be on solid financial ground but many of the French congregations and ÉTEQ remain fragile in terms of finance and leadership.

AÉFMQ Office Communication

NATIONAL ASSEMBLY REPORT FOR THE ATLANTIC REGION

Our three churches—The Well Dartmouth, River of Life MB Church Moncton, and Gateway Community Church in Lower Sackville--are glad to be coming out of Covid restrictions, with finances mostly stable. The Well (led by Adam Greeley) operates three micro churches with a full gathering monthly. They are thankful for some recent baptisms. Gateway church (lay-led) meets in person and on zoom, and enjoys significant outreach to their community. Rive of Life (led by Brent Hudson) meets in person and offers their sermons online.

Respectfully submitted,

Sam Reimer

Atlantic rep to the executive board.

WHAT IS A DELEGATE?

Each year, the MB Church of Canada gathers together either in-person or virtually for inspiration, reporting, direction-setting, and decision-making.

Known as the National Assembly, this gathering is made up of Member Organizations (Executive Board, National Faith & Life Team, National Ministry Team, provincial boards, and agency boards – Multiply and MB Seminary), and church delegates who represent Member Churches.

Member Churches are entitled to be represented at any National Assembly by delegates.

WHO CAN BE A CHURCH DELEGATE?

Each delegate representing a Member Church must be:

- Over the age of 18
- A member in good standing within the church
- Approved by the church membership or governing body of the church

Each member church is entitled to 1 delegate for every 25 members. In addition, you may have only one pastor delegate per church.

WHAT IS THE DELEGATE'S ROLE?

- To elect members of the Executive Board, the National Faith & Life Team, Legacy, and the Nominating Committee.
- To receive reports from the Executive Board, the National Faith & Life Team, the National Ministry Team, Member Organizations (provinces, MB Seminary, Legacy, and Multiply), the Nominating Committee, and the external Auditor.
- To hold the reporting boards and committees accountable for their actions
- To vote on policy, direction, and amendments to governing documents.

NATIONAL ASSEMBLY REGISTRATION

To ensure that those registering as delegates have been approved and designated by their Member Church, those Member Churches will register their own delegates no later than June 8, 2022. An individual delegate is not able to register themselves.

REGISTRATION PROCESS:

1 Church leadership encourages members of their congregation to consider attending the National Assembly.

2 Church staff registers all delegates from their church using the group registration option found here. Each church will need to create a group for their church using the name of their church.

3 CCMBC administration sends delegate information and Zoom links to each delegate registered.

PLEASE COLLECT THE FOLLOWING INFORMATION PRIOR TO REGISTERING DELEGATES ONLINE:

- ✓ Delegate's name
- ✓ Delegate's email address
- ✓ Church role (Pastor, Moderator, Board Member, Lay Leader, etc.)
- ✓ Delegate's attendance (Thursday, Friday, Saturday, or all three days)
- ✓ If attending the Thursday breakout session, collect the delegate's two breakout session choices:
  - ❑ Strategic Partnership Agreements and MOUs
  - ❑ Finances
  - ❑ National Faith & Life

Canadian Conference of Mennonite Brethren Churches

mennonitebrethren.ca

mbherald.com

CANADIAN MB CUSP STRATEGIC PARTNERSHIP AGREEMENT

March 9, 2022

Following is a Strategic Partnership Agreement (SPA) in pursuit of a Canadian MB Collaborative Unified Strategic Plan (CUSP) approved at June 2021 National Assembly between the following partners:

- Provincial Conferences: ABMB, BCMB, MBCM, ONMB, AEFMQ, SKMB;
- National Partners: Legacy, MB Seminary, Multiply; and
- CCMBC

Preamble

Since 1945, the family of MB Churches in Canada have sought to offer their energy and emphasis to God's mission in Canada and beyond. The CCMBC Charter creates a wide spectrum of wholistic ministries it is entitled to offer and through the years it has. Alongside, six provinces have also established their own organizational status and several organizations has also been created to pursue specialized services to the churches and beyond. These organizations. Legacy, MB Seminary, and Multiply have their own boards but board composition is under the control of CCMBC.

CCMBC has also committed to a new Collaborative Model of governance and cooperative ministry. The collaborative model is guided by the following values:

1. We cooperate to increase our collective impact for God in our country and beyond.
2. We commit to a process in which all partners have a significant voice in shaping what we do and how we do it. The goal is to make decisions by consensus. While the partners make official decisions within annual National Assemblies, the National Ministry Team and National Council are key groups in designing our plan.
3. Our spirit is one of mutual support and servanthood, looking for the good of others and all.
4. We join our resources, both financial and non-financial, in order to pursue a Collaborative Unified Strategic Plan, looking for each partner to offer what they are able.
5. This agreement expresses our aspirations in fulfilling our sense of mission and calling by God for our time, but is not legally binding, nor restrictive in limiting what other partnerships or ventures partners may choose to pursue.

Recently, CCMBC has also crafted a new mission statement as well as committed to a collaborative process and partnership in pursuing that mission. *Our mission is "to cultivate a community and culture of healthy disciple-making churches and ministries, faithfully joining Jesus in his mission."*

The founding partners of this Collaborative Partnership are:

1. Six Provincial MB Conferences: Quebec, Ontario, Manitoba, Saskatchewan, Alberta, and British Columbia.
2. Legacy – an organization offering financial and administrative services to MB Churches and their leaders.
3. MB Seminary – a graduate school providing education and training for pastors and others toward ministry.
4. Multiply – a global mission agency operated in partnership with the USMB denomination.
5. CCMBC – the national organization committed to coordinate and facilitate the partnership (referred to as a Principal Organization).

The criteria for partnership include:

1. Agreement with our CCMBC Confession of Faith,
2. Holding independent legal standing and charitable status,
3. If a ministry organization, one with at least a national scope.
4. Support for the CCMBC mission and CUSP.
5. Agreement with the CUSP SPA.

Purpose and Scope

In pursuit of our common mission and CUSP, the partners agree to serve and support one another while respecting our separate legal standing, governance, fiduciary roles, missions, and freedom to engage in other partnerships or projects. The CUSP partnership is specifically focused on pursuing the elements of the CUSP.

Roles and Relationships

All partners have full voice in shaping the CUSP as well as its approval, funding, execution, and assessment.

We will seek to make decisions by consensus. Consensus does not necessarily mean unanimity and should take seriously substantial reservations expressed by any partner.

The NMT will serve as the primary locus for the work of planning, execution, and assessment and each partner is represented on the NMT by a senior leader or designate.

Final decisions related to the CUSP and its funding will require the approvals of necessary partner governing bodies. Final approval of the CUSP and its Budget will be sought at the CCMBC National Assembly.

CCMBC serves as the Principal organization in order to facilitate the partnership, its planning, execution, and assessment.

The CCMBC National Director serves as chair of the NMT and the CUSP Partnership.

Additional teams may be appointed by the partners to coordinate the work of particular CUSP Goals.

Contributions

It is assumed that Partners will seek to support the goals and tactics of the CUSP as they are able.

Annual Ministry Support provided by the provinces will be the source of funding for the CUSP. Partners are also able to provide additional resources such as personnel or other assets toward the CUSP.

The scope and pace of operationalizing the CUSP will depend upon resources from Annual Ministry Support from the Provinces each year. Budgets will be considered and approved at National Assemblies.

As partners, we endeavour to live within our means and avoid operating with an annual deficit.

Term, Amendments, Dispute Resolution, and Changes to Partnership

It is intended that the Collaborative model and CUSP Partnership should function over many years. While a full review of the SPA will be undertaken at 5-year intervals, individual partners may initiate reviews or amendments at any time.

It is hoped that disputes can be resolved informally. Should formal resolution be required the partners agree to use the Dispute Resolution process outline in the CCMBC Bylaws.

Should a partner wish to cease being a partner, the process should include both adequate notice as well as willingness to engage in a resolution effort. In terms of notice, it is requested that written notice be given 18 months prior to the end of a fiscal year ending December 31st. For example, if a partner wished to conclude their partnership by December 31, 2026, they would provide written notice to the other partners by June 30, 2025.

New partners would need to meet the criteria for membership and be affirmed at a National Assembly.

SIGNATURES

ABMB

Moderator
Name
Signature
Date

Executive Director
Name
Signature
Date

BCMB

Moderator
Name
Signature
Date

Executive Director
Name
Signature
Date

MBCM

Moderator
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Executive Director
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ONMB

Moderator
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Executive Director
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AEFMQ
Moderator
Name
Signature
Date

Executive Director
Name
Signature
Date

SKMB
Moderator
Name
Signature
Date

Executive Director
Name
Signature
Date

Legacy
Board Chair
Name
Signature
Date

Executive Director
Name
Signature
Date

MB Seminary
Board Chair
Name
Signature
Date

Executive Director
Name
Signature
Date

Multiply
Board Chair
Name
Signature
Date

Executive Director
Name
Signature
Date

GLOSSARY

NMT National Ministry Team, consisting of the Senior Administrators from each Provincial Conference, Legacy, MB Seminary, Multiply, and the NFLT. See GOB section for more detail.

CUSP Collaborative Unified Strategic Plan. This is the jointly approved strategic plan that the partners agree to pursue and resource.

CCMBC The Canadian Conference of MB Churches in Canada is federally-chartered charitable organization and operates under its Charter and GOB.

Principal Organization A Principal Organization is the agency which the partners agree will coordinate the work of the CUSP. It includes providing functions:

USMB The United States MB Conference is the sister national MB Conference in the USA.

National Council This is a Council consisting of representatives from all the partnership Board and Teams and meets at least once a year to fulfil its roles as detailed in the GOB.

National Assembly This is the Annual General Meeting of the CCMBC and CUSP Partners.
Please see GOB for details on its scope and scheduling.

Following are the acronyms for the Provincial Conferences

ABMB	Alberta
BCMB	British Columbia
MBCM	Manitoba
ONMB	Ontario
AEFMQ	Quebec
SKMB	Saskatchewan

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CANADIAN CONFERENCE OF MENNONITE BRETHREN CHURCHES
AND
MENNONITE BRETHREN BIBLICAL SEMINARY

2022-2026

JANUARY 21, 2022 DRAFT

PREAMBLE

This Memorandum is entered into between the Canadian Conference of Mennonite Brethren Churches (CCMBC) and Mennonite Brethren Biblical Seminary (MB Seminary) to continue their agreement for the operation of MB Seminary.

Key related documents are the MBBS Act, MBBS Bylaws, CCMBC Bylaws, and the CUSP Network Strategic Partnership Agreement.

This MOU seeks to address relationship matters beyond the scope of the CUSP SPA. MB Seminary is a key partner in the CUSP and participates in its development, implementation, and assessment.

Through this Memorandum, the CCMBC commits itself to the ongoing viability and vitality of a seminary controlled by the CCMBC, which will serve the constituency through multiple teaching centres and modalities in Canada.

GOVERNANCE and ACCOUNTABILITY

MB Seminary is incorporated in the province of British Columbia under Bill PR 402-2013 to provide theological education and Christian leadership training.

MB Seminary is a ministry of the Canadian Conference of Mennonite Brethren Churches. All permanent faculty members are to be members in good standing and part of a Mennonite Brethren Church also in good standing.

MB Seminary is a partner organization in the CCMBC collaborative model. In pursuit of good collaboration and communication, MB Seminary appoints one of its Board members to be a non-voting member of the CCMBC Executive Board, appoints its President to serve on the National Ministry Team, and appoints a representative to the National Faith and Life Team. CCMBC agrees to represent itself on the MB Seminary Board via two voting appointments: the National Director or designate and the NFLT Director or designate. In addition, either Board has the prerogative to invite other representatives to their board or committee meetings for particular agenda items.

MB Seminary is free to enter additional partnerships with academic institutions, churches, and other ministry organizations as determined by its Board or President.

MB Seminary is governed in accordance with the MBBS Act, and in accordance with its Bylaws, which are expressly approved by the CCMBC.

As indicated in the Bylaws, the MB Seminary Board of Directors is responsible for the governance of MB Seminary. The Board guards the mission and mandate of MB Seminary and serves as the fiduciary for the institution. In fulfilling this role, the Board is responsible for hiring and supervising the president and oversees the philosophy, finances, and curriculum of MB Seminary.

The MB Seminary Bylaws outline the following ways MB Seminary is accountable to the CCMBC:

1. The CCMBC shall elect members of the MB Seminary Board of Directors in accordance with MB Seminary Bylaws.
2. CCMBC approval is required for any substantial changes in the direction of MB Seminary, any loan greater than 10% of the MB Seminary operating budget, and for the dissolution of MB Seminary and distribution of residual assets.
3. The Bylaws of MB Seminary can only be amended by action of the CCMBC.
4. CCMBC reviews the MB Seminary Annual Audited Financial Statements and approves the Auditor.
5. All permanent status faculty members must be members in good standing of a CCMBC church in good standing and shall sign a statement of agreement with the Canadian MB Confession of Faith, the MB Seminary Community Covenant, and the MB Seminary Mission Statement, and be credentialled in their province of residence.
6. The MB Seminary Board of Directors will provide full reports to the CCMBC as requested by the CCMBC Executive Board.

FINANCES

This Memorandum does not change the ownership of any assets held by or for the benefit of MB Seminary or alter MB Seminary's status as a beneficiary under any endowment, annuity, or other similar instrument.

The CCMBC agrees to assist in the funding of the operations of MB Seminary as follows:

1. CCMBC will provide annual funding of a minimum of $150,000 to support the ongoing operation and ministries of MB Seminary, with the goal of increasing the annual amount 10% annually during the duration of this MOU.
2. MB Seminary, under the supervision of its Board of Directors, shall continue to raise funds from churches, donors, and other sources for designated and undesignated purposes. CCMBC will actively encourage MB churches to financially support MB Seminary directly.
3. MB Seminary endeavors to live within its means and avoid operating with an annual deficit. In the event of an anticipated operational deficit CCMBC may be asked to assume responsibility in working with the Board of Directors to correct the shortfall.
4. MB Seminary is committed to contributing its expertise and resources toward implementation of the CUSP as considered feasible by the MB Seminary Administration and Board.
5. MB Seminary agrees to avoid encumbering debt beyond 10% of its annual budget without the approval of CCMBC.

DISPUTE RESOLUTION

Both parties agree to use the Dispute Resolution process as outlined in the CCMBC Bylaws.

FUTURE REVIEWS

The agreements set forth in this Memorandum of Understanding and the relationships established herein and in the accompanying Bylaws will be reviewed by the national conference a minimum of every five years to determine whether any changes are desired. This agreement can be open for review at the written request of either party with six month's notice.

Signatories Segment to be added.

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CANADIAN CONFERENCE OF MENNONITE BRETHREN CHURCHES
AND
CCMBC LEGACY FUND INC.

2022-2026

JANUARY 29, 2022 DRAFT

1. PREAMBLE

This Memorandum of Understanding (the "MOU" or "Agreement") is the agreement between the Canadian Conference of Mennonite Brethren Churches ("CCMBC") and CCMBC Legacy Fund Inc. ("Legacy"). This MOU documents the details of mutual collaboration and obligations as referring to the continued operation of Legacy and its relationship with CCMBC.

Legacy supports the charitable objectives of CCMBC as described in its General Operating Bylaw (2016) and provides payroll and accounting services for its churches and church entities, and pension and benefits administration services for employees of these organizations. Administration of investment and lending activities is provided through Legacy's wholly owned subsidiary CCMBC Investments Ltd. ("CCMBC Investments"). CCMBC Investments facilitates the raising of funds to accomplish the charitable objectives of CCMBC. CCMBC Investments issues redeemable preferred shares and promissory notes to facilitate the lending of money secured by mortgages to MB churches, pastors of MB churches, and other MB church-affiliated institutions such as schools and camps.

Key related documents are Legacy Bylaws, Legacy Policies and Procedures, CCMBC Investments Bylaws, CCMBC Bylaws, CUSP Network Strategic Partnership Agreement, National Instrument 45-106 *Prospectus Exemptions*, and the Income Tax Act (Canada) with Canada Revenue Agency.

This MOU describes expectations concerning Legacy's governance, financial management, and resource stewardship. Legacy is a partner organization in the CUSP and participates in its development, implementation, and assessment.

CCMBC and Legacy are committed to ensuring the vitality and sustainability of resources and continued service to our constituency.

2. LEGAL STATUS AND OWNERSHIP

Legacy was incorporated under the *Canada Not-for-Profit Corporations Act* on July 30, 2015, as amended, and restated on May 30, 2016, as a non-share capital corporation. Its sole member is CCMBC. Legacy was registered as a charity effective January 9, 2017.

CCMBC Investments is a for profit entity that was incorporated pursuant to the *Canada Business Corporations Act* on May 14, 2019. CCMBC Investments is extra-provincially registered to carry on business in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, and Nova Scotia. CCMBC Investments is 100% owned by Legacy.

3. GOVERNANCE

Legacy's board is comprised of three (3) persons who are current members of the CCMBC Executive Board and two (2) persons who are not members of the CCMBC Executive Board and who have been selected by the CCMBC Nominating Committee and are affirmed at CCMBC's National Assembly.

Legacy is governed in accordance with its Bylaws which are expressly approved by Conference Members at National Assembly, as well as by following its Governance Manual.

The Legacy board of directors is responsible for the governance of Legacy. The board guards the mission and mandate of Legacy and serves as the fiduciary for the organization. In fulfilling this role, the board is responsible for hiring and supervising the CEO and oversees the philosophy, finances, and strategic direction of Legacy.

Executive Board members and CCMBC's National Director are invited to attend Legacy board meetings as nonvoting observers. While not currently identified in the CCMBC Bylaws, Legacy's CEO and two independent Legacy directors are invited to participate as guests at CCMBC board meetings. The Legacy CEO is an ex-officio member of CCMBC's National Ministry Team.

Subject to fiduciary responsibilities that securities legislation requires, by entering into this Agreement CCMBC and Legacy express their mutual desire that the missional mandate of CCMBC, effected through the CUSP, continues to be given priority and to ensure that decisions regarding the governance and operations of both organizations reflect this mandate.

4. ACCOUNTABILITY

Legacy is accountable to CCMBC and its Conference Members in the following ways:

a) The Bylaws of Legacy provide that its affairs be managed by a board of directors consisting of five directors, at least two of whom are "independent" as determined in accordance with the Canada Not-for-profit Corporations Act S.C. 2009, c. 23 and National Instrument 52-110 *Audit Committees*. Three members of Legacy's board are members of the Conference Executive Board. The two independent directors of the Legacy board are selected by the CCMBC Nominating Committee and affirmed by ordinary resolution of the Conference Members at each National Assembly.
b) Upon request of the CCMBC Executive Board, the Legacy board of directors will provide reports to the Conference Members at the CCMBC National Assemblies.
c) Legacy offers regular reporting and stories of celebration. Quarterly financial reports shall be provided no later than 60 days following the end of a calendar quarter. Annual financial reports shall be provided no later than 120 following the end of a calendar year. The Legacy board of directors shall provide full reports to CCMBC as requested by the CCMBC Executive Board.
d) The Legacy Board of Directors, by a majority vote of its members, may amend the bylaws of Legacy. No bylaw shall be effective until first approved by the CCMBC Executive Board and then sanctioned by at least two-thirds (2/3) of the votes cast by the Conference Members at a meeting of the Conference Members, including their annual general meeting (National Assembly).
e) Annual audited financial statements of Legacy will be presented to CCMBC, the member of Legacy, for approval.
f) The auditor for Legacy is appointed by CCMBC, the member of Legacy.
g) The budget of Legacy is affirmed by CCMBC, the member of Legacy.

5. FUNDING AND FINANCIAL MANAGEMENT

a) While acknowledging that CCMBC and Legacy are separate entities, both organizations commit to a parallel budgeting process to ensure full consideration of CCMBC's missional objectives and Legacy's capacity to contribute funding to CCMBC's ministry priorities. It is acknowledged that CCMBC's operations are funded by its Conference Members through annual ministry support provided by the provinces. During the annual budgeting process, CCMBC funding requirements for new ministry initiatives will be carefully considered. Budget development will be led by the CCMBC National Director and Legacy CEO and approved by their respective boards. The goals of a parallel budgeting process are to ensure that mission remains the top priority of both organizations and that ministry initiatives are funded in a sustainable manner, thereby providing assurance of fiscal stewardship to the Conference Members.
b) Legacy shall provide to CCMBC a $200,000 operating line of credit. No fees or interest shall be payable.
c) Legacy commits to providing infrastructure services to CCMBC and its designated ministry partners, in the form of but not limited to employee payroll and benefit services, administration of the CCMBC Pension Fund, accounting services, office management, facilities, information technology and other administration and support services. Legacy infrastructure services will be negotiated as part of the budgeting process and will be included as administration services within the CCMBC budget. Physical space provided to support CCMBC operations will be identified in the CCMBC budget as non-cash facility services.
d) Services will be provided by Legacy to any CCMBC member church or CCMBC ministry partner at a fee to recover the cost of providing the services.
e) Services provided to a nonregistered MB church plant may, subject to mutual agreement of CCMBC and Legacy, be subsidized by Legacy for the first three years of its ministry.
f) Legacy will provide regular reports of its operating and investment surplus balances to the CCMBC Executive Board. When Legacy's reserves are more than the prescribed balances outlined in its Reserve Policy, the Legacy board shall advise the CCMBC Executive Board of the availability of cash transfers (donations). If transfers are made, they will be contingent upon having cash available and meeting the Reserve Policy guidelines established by the Legacy board.
g) Donations to CCMBC shall be determined by the Legacy board of directors in the month following its approval of Legacy's audited annual financial statements, which typically occurs at the end of April. Legacy shall firstly apply donations to satisfy any outstanding obligations to Legacy. If no obligations are outstanding, cash transfers shall be forwarded to CCMBC as soon as practical. As CCMBC's budget is approved one year in advance, cash transfers received in the current year shall be applied to CCMBC's budget the following year. For example, if a cash

transfer occurs in June 2023, CCMBC would incorporate the funds in its 2024 budget. Cash transfers may occur annually or more often and are not intended to diminish CCMBC's reliance on annual ministry support provided by the provinces for its annual operations budget.

h) The Legacy board of directors is responsible for setting the financial policies of Legacy, including the investment policies of Legacy and CCMBC Investments.
i) The Legacy board of Directors is responsible for the financial management of Legacy based on an annual budget affirmed by CCMBC, the sole member of Legacy.
j) Legacy owns all the property and capital assets required to provide management services to CCMBC. Assets may be donated to CCMBC to accomplish mission. As defined in the Bylaws of Legacy, upon dissolution of Legacy, any remaining assets will be transferred to CCMBC.

6. *DISPUTE RESOLUTION*

Both parties agree to use the Dispute Resolution process as outlined in the CCMBC Bylaws.

7. *FUTURE REVIEWS*

The agreements set forth in this MOU and the relationships established herein and in the accompanying Bylaws will be reviewed by the national conference a minimum of every five years to determine whether any changes are desired. Both parties to this Agreement shall create a window of opportunity to request modification or expansion of the contents herein as circumstances warrant.

APPROVAL

Name: Ron Penner — Signature: ______________________

CCMBC Executive Board Moderator — Date: ______________________

Name: Elton DaSilva — Signature: ______________________

CCMBC Executive Director — Date: ______________________

Name: Michael Dick — Signature: ______________________

Legacy Board Chair — Date: ______________________

Name: Jason Krueger — Signature: ______________________

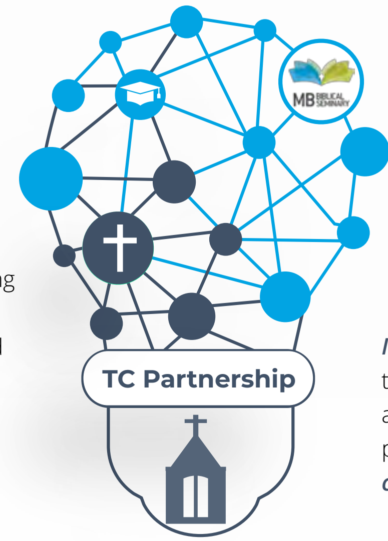
Legacy President/CEO — Date: ______________________

2022 MB SEMINARY NATIONAL REPORT

MB BIBLICAL SEMINARY

Imagine if your Church became a regional hub for church-based leadership and theological training in partnership with MB Seminary… ***How would this impact the local community for God's Kingdom?***

Imagine if your Church were to host teaching weekends with MB Seminary faculty throughout the year integrating ministry and application together in the local church and community context… ***How much more quickly would your leaders grow?***



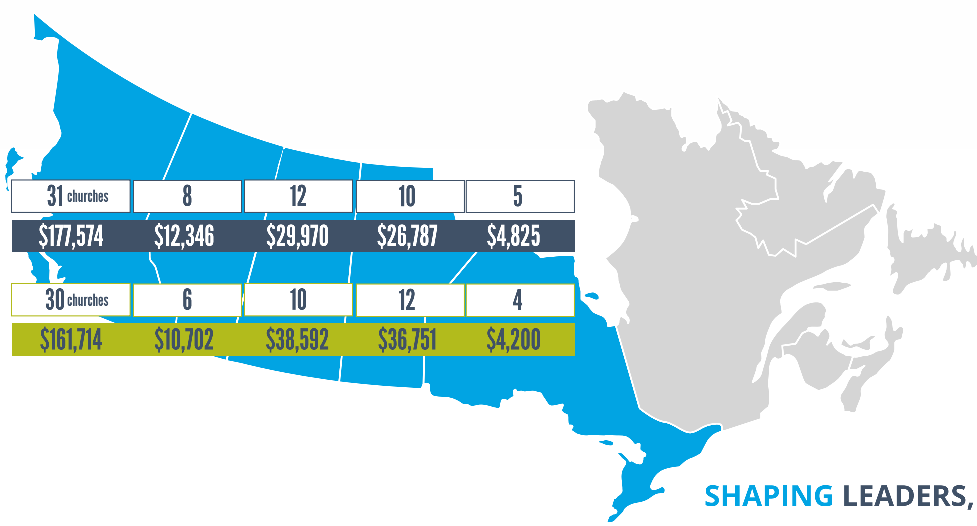
Imagine if your people were trained in interpreting scripture, Christian leadership practices, missional discipleship, conflict resolution, pastoral care, and more… ***How would this help them to love and serve Jesus more?***

Imagine if training and equipping were available to everyone in your church, whether for academic credit, professional development, or personal interest… ***How would this increase the church's capacity to serve?***

Imagine no further; the reality is here. As CCMBC's national seminary, MB Seminary serves MB Churches across the country. To meet the growing need for pastors and leaders, MB Seminary has launched a new and innovative program for training and equipping leaders for the MB Churches of Canada. Through our Teaching Church Initiative, **Teaching Churches partner with the Seminary and serve as learning hubs** for seminary-level graduate courses and continuing education training. Each church focuses on a specific four-course certificate specifically designed for delivery in the Teaching Church environment. To date, two certificates have been developed, and a third is being planned. Each certificate is being provided on a rotating cycle, with the vision that they may ultimately be combined into a Master of Arts degree.

In 2021, two Teaching Church partnerships were launched and have proven helpful for training leaders within the local church context. This fall, as we continue with institutional partnerships in BC (ACTS) and Manitoba (CMU), two more Teaching Church partnerships will come on board in BC and Alberta. We are excited about the trajectory of theological training and leadership development!

CHURCH GIVING HIGHLIGHTS



2021	31 churches	8	12	10	5
	$177,574	$12,346	$29,970	$26,787	$4,825
2020	30 churches	6	10	12	4
	$161,714	$10,702	$38,592	$36,751	$4,200

SHAPING LEADERS, CHANGING LIVES

GLOBAL REPORT

Paul's words to a discouraged church speak to many of us who faced disappointment in 2021, hoping for the challenges of the pandemic to be over. He writes, "But we have this treasure in jars of clay to show that this all-surpassing power is from God and not from us. We are hard pressed on every side, but not crushed; perplexed, but not in despair; persecuted, but not abandoned; struck down, but not destroyed" (2 Cor. 4:7-9).

Like you, Multiply has experienced challenges and setbacks, yet, by God's amazing grace and compassion, we too can say, "We are hard pressed on every side, but not crushed." In the midst of a pandemic, new opportunities for witness emerged. In an increasingly closed world, exciting new doors opened. With some long-term workers retiring or moving on, new workers have responded to God's call.

In our collective mission journey as a Mennonite Brethren family, there have always been times of testing. A century ago, the Spanish flu ravaged the world, mission work all but shut down in Russia, and many believers faced not only the restrictions of Communism, but also civil war and starvation. Yet even then, as now, there were inspiring stories of love, good deeds, and Gospel expansion.

I invite you to read our detailed Impact Report here (**multiply.net/2021report**), may you be encouraged to press on in your assignment from our missionary God. I also invite you to prayerfully consider how you might be an instrument of encouragement to those in need of good news.

Thank you for your partnership in this Gospel of hope.

Vic Wiens
Interim General Director

OUR MISSION FAMILY

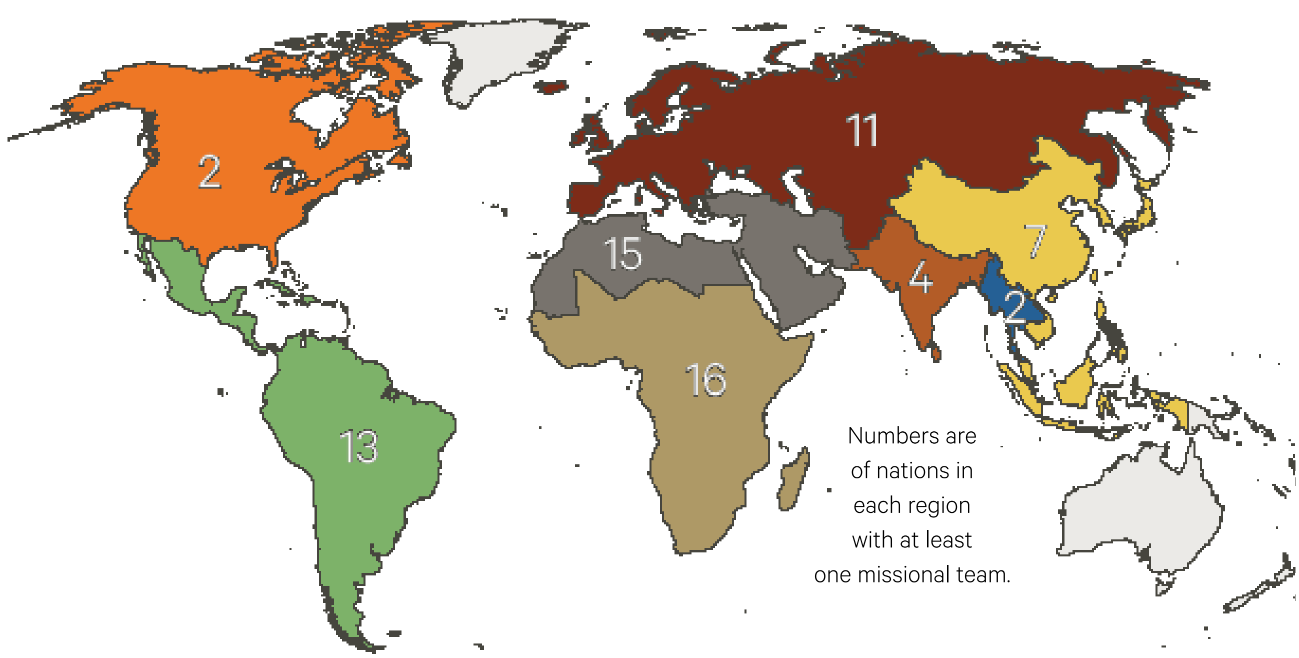
Our network of missional teams is working to make Jesus known in **70** nations. These teams are made up of;

76 Global Workers trained and sent long-term from North America,

19 Global Workers, sent from MB conferences in other nations and,

80 National Leaders working in partnership and alignment with Multiply's regional mission strategy.

To see our detailed Quarterly Financials please click here (**multiply.net/about**)



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.

One of my roles as keeper of the Winnipeg archives (Centre for MB Studies), is to help churches with their records management policies. When I'm asked by church administrators about which records to keep on file at the church and on the church's computer hard drive/server, I suggest they keep the following:

1. **Vital records** such as membership, baptism, and cemetery registers.
2. **Legal papers** such as deeds, mortgages, constitutions, and bylaws.
3. **Financial records** such as ledgers, bank/financial statements, and annual tax files; these need to be kept for six years in case of a Canada Revenue Agency audit.
4. **Employment files** such as payroll and employment records; these need to be kept for three years.
5. **Ministry Personnel files** for each minister/staff member, including ministry application form, police record checks, records of reference checks, and all other documents related to the recruiting and supervision of ministry personnel; these files must be kept permanently.
6. **Records of organization** such as meeting minutes, reports, and correspondence from church committees, boards, and annual congregational meetings (including statement of operations and budget).
7. **Publications** by and about the church and its members such as newsletters and weekly bulletins.
8. **Ministerial materials** such as sermon samples and correspondence.
9. **Special records** such as photo directories, community histories, commemorative anniversary books, and videos/recordings of special events.

Finally, I suggest office administrators put one bulletin aside each week (and if your church now uses a weekly digital email newsletter, print one copy, and put it aside) and then, at end of the year, mail the collection, along with a copy of the annual congregational meeting report, to the nearest MB archives. Both bulletins/newsletters and annual reports are valuable documents for recording the life of a congregation.

My other role is to work part-time for the Historical Commission, which funds research grants and publications. For application criteria and details concerning these initiatives — and the news releases announcing past recipients and their projects — see the Commission's website, https://mbhistory.org.

The Commission's most recent publication is Dora Dueck's edited collection of life-writing by 16 women church leaders, *On Holy Ground: Stories by and about women in ministry leadership in the Mennonite Brethren Church*. The book — to be released in summer 2022 — documents the first-person accounts of these women's calling to ministry. To purchase your copy, see https://www.kindredproductions.com.

For more information on these initiatives and resources, contact me at **jon.isaak@mbchurches.ca**.

The Historical Commission is a funded ministry of the U.S. Conference of Mennonite Brethren Churches and the Canadian Conference of Mennonite Brethren Churches.

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

CBC 2021-2022 HIGHLIGHTS

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.

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 women and men for lives of service, leadership, and reconciliation in church and society.

2021-22 Enrolment

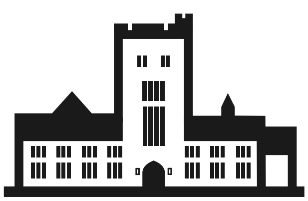
592 FTE Main Shaftesbury campus (full-time equivalent) for Undergraduate and Graduate

- **673** Total students
  - **616** Undergraduate
  - **56** Graduate

264 FTE Menno Simons College (CMU programming in Conflict Resolution and International Development at UW)

856 Total CMU FTE

Small university Big opportunities



Why CMU?

Teaching is exceptional
Faith & community matter
Learning & career connect
Professors know you

To read CMU stories throughout the year, sign-up for our monthly **Through this Place** e-newsletter at **cmu.ca/newsletter**.

cmu.ca

Greeting to the Canadian Conference of Mennonite Brethren Churches

Here's a glimpse into 2022/23 CMU courses:

Disruptive Good News—The Church in Acts | Sheila Klassen-Wiebe | Through the lens of the book of Acts, this course will examine how the Good News of Jesus disrupts people's lives, social conventions, religious beliefs, and systems of power.

From Creation to New Creation: The Biblical Story of Healing and Hope | Dan Epp-Thiessen | This course will examine various texts from the Hebrew prophets, Daniel, the Gospels, the letters of Paul, and the book of Revelation to discern their vision of God's good future.

Ethical Living in a Technological Society | Ruth Rempel | This course will examine the implications of living in a technological society for our understandings of self, society, and Christian faith.

Christianity and the Mass Media | David Balzer | Students will investigate the relationship between Christian faith and the mass media, exploring two key questions: how do the faith convictions of the producer, host, or interviewer shape creative mass media production and how has mainstream media reported and portrayed Christian faith?

Cells and Energy | John Brubacher | Through course and lab work students will focus on the structure and work of cells as the fundamental units of life. Topics include membranes, the structure and function of organelles including the cytoskeleton, the cell cycle, enzymes, and the central metabolic pathways common to most living organisms.

Christianity and the Marketplace | Craig Martin | Through case studies of common business dilemmas students will begin to develop the wisdom to address these dilemmas in ways that account for both faith and business considerations.

Thank you for partnering with CMU to provide seminary studies through the Graduate School of Theology and Ministry (GSTM).

"The GSTM program through CMU, in conjunction with MB Seminary, has provided me biblical knowledge and theology useful for everyday spiritual life and ministry. The most noticeable benefit is that my education is like a "toolbox" of information that I can carry around with me. I often get a chance to engage strangers in gospel conversations and having biblical knowledge and understanding in my mind ready to use allows me to address difficult conversations and topics as they come up."
- Justin Dueck, Living Word Temple

"During my entire tenure in pastoral ministry I have been slowly working on my MA in Christian Ministry in the GSTM program. I am so grateful to do these two things simultaneously, as it has afforded me incredible resourcing and education in real time with my experience in ministry. This has made both my ministry and my studies richer, as each has built off the other to help me grow in faith and mission."
- Janessa Giesbrecht, Fort Garry Mennonite Brethren

"I felt accepted and knew that I belonged here. Care Groups were an incredible opportunity to be a part of the student life at SBC and the practical application encouraged throughout my classes was transformational. Over the years I have learned so much about God and who I am in Christ. I have learned to slow down, be still and simply sit in the presence of the Lord, which I did not realize I needed at the time. I was pushed out of my comfort zone as I was empowered to lead. During my time Scripture came alive and the more I studied the more I started living the scripture each day. There have been many joys and challenges throughout my experience that have become a wonderful part in shaping the person I have become today!" - Grace Wieler (3rd Year, BA Christian Studies)

The good years under President Rob
The last 6 years have yielded a very consistent student enrollment. Averaging the equivalent of 123.5 full-time students based on credits sold. In the last three years, during the Global Pandemic, our average equivalent is only down mildly, and the greatest impact is seen in our online student numbers as young people seem to be tiring and running away from being on a screen in class all day.

The community, however, continues to be filled with compassion and kindness towards varying viewpoints and stances within current relevant issues. A safe place to ask question and develop answers within an evangelical Anabaptist environment. An environment that has developed, in part, because of the leadership of President Rob who has led SBC through some great years. His commitment to the vision and purpose of SBC has been rich and the effects continue to be felt. Yet, for President Rob, his time at SBC will be coming to a close in lieu of a pastorate opportunity at a local church. It is our pleasure to wish President Rob all the best as he moves his gifts to serve in another area where his heart has been led. Join us in saying the "thank you" to him for his years of service.

The good years to come
That leads us into the next opportunity to help us fill the vacancy of our Presidential position. If you are looking for a relevant role in raising up the next generation of church leaders or know someone who could be a great fit. You can connect with us by heading over to our website here President Position Opportunity | Steinbach Bible College (sbcollege.ca). Dr. Terry Hiebert has graciously been accepted to fill a 1-year interim role as we continue to look for the right person to fill the position. With Terry at the helm we look forward to continuing to set the standard of Biblical Christian Education. Our focus remains steadfast to empower servant leaders to follow Jesus, serve the church and engage the world.

Did you know that 72% of our students indicate that someone they care about suggested that they come to Steinbach Bible College? Simply put, our voices are often more relevant than we think in our young people's lives. They are hungry for authenticity and a safe place to belong. They need empowerment and to be championed in their faith. As SBC stays true to our calling, we hope that you can see the essential need in helping our young people belong to Christ. Too many of them enter the world without the foundation and leave the church.

Through the Province of Manitoba's degree granting act, Steinbach Bible College is authorized to grant degrees. Steinbach Bible College is a fully accredited college with the Association of Biblical Higher Education (ABHE).

Thank you for supporting your students as they pursue a Solid Biblical Foundation in SBC's Christ Centered Community.

Steinbach Bible College is an evangelical Anabaptist college empowering servant leaders to follow Jesus, serve the church, and engage the world.

PRESIDENT'S REPORT

Jean-Christophe Bieselaar, Ph. D.

ETEQ Equips the Whole Body of Christ to Serve

ETEQ, in its different names and forms (IBL, ETEM, ETEQ) has served an impressive generation of workers who have been very involved in ministry. We have served and equipped lay people who are involved in their local AEFMQ church ministries as well as pastors, conference ministers and moderators. Our student body is distributed across our programs as follows: 16 are enrolled in our Microprograms, 36 in our Certificates, 42 in our Bachelor's program, 30 in our Master's degree and one enrolled in our PhD degree. Our current AEFMQ students are participating in the church life of L'Intersection, Saint-Laurent, Sainte-Thérèse and Sainte-Rose churches. While we have experienced an increase in enrollment during the first year of the pandemic we have reached a plateau during the second year. Like many other institutions across Canada ETEQ had to adjust to the pandemic context and offer hybrid classes.

ETEQ Equips the Whole Body of Christ to Serve Through our Programs

Our Microprograms (9, 12 & 18 credits) are suited for lay leaders, small group leaders and deacons. Our Certificate degree (30 credits) is suited for elders, worship leaders and small group leaders. Our Bachelor's degree (90 credits) is suited for senior pastors, children's pastors, youth pastors, assistant pastors, and missionaries. Our Master's degree (45 credits) & Doctorate degree (90 credits) are suited for pastors, professors, theologians, lecturers, authors, missionaries. Tuition is particularly affordable for students in Quebec and is proportional to the number of credits students take. A course costs $440 (the equivalent of 28$ per week per semester). Completing an ETEQ program in partnership with Université Laval costs Quebec students in total: Microprograms $1,760, Certificate $4,400, Bachelor $13,200, Master $7,600, Doctorate $15,200. We now offer more opportunities to our AEFMQ church members to take ETEQ courses without academic requirements or university prerequisites: auditing courses costs $223 per course (the equivalent of 14$ per week per semester). We invite those who speak French or who want to improve their French language skills across Canada to experience a class at ETEQ. The additional fees charged by Université Laval for students outside of Quebec remain very competitive while the auditing fee at ETEQ remains the same for everyone.

ETEQ Equips the Whole Body of Christ to Serve Through its Faculty

David Miller and Richard Lougheed are our Mennonite Brethren faculty members and influence our ETEQ students by disseminating Anabaptist values in their teaching. We have been working hard and continue to do so to increase the presence of AEFMQ professors in ETEQ. As opposed to other schools of theology in Quebec, ETEQ's faculty is strongly rooted in both academia and pastoral ministry. At the moment fourteen of ETEQ's professors have a Ph.D., three are Ph.D. candidates, two have a Doctorate degree in practical theology (D.Min) and two have a Master's degree. All of ETEQ's professors have earned the title of associate professor from Laval University.

Many People to Thank

ETEQ has three main sources of income. The first third (36%) of its income comes from ETEQ's founding church families: 16% from the Alliance (14% Alliance Canada, 2% St-Lawrence District) and 20% from the Canadian Conference of Mennonite Brethren Churches. The second third (33%) comes from our private donors in Quebec and other Canadian provinces. The last third (29%) comes from tuition fees. While this income ratio is balanced it remains fragile: recovering any decrease in donation increases pressure on the other two sources of income. **In conclusion, we invite you to invest and continue to support the work, the mission, the vision of École de Théologie Évangélique du Québec of growing healthy churches and equipping many workers to serve in the specific cultural context of Quebec and the Francophonie.**

ICOMB 2021 Report for Multiply Board:

The last two years have been unique in many ways, but we are thankful for what could be done, and we are also grateful that limitations are decreasing. In May 2021, we celebrated our Summit with online meetings on three consecutive days. Additionally, we had two virtual meetings (April and Nov) focused on the Delegates. It was time to share, reflect, and make decisions about our global relationships. How to serve each other, inform about conferences with special needs, and in crises. ICOMB was able to assist in some susceptible situations, and we are thankful where we could be of help.

There is communication between ICOMB leadership and the conferences and among the meetings, which is one of our goals. We rejoice when leaders share prayer motives, bits of advice, different resources, friendship, etc. This is blessing individuals, churches, and conferences.

In our partnership with Multiply, we have intensified our joint reflection about the 22 member conferences and emerging groups in the different regions. This widens the understanding of situations and opportunities to connect better, and it lets us use resources more efficiently. As ICOMB leadership, we are very thankful that Victor Wiens is seconded to us as Emerging Conferences Coordinator. And the disposition of Doug Penner and the regional leaders in Multiply to engage in a joint effort to strengthen and expand ICOMB has been an important encouragement.

Global Scholarship Fund (GSF) and Mission Leaders Training (MLT) are two specific joint programs serving in equipping and offering educational possibilities to many leaders or potential leaders. ICOMB needs to widen the virtual communication and data exchange system to be more efficient in our “connect, strengthen, expand” goals of the conferences. We are talking about how Multiply can share Systems they developed that can enhance our work.

On November 21, I had the opportunity to visit European Anabaptist Leaders in Holland and visit Churches in Austria. Together with Multiply leaders, we visited the conference in Portugal and churches in Turkey. We have painted the picture that Multiply is a mission agency, and ICOMB is the global family that groups of churches can belong to. These visits have confirmed how encouraging it can be for a group of churches when a broader community is interested and supportive.

In the past years, the contribution of CCMBC and donations from Individuals and churches from this conference, have been very generous. We wholeheartedly want to thank for this.

In our 2022 Budget (165.000,00 U$.), the main expenses are leaders’ meetings, travel expenses, an extension of communication systems, and staff salaries. For the revenues, approx. 41% will come from Conference contribution, and the balance needs to go through fundraising. We aim to get 39% from individuals and churches, 5% from various sources, and the rest (15%), if needed, will come from our reserves. These have grown because of the travel limitation in the last two years.

☐

Mennonite World Conference
A Community of Anabaptist related Churches

Congreso Mundial Menonita
Una Comunidad de Iglesias Anabautistas

Conférence Mennonite Mondiale
Une Communauté d'Eglises Anabaptistes

Report to *CANADIAN CONFERENCE OF MENNONITE BRETHREN CHURCHES – 2022*

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

MWC is our Anabaptist global church with more than 1.4 million baptized believers in 109 national member churches, including CCMBC. Learn about our global Christ-centred faith community by visiting our website and signing up for the monthly online ***MWC Info*** newsletter, bimonthly ***Prayer Network*** and the biannual ***Courier/Correo/Courrier*** magazine; and in the **2021 Year-in-Review** video.

MWC GLOBAL ASSEMBLY 17 – INDONESIA, JULY 5-10

In less than one month, the three national churches (synods) of Indonesia will host MWC Assembly 17. This year Assembly will have a high virtual component, facilitating interactive participation for thousands of individuals who cannot attend the Assembly in person. Registration for online participation is still available! Plan to participate from your home or in your church gathering place with others from your congregation.

Theme: *Following Jesus Together Across Barriers*.

Please pray for MWC leadership including MWC General Secretary César García, and the MWC Executive Committee, and all who will gather in Indonesia. Please pray for the General Council – representatives from all national churches (including CCMBC) – and Commissions as they meet virtually.

WORDS OF GRATITUDE AND PRAYERS OF INTERCESSION

We are grateful for the CCMBC congregations that are joining Anabaptist churches around the globe in worship by participating in the Online Prayer Hour, Peace Sunday and Anabaptist World Fellowship Sunday, and taking up a One Lunch Offering to support the ministry of our global Anabaptist church family.

As churches face persecution, natural disasters, political turmoil and conflict, the presence and identification with the global Anabaptist church is an essential means of support, encouragement and resources to walk in the way of Jesus Christ, our Lord, Savior and brother. "Though we truly live out our Christian faith in local communities, it is when we meet as a global church we begin to grasp the vastness of God's grace." (Elisabeth Kunjam, a Mennonite church member from India.)

Thank you for your prayers for the global church, and for your generous support of the MWC community through the *CCMBC*, from congregations and individual donors! "*Be joyful in hope, patient in affliction, faithful in prayer. Share with God's people who are in need*" (Rom 12:12).

In Christ's peace,

Gerald Hildebrand

Gerald Hildebrand, MWC North America Regional Representative, GeraldHildebrand@mwc-cmm.org

@MennoniteWorldConference @mwcmm @mwcmm @mwccmm

Mennonite Disaster Service Canada

REPORT

MDS Canada 2021: Faith in Action, Caring Relationships

"It was nothing short of a miracle. It never would have happened without MDS. It's just so unreal. I don't know how to thank MDS. It's amazing how people we don't know came to help us. It's God sent, that's all I know."

That's what Diane Rice of Triton, Newfoundland said after MDS Canada, together with local volunteers in that community, rebuilt her home that was destroyed by fire.

Her comment reminds me of why MDS Canada exists—volunteers who are sent by God to be the hands and feet of Jesus when people are hurting and need help.

Although 2021 was a hard year for us—the pandemic curtailed most of our responses in this country and prevented Canadians from going to the U.S. to volunteer—it couldn't stop us from doing what we could to help people impacted by disasters. Despite the pandemic, and the restrictions it imposed, we still responded to people in need.

Diane and Reginald Rice

In Ontario, we worked with MCC to promote reconciliation with Indigenous people by providing volunteers to renovate the MCC Indigenous Neighbours office in Timmins. We also worked with MennoHomes, an organization that provides affordable housing in Kitchener, to renovate a derelict house into a home for a Syrian refugee family. In Barry's Bay we were able to renovate a house to accommodate a family with a disabled child, creating a safe, sterile, and temperature-controlled space.

In B.C., we learned you can be off the grid but not out of God's plan when it comes to rebuilding a house. That's what happened after a fire destroyed the home of Cliff and Lydia Trudeau at Cuisson Lake. Rebuilding their house was challenging, since they live in a remote part of the province. With some creative thinking on the part of volunteers, along with energetic ingenuity and lots of prayer, the house was completed in August.

Also in B.C., volunteers responded to needs in Princeton, where about 300 families had their homes damaged or destroyed by flooding.

In Saskatchewan, we renovated the office and home of the director at the Westbank Bible Camp. Said the director about the volunteers: "They showed up with a servant attitude and posture, always asking what they could do for us, how they could serve us," he said. "It was phenomenal. They had such servant hearts."

Also in Saskatchewan, weather was the big story this year. Drought affected farmers in the province, hitting livestock farmers the hardest. Many don't have enough hay for their animals in winter. Together with the MDS Ontario Unit, we created MDS Hay West, a way for farmers in Ontario—who enjoyed good growing weather—to send donated hay to Saskatchewan. Best of all, it was a way for farmers in Ontario to say thanks. It was nine years ago that farmers in Saskatchewan sent Hay East to them when drought was bad in that province.

In Newfoundland, MDS Canada supplied the funds and local people in Triton provided the volunteers to build a new house for Diane and Reginald Rice after fire destroyed their home.

Across Canada, we responded through the Spirit of MDS Fund. Through the fund, we provided 81 grants worth $206,900 to churches involved in frontline service to people impacted by the pandemic.

At MDS in Canada our goal is to use our core values of faith in action and caring relationships to be a witness to God's love for the world. We invite you to consider volunteering with us and joining us in praying for God's continued blessing on our work.

—Ross Penner, Director of Canadian Operations

Mennonite Disaster Service

www.mds.org

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

Mennonite Central Committee 2022 Report to CCMBC

As we reflect on the past year of ministry, MCC is grateful to walk hand-in-hand with the Mennonite Brethren church to share God's love and compassion for all in the name of Christ. Despite the challenges of a global pandemic, changing weather patterns and millions of people forced to flee, our hope and faith rests solidly in Jesus. MCC is committed to "abiding in the vine" so we can continue to bear fruit. Without Christ, we can do nothing.

Thanks to your generous support, MCC was able to work with local partners to impact the lives of thousands – and to offer a Jesus-centred vision of peace and reconciliation to communities around the world.

Relief

Following the Russian military invasion of Ukraine in February 2022, MCC partners have been responding by providing emergency assistance to the most vulnerable, including the elderly and those living with disabilities. Maxym and Anya Oliferovski are two of those partners. They normally spend their days leading New Hope Centre, an MCC partner organization in Zaporizhzhia, Ukraine, focusing on families in crisis. They are also Mennonite Brethren church planters. Since late February, as of this publication, they have turned to distributing emergency supplies, such as food, blankets and mattresses. They are also helping people evacuate to safer locations. MCC's response to this conflict will continue as we scale up existing work and plan longer-term projects.

Development

Sticky stinky? Farmers in sub-Saharan Africa use a unique agricultural approach, mixing their crops with a smelly grass to drive away pests. (The grass also helps preserve moisture, helping address the effects of climate change.) The farmers then plant a sticky grass around the perimeter of their fields to trap pests escaping the smell. Fewer pests equal more nutritious food for families. And an added benefit? Since the insects are trapped before they can migrate to neighbours' fields, peace grows in the community. Another innovative approach by MCC partners!

Peace

We know that peace means many things. For Zebron Mwale in Zambia, it means forgiveness. After landing in prison for growing cannabis, Zebron joined an MCC peace club offered there. "I quickly learned about the need to break the chain of revenge," says Zebron, who offered forgiveness to the neighbour who had turned him in. Here in Canada, peace can mean new beginnings. MCC continues to support newcomers through our migration and resettlement program, including many Afghan refugees. We're inviting congregations to prayerfully consider sponsoring an Afghan refugee this coming year.

Thank you for your ongoing generosity! None of this could happen without your gifts of prayer, service and financial support. Thanks be to God.

In Christ's peace,

Rick Cober Bauman

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

Benedicte Fadzili Bugogero shows the catchment system that collects rainwater from the roof of his home in DR Congo. The project was implemented by MCC's Mennonite Brethren church partner to help reduce disease in the community.
(MCC photo/Matthew Lester)

Maxym and Anya Oliferovski pose for a photo at New Hope Centre in Zaporizhzhia, Ukraine, in 2021. New Hope is actively helping people who are impacted by the Russian military invasion of Ukraine.
(Photo courtesy of Maxym Oliferovski)

> **"I am the vine, and you are the branches. Those who abide in me and I in them bear much fruit, because apart from me you can do nothing."**
>
> **— John 15:4–5**

MCC

Five-Year Revenue Budget Comparison

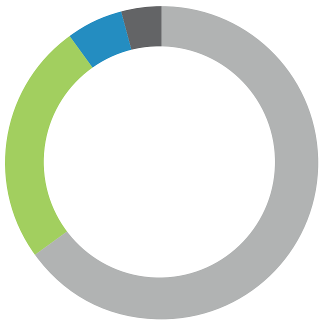
2018 - 2019
1. Church contributions direct from churches
2. Donations and Grants
3. Sales and Registrations

2020 - 2022
1. Church contributions through single stream funding
2. Donations and Grants
3. Sales and Registrations

2018	2019	2020	2021	2022 (budget)
$1,200,000 38% of total	$1,225,000 82% of total	$1,172,000 88% of total	$935,700 73% of total	$828,000 87% of total
$1,797,040 57% of total	$43,600 3% of total	$16,100 1% of total	$206,600 16% of total	$6,200 1% of total
$139,820 4% of total	$220,020 15% of total	$144,920 14% of total	$141,100 11% of total	$116,700 12% of total
TOTAL $3,136,860	TOTAL $1,488,620	TOTAL $1,333,020	TOTAL $1,283,400	TOTAL $950,900

Revenue Sources

2021 ACTUAL



Church contributions through single-stream funding
$968,867 / 65%

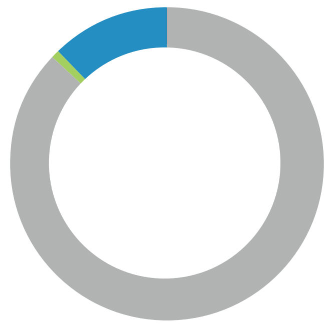
Donations and Grants
$373,357 / 25%

Sales and Registrations
$92,291 / 6%

Government Assistance
$61,056 / 4%

Total: $1,495,571

2022 BUDGET



Church contributions through single-stream funding
$828,000 / 87%

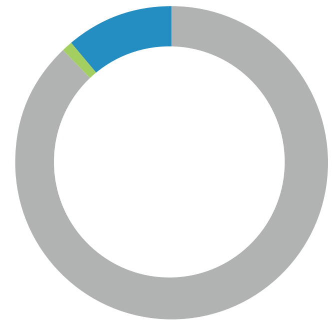
Donations and Grants
$6,200 / 1%

Sales and Registrations
$116,700 / 12%

Government Assistance
$0 / 0%

Total: $950,900

2023 PRO FORMA



Church contributions through single-stream funding
$902,500 / 88%

Donations and Grants
$6,200 / 1%

Sales and Registrations
$116,700 / 11%

Government Assistance
$0 / 0%

Total: $1,025,400

Expense Sources

2021 ACTUAL

Spiritual Health & Theology
$126,891 / 10%

Leadership Development
$195,000 / 15%

Mission
$$412,561 / 33%

Organizational Health
$535,745 / 42%

Total: $1,270,197

2022 BUDGET

Spiritual Health & Theology
$249,175 / 26%

Leadership Development
$185,000 / 19% of total

Mission
$43,000 / 5%

Organizational Health
$473,725 / 50%

Total: $950,900

2023 PRO FORMA

Spiritual Health & Theology
$252,275 / 25%

Leadership Development
$185,000 / 18% of total

Mission
$54,655 / 5%

Organizational Health
$533,470 / 52%

Total: $1,025,400

Budget by Priority Area

SPIRITUAL HEALTH & THEOLOGY

2021 ACTUAL
$126,891

2022 BUDGET
$249,175

2023 PRO FORMA
$252,275

DESCRIPTION

This strategic priority will help us achieve our mission and vision goals by cultivating and articulating a disciple-making theological centre grounded in our biblical convictions and expressed in our Confession of Faith. This will encourage pastors and churches to maintain an evangelical-Anabaptist spirituality, producing new disciples of Jesus. Although success in this strategic area will require contribution from all, the National Faith and Life team, in coordination with Provincial Faith and Life teams, Conference Ministers, Multiply and MB Seminary, will lead this priority area.

NFLT Board

NFLT Director

Events - Equip Study Conference

Events - PCO

Centre for MB Studies

Kindred Productions

MB Herald

Direction

IMPACT

Thirty new pastors and leaders representing 12 ONMB churches and agencies, as well as three participants from Manitoba and BC, met on October 27-29, 2021 at Northend Church in St. Catharines. PCO serves as a key opportunity to discover and explore what it means to be Mennonite Brethren and to build relationships across the MB family.

"Thank you for bringing in speakers from all across our country and some of our national leaders, to speak into our lives, to encourage us, to equip us as we launch into our ministry roles." shared a participant who is new to her role in ministry.

Budget by Priority Area

LEADERSHIP DEVELOPMENT

2021 ACTUAL
$195,000

2022 BUDGET
$185,000

2023 PRO FORMA
$185,000

DESCRIPTION

As we look towards cultivating a disciple-making culture two clear needs are evident: one is to support, equip and resource existing leaders and the other is to discover and develop new leaders. The Leadership development priority area aims to enhance MB pastors' and leaders' effectiveness in creating a healthy disciple-making culture. These objectives will be achieved through a combination of informal, formal, and non-formal education and training programs and ministries for existing churches, new churches, cross-cultural ministry, and marketplace contexts.
Although success in this strategic area will require contribution from all of us, MB Seminary, in coordination with Provincial teams, Conference ministers, the National Faith and Life Team, and Multiply, will lead this priority area.

ETEQ

MB Seminary

IMPACT

For many years, MB Seminary has offered graduate level training at the locations of our partner institutions. More recently, we began offering courses that are fully online and in 2021, we began partnering directly with churches to train men and women at their ministry locations. Over the past year, 16 new students completed their first graduate certificate in this new program! Osayi Aiwekhoe of Willingdon Church, shares her experience:

"As I took MB Seminary courses, I discovered a passion for teaching, a love for community hermeneutics, and for the first time in my life I now believe that I'm worthy of the call to ministry; not because I chose it but because I believe God chose me. MB Seminary is giving me the confidence to do hard things, including seeing myself the way God sees me as I step out in faith into the unfamiliar arena of ministry."

Budget by Priority Area

MISSION

2021 ACTUAL
$412,161

2022 BUDGET
$43,000

2023 PRO FORMA
$54,655

DESCRIPTION

This area's objective is to facilitate and encourage our mission to be a disciple-making movement in Canada, and from Canada to the globe. This mission will require a well-articulated strategy that is integrated into all MB ministry areas. Although success in this strategic area will require contribution from all, Multiply, in coordination with Provincial teams, Conference ministers, the National Faith and Life Team, and MB Seminary, will lead this priority area.

Operationalizing the CUSP

ICOMB

Mennonite World Conference

Mission

Mission - Church Planting

Multiply

IMPACT

Our network of missional teams is working to make Jesus known in **70** nations.
These teams are made up of:

76 Global Workers trained and sent long-term from North America, **19** Global Workers, sent from MB conferences in other nations and, **80** National Leaders working in partnership and alignment with Multiply's regional mission strategy.

Our missional teams and their projects are actively supported by: **268** North American churches, **4,000+** North American households and, many members of our International Community of MB Churches.

Budget by Priority Area

ORGANIZATIONAL HEALTH

2021 ACTUAL
$535,746

2022 BUDGET
$473,725

2023 PRO FORMA
$533,470

DESCRIPTION

Healthy disciple-making communities are supported by healthy organizational culture, structures and systems.. The aim here is to provide skill development and continuing education to those leading in critical administration and governance areas. Although success in this strategic area will require contribution from the National Council in coordination with Provincial teams, Conference ministers, the National Faith and Life Team, Multiply and MB Seminary, the principal organization (CCMBC) will lead this priority area.

Executive Board

Executive Director

Communications Administration

Administration

Events - Gathering/AGM

Plan to Protect

MB Historical Commission

Evangelical Fellowship of Canada

Contingency

IMPACT

The Historical Commission fosters historical understanding and appreciation of the Mennonite Brethren Church in Canada, the United States, and globally.

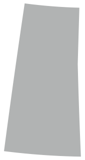
The HC networks with the four MB archives in North America (Abbotsford, Winnipeg, Hillsboro, and Fresno) to publish books and biographies (https://mbhistory.org/profiles) and fund research done by individuals or institutions to advance MB or Anabaptist-Mennonite studies generally (https://mbhistory.org/opp).

Single-Stream Funding

BY PROVINCIAL CONFERENCE





	ABMB	AEFMQ	BCMB	MBCM	ONMB	SKMB
2021 Actual	**$67,547**	**$8,500**	**$335,591**	**$270,032**	**$132,000**	**$147,947**
2022 Budget	**$70,000**	**$7,000**	**$265,000**	**$236,000**	**$150,000**	**$100,000**
2023 Pro Forma	**$73,500**	**$6,000**	**$292,000**	**$256,000**	**$150,000**	**$125,000**

Canadian Conference of M.B. Churches
2022 Proposed Budget
and 2023 Pro Forma Budget

General Notes

- The budgets are being presented in two formats
  1. Single Stream Funding reported by province with expenses reported by ministry area, aligning with the four ministry areas in the CUSP (Pages 2 and 3)
  2. Single Stream Funding reported as a total with expenses reported by type of expense (Page 4)
- 2021 Actuals do not align with the audited statement because $953,110 of flow through donations/agency expenses and $1,512,079 of revenue/specific programming expenses for non-registered church plants have not been included for budget purposes

Changes to 2022 Proposed Budget from 2021 Budget

- Church Contributions through Single Stream Funding: decreased by $107,700 to $828,000 from $935,700 based on consultation with provincial conferences
- Donations & Grants: Church planting related revenue budget of $200,000 from provinces have been eliminated as any subsidies are now being paid by the provincial conferences
- Sales & Registrations: Kindred Products sales budget decreased by $24,400

Expenses

- ETEQ Support: decreased by $20,000 to $20,000 from $40,000
- MB Seminary: increased by $10,000 to $165,000 from $155,000 to account for full year of the Manitoba Graduate Theological Education commitment
- Operationalizing the CUSP: eliminated from the 2022 Pro Forma, as much of the work will be done at the provincial conference level in 2022.
- Mission: Church planting subsidies budgeted at $200,000 in 2021 have been eliminated as they are now being paid by the provincial conferences
- Administration: Certain banking fees moved to Legacy or church plants and audit fee reduced
- Accounting fee: Legacy is donating accounting services for 2022 valued at $63,000 as a non-cash donation
- Staff expenses: Small increases in compensation and reduction in travel

Changes to 2023 Pro Forma Budget from 2022 Proposed Budget

- Church Contributions through Single Stream Funding: increased by $74,500 to $902,500 from $828,000 based on consultation with provincial conferences

Expenses

- Compensation: 2% COLA increase
- Accounting fee: $63,000 Legacy accounting fee reinstated
- Operationalizing the CUSP: $11,655 added
- Contingency: $10,455 eliminated

Canadian Conference of M.B. Churches
2023 Pro Forma Budget by Ministry Area

	2021 Budget.	2021 Actual.	2022 Proposed Budget	2023 Pro Forma
Revenue				
Church Contributions through Single Stream Funding				
Church Contributions	$0	$7,250	$0	$0
Church Contributions - ABMB	60,000	67,547	70,000	73,500
Church Contributions - AEFMQ	7,700	8,500	7,000	6,000
Church Contributions - BCMB	400,000	335,592	265,000	292,000
Church Contributions - MBCM	236,000	270,031	236,000	256,000
Church Contributions - ONMB	132,000	132,000	150,000	150,000
Church Contributions - SKMB	100,000	147,947	100,000	125,000
Church Contributions through Single Stream Funding Total	935,700	968,867	828,000	902,500
Donations & Grants	6,600	87,031	6,200	6,200
Donations & Grants - Church Planting	200,000	347,382	0	0
Sales & Registration	141,100	92,291	116,700	116,700
Revenue Total	**1,283,400**	**1,495,571**	**950,900**	**1,025,400**
Expenses				
Spiritual Health & Theology				
NFLT Board	18,100	793	15,100	15,100
NFLT Director	126,300	52,595	108,675	111,175
Events - Equip Study Conference	52,500	2,219	52,500	52,500
Events - PCO	12,000	6,256	12,000	12,000
Centre for M.B. Studies	38,500	37,052	40,000	40,500
Kindred Productions	16,300	14,436	12,200	12,300
M.B. Herald	8,800	7,483	7,700	7,700
Direction	1,000	6,057	1,000	1,000
Spiritual Health & Theology Total	273,500	126,891	249,175	252,275
Leadership Development				
ETEQ	40,000	40,000	20,000	20,000
MB Seminary	155,000	155,000	165,000	165,000
Leadership Development Total	195,000	195,000	185,000	185,000
Mission				
Operationalizing the CUSP				11,655
ICOMB	40,000	47,413	30,000	30,000
Mennonite World Conference	10,000	15,000	10,000	10,000
Mission	2,500	3,483	3,000	3,000
Mission - Church Planting	230,000	346,665		
Mission Total	282,500	412,561	43,000	54,655

Canadian Conference of M.B. Churches
2023 Pro Forma Budget by Ministry Area

	2021 Budget.	2021 Actual.	2022 Proposed Budget	2023 Pro Forma
Organizational Health				
Executive Board	30,000	56,361	27,000	27,000
Executive Director	216,900	205,294	220,510	224,010
Communications Administration	142,100	128,687	142,660	146,360
Administration	85,600	122,884	50,200	113,200
Events - Gathering/AGM	600		300	300
Plan to Protect	600	619	600	600
MB Historical Commission	13,000	13,000	13,000	13,000
Evangelical Fellowship of Canada	9,000	8,900	9,000	9,000
Contingency	34,600		10,455	
Organizational Health Total	532,400	535,745	473,725	533,470
Expenses Total	**1,283,400**	**1,270,197**	**950,900**	**1,025,400**
Surplus (Deficiency) of Revenue over Expenses	**$0**	**$225,374**	**$0**	**$0**

Canadian Conference of M.B. Churches
2023 Pro Forma Budget by Expense Type

	2021 Budget.	2021 Actual.	2022 Proposed Budget	2023 Pro Forma
Revenue				
Church Contributions through Single Stream Funding	935,700	968,867	828,000	902,500
Donations & Grants	6,600	87,711	6,200	6,200
Donations & Grants - Church Planting	200,000	346,702	0	0
Sales & Registration	141,100	92,291	116,700	116,700
Revenue Total	**1,283,400**	**1,495,571**	**950,900**	**1,025,400**
Expenses				
Board Costs	65,500	92,837	63,000	63,000
Operationalizing the CUSP				11,655
Specific Programming Costs	318,400	351,817	86,100	86,100
Agency/Partnership Support	268,000	300,767	248,000	248,000
Office & Administration Expenses	98,700	110,510	57,745	120,745
Staff Compensation	449,100	393,496	449,100	459,400
Staff Travel	45,500	15,005	31,500	31,500
Staff - Other Expenses	3,600	5,766	5,000	5,000
Contingency	34,600		10,455	
Expenses Total	**1,283,400**	**1,270,197**	**950,900**	**1,025,400**
Surplus (Deficiency) of Revenue over Expenses	**$0**	**$225,374**	**$0**	**$0**

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

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

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

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

Non-Consolidated Statement of Financial Position

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

Canadian Conference of MB Churches

Summarized Non-consolidated Financial Statements

Non-consolidated Statement of Financial Position

	at Dec 2021	at Dec 2020
Assets		
Cash	$3,519,838	$5,029,312
Accounts and other receivables	65,089	456,835
Due from related party	561,443	-
Donated securities	-	34,231
Inventories	5,423	4,049
Prepaid expenses and deposits	53,761	20,490
Capital assets	49,634	105,873
	$4,255,188	**$5,650,790**
Liabilities		
Accounts payable and accrued liabilities	$1,012,698	$895,500
Benefit plan payable	113,716	631,739
Due to related party	2,249,741	3,142,840
	3,376,155	4,670,079
Deferred contributions	633,406	960,996
Net assets:		
Restricted for endowments	1,367,064	1,366,526
Unrestricted	(1,121,437)	(1,346,811)
	245,627	19,715
	$4,255,188	**$5,650,790**

Non-consolidated Statement of Operations and Changes in Net Assets

	2021	2020
Revenue		
Church contributions	$968,867	$1,005,774
Donations/Grants	2,739,214	2,343,585
Sales	131,693	89,946
Government assistance	158,765	512,740
	3,998,539	3,952,045
Expenses		
Cost of sales	46,565	40,192
Staffing	414,266	558,878
Specific programming costs	1,863,896	2,211,650
Support of outside agencies	1,245,091	707,882
Office expenses	108,643	117,874
Board costs and convention	92,837	88,473
Public relation consts	1,867	4,179
	3,773,165	3,729,128
Excess of revenue over expenditures	**225,374**	**222,917**
Net assets at beginning of year	19,715	(204,286)
Reinvested endowment earnings during the year	538	1,084
Net assets at end of year	**$245,627**	**$19,715**

Assets

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

Liabilities, Deferred Contributions and Net Assets

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

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

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

Non-Consolidated Statement of Operations

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

Revenue

Total revenue of $4 million (2020 - $4 million) was recorded for 2021. Church contributions received from provincial conferences through single-stream funding for 2021 at $970,000 was 96% of 2020 levels.

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

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

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

Expenditures

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

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

Excess of revenue over expenditures

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

Respectfully submitted by
Bertha Dyck, CFO

Non-consolidated Financial Statements of

THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA

Year ended December 31, 2021

THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA

Table of Contents

Year ended December 31, 2021

Page

INDEPENDENT AUDITORS' 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, 2021, 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, 2021, 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 "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' 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.

Auditors' 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 auditors' 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 auditors' 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 auditors' 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
May 5, 2022

THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA

Non-Consolidated Statement of Financial Position

December 31, 2021, with comparative information for 2020

	2021	2020
Assets		
Cash (note 8)	$ 3,519,838	$ 5,029,312
Accounts and other receivables (note 2[i])	65,089	456,835
Due from related party (note 8)	561,443	–
Donated securities	–	34,231
Inventories	5,423	4,049
Prepaid expenses and deposits	53,761	20,490
	4,205,554	5,544,917
Capital assets (note 3)	49,634	105,873
	$ 4,255,188	$ 5,650,790
Liabilities, Deferred Contributions and Net Assets		
Accounts payable and accrued liabilities (note 5)	$ 1,012,698	$ 895,500
Benefit plan payable	113,716	631,739
Due to related party (note 8)	2,249,741	3,142,840
	3,376,155	4,670,079
Deferred contributions:		
Expenses of future periods (note 6)	633,406	960,996
Net assets:		
Restricted for endowments (note 7)	1,367,064	1,366,526
Unrestricted	(1,121,437)	(1,346,811)
	245,627	19,715
	$ 4,255,188	$ 5,650,790

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, 2021, with comparative information for 2020

	2021	2020
Revenue:		
Church contributions	$ 968,867	$ 1,005,774
Grants and donations (note 8)	2,739,214	2,343,585
Sales	131,693	89,946
Government assistance (note 2[i])	158,765	512,740
	3,998,539	3,952,045
Expenditures:		
Cost of sales	46,565	40,192
Staffing	414,266	558,878
Specific programming costs	1,863,896	2,211,650
Support of outside agencies	1,245,091	707,882
Office expenses (note 8)	108,643	117,874
Board costs and convention	92,837	88,473
Public relations costs	1,867	4,179
	3,773,165	3,729,128
Excess of revenue over expenditures	$ 225,374	$ 222,917

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, 2021, with comparative information for 2020

	Unrestricted	Restricted for endowments	2021 Total	2020 Total
Balance, beginning of year	$ (1,346,811)	$ 1,366,526	$ 19,715	$ (204,286)
Reinvested earnings during the year	–	538	538	1,084
Excess of revenue over expenditures	225,374	–	225,374	222,917
Balance, end of year	$ (1,121,437)	$ 1,367,064	$ 245,627	$ 19,715

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, 2021, with comparative information for 2020

	2021	2020
Cash flows from (used in) operating activities:		
Excess of revenue over expenditures	$ 225,374	$ 222,917
Adjustments for:		
Amortization	45,178	25,745
Loss on disposal of capital assets	26,291	–
Change in non-cash operating working capital:		
Accounts and other receivables	391,746	(313,941)
Due from related party	(561,443)	–
Donated securities	34,231	28,732
Inventories	(1,374)	(2,990)
Prepaid expenses	(33,271)	13,174
Accounts payable and accrued liabilities	117,198	(191,284)
Benefit plan payable	(518,023)	(166,483)
Net change in deferred contributions related to expenses of future periods	(327,590)	487,170
	(601,683)	103,040
Cash flows from financing activities:		
Endowments	538	1,084
Cash flows from (used in) investing activities:		
Purchase of capital assets	(15,230)	(15,230)
Change in due from related party (note 8)	(893,099)	(6,207,689)
	(908,329)	(6,222,919)
Decrease in cash	(1,509,474)	(6,118,795)
Cash, beginning of year	5,029,312	11,148,107
Cash, end of year	$ 3,519,838	$ 5,029,312

See accompanying notes to non-consolidated financial statements.

THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA

Notes to Non-Consolidated Financial Statements

Year ended December 31, 2021

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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 $45,178 (2020 - $25,745) 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.

THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA

Notes to Non-Consolidated Financial Statements (continued)

Year ended December 31, 2021

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, 2021, the Conference incurred $1,243,682 (2020 - $1,885,418) of salaries expenditures. Of this amount, $768,265 (2020 - $1,074,533) relate to non-registered church plants salaries expenditures and are included in specific programming costs on the statement of operations. Of the remaining $475,417 (2020 – $810,885), $393,664 (2020 – $523,283) is included in staffing expenses and $81,753 (2020 – $287,602) is included in specific programming costs on the statement of operations. During the year ended December 31, 2021, the Conference has included in grants and donations income $158,765 (2020 - $512,740) for government assistance related to salaries expenditures under the Canada Emergency Wage Subsidy program of which $1,328 (2020 - $334,403) is included in accounts and other receivables at December 31, 2021. $97,709 of the total subsidy of $158,765 relates to non-registered church plants salaries expenditures of which $6,933 (2020 - $180,449) is included in 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	2021 Net book value	2020 Net book value
Computer equipment	$ 22,993	$ 18,434	$ 4,559	$ 4,463
Office equipment	106,660	61,585	45,075	101,410
	$ 129,653	$ 80,019	$ 49,634	$ 105,873

4. Operating facility and guarantee:

On August 22, 2019, and as amended October 25, 2019, the Conference entered into a Letter of Agreement with the Bank of Montreal which provided for an operating facility for use by the Conference in the aggregate amount of $250,000, along with letters of credit up to $100,000, bearing interest at prime. The operating facility was secured by a general security agreement over the assets of the Conference, a $300,000 corporate guarantee from Legacy and CCMBC Holdings Inc., a $400,000 corporate guarantee from CCMBC Investments and general security agreements over the assets of Legacy, CCMBC Holdings Inc. and CCMBC Investments. This operating facility was cancelled during the year ended December 31, 2021.

The Conference has provided a guarantee in the amount of $1,275,000 (2021 - $3,000,000) and a general security agreement to the Bank of Montreal as security for the operating facility of Legacy. As at December 31, 2021, 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, 2021, the operating facility of CCMBC Investments was unutilized.

5. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities is $781 (2020 - $468) 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:

	2021	2020
Balance, beginning of year	$ 960,996	$ 473,826
Add amount received relating to future periods	525,323	811,445
Less amount recognized as revenue in the period	(852,913)	(324,275)
Balance, end of year	$ 633,406	$ 960,996

THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA

Notes to Non-Consolidated Financial Statements (continued)

Year ended December 31, 2021

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:

	2021	2020
Emerging leaders	$ 4,109	$ 4,109
Centre for Mennonite Brethren Studies	28,990	28,990
Non-registered church plants	525,614	794,696
United Bible Society	48,514	79,046
Church planting initiatives	9,157	876
Church planters reserve	16,967	34,221
Other externally restricted	55	19,058
	$ 633,406	$ 960,996

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:

	2021	2020
CMU Endowment	$ 205,077	$ 205,077
Manitoba Conference Endowment	73,797	73,797
Evangelism Endowment	158,803	158,803
Family Endowment	929,387	928,849
	$ 1,367,064	$ 1,366,526

8. Related party transactions:

At December 31, 2021, the Conference has a payable in the amount of $2,249,741 (2020 - $3,142,840) to Legacy which is due on demand with no specified terms of repayment. During the year ended December 31, 2021, the Conference made a cash payment in the amount of $1,000,000 to Legacy to reduce the amount payable. Additionally, during the year Legacy advanced a further $100,000 to the conference which was repaid subsequent to December 31, 2021.

At December 31, 2021, the Conference has a receivable in the amount of $561,443 (2020 – nil) 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, 2021, the Conference has $2,283,725 (2020 - $2,551,710) on deposit with Legacy which bears interest at a variable rate of interest, 1.40 percent (2020 - 1.40 percent) at December 31, 2021.

During the year ended December 31, 2021, Legacy provided accounting and payroll services to the Conference for $50,000 (2020 - $47,700). Additionally, during the year ended December 31, 2021, Legacy donated $117,570 (2020 – nil) 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 2021 was 5 percent (2020 - 5 percent) of the employee salaries. The pension expense for the year ended December 31, 2021 was $49,667 (2020 - $70,588).

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, 2021 is nil (2020 – nil).

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

THE CANADIAN CONFERENCE OF THE MENNONITE BRETHREN CHURCH OF NORTH AMERICA

Notes to Non-Consolidated Financial Statements (continued)

Year ended December 31, 2021

11. COVID-19 implications:

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This has resulted in governments worldwide, including the Canadian and provincial governments, enacting emergency measures to combat the spread of the virus. These measures, which included implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally and in Canada resulting in economic slowdown. Governments in Canada have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions.

The current challenging economic climate may lead to adverse change in cash flows and working capital levels, which may have a direct impact on the Conference's operating results and financial position in the future. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the Conference is not known at this time.

As of the date of issuance of the financial statements, the Conference has accessed certain government aid programs to assist with the impact of COVID-19 on the Conference's operations. This includes access to government subsidies to assist with the Conference's expenditures (note 2[i]).

Financial Statements of

CANADIAN MENNONITE BRETHREN PENSION PLAN

Year ended December 31, 2021

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CANADIAN MENNONITE BRETHREN PENSION PLAN

Table of Contents

Year ended December 31, 2021

INDEPENDENT AUDITORS' 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, 2021;
- 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 2021, 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 "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' 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.

Auditors' 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 auditors' 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 auditors' 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 auditors' 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
__________, 2022

CANADIAN MENNONITE BRETHREN PENSION PLAN

Statement of Financial Position

December 31, 2021, with comparative information for 2020

	2021	2020
Assets		
Cash and short-term investments	$ 3,688,796	$ 8,773,490
Equity mutual funds	5,831,386	14,226,875
Fixed income mutual fund	31,320,585	–
Fixed income and related securities	–	28,312,078
Canadian equity and related securities	10,355,814	6,228,655
U.S. equity and related securities	32,442,145	29,807,470
International equity and related securities	22,570,485	17,857,530
	106,209,211	105,206,098
Liabilities		
Payable for investments purchased	–	5,586,017
Net assets available for benefits	$ 106,209,211	$ 99,620,081

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, 2021, with comparative information for 2020

	2021	2020
Increase in net assets:		
Contributions:		
Employer	$ 2,312,170	$ 2,264,950
Employees	2,312,170	2,264,950
Employee voluntary	52,113	52,180
Investment income (note 3)	2,077,720	2,060,940
Realized investment gains, net of realized losses	6,222,906	1,947,156
Net unrealized investment gains	2,786,751	5,471,565
	15,763,830	14,061,741
Decrease in net assets:		
Retirement withdrawals	8,289,775	8,656,479
Terminations	111,561	118,020
Investment management fees	644,050	552,494
Trustee fees	129,314	129,433
	9,174,700	9,456,426
Increase in net assets available for benefits	6,589,130	4,605,315
Net assets available for benefits, beginning of year	99,620,081	95,014,766
Net assets available for benefits, end of year	$ 106,209,211	$ 99,620,081

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:

	2021	2020
Cash and short-term investments	$ 1,173	$ 8,561
Fixed income and related securities	335,341	676,835
Exchange-traded funds	–	456,488
Canadian equity and related securities	264,057	354,642
Fixed income mutual fund	853,157	–
U.S. equity and related securities	275,694	293,022
International equity and related securities	348,299	271,392
	$ 2,077,721	$ 2,060,940

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, 2020, the Plan's exposure to interest rate risk was concentrated in its investments in fixed income securities. At December 31, 2021, 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, 2021, 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 1.56 percent (2020 – 2.41 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, 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

As at December 31, 2020	Actual currency exposure	%
Canadian	$ 48,038,616	45.66
U.S. dollar	56,728,479	53.92
Other	439,003	0.42
	$ 105,206,098	100.00

A 10 percent increase or decrease in exchange rates at December 31, 2021, with all other variables held constant, would have resulted in a change in unrealized gains of approximately $6,997,000 (2020 - $5,717,000).

(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 2021, 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 $6,537,000 (2020 - $5,389,000).

(b) Credit risk:

At December 31, 2020, the Plan was exposed to credit risk through its investment in fixed income securities. At December 31, 2021, 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, 2020, the amounts relate to fixed income securities directly held by the Plan. At December 31, 2021, the amounts relate to the investment in a fixed income mutual fund:

	2021	2020
Credit rating	%	%
AAA	12.4%	–
AA	14.3%	57.4%
A	13.5%	32.3%
BBB	21.0%	10.3%
BB	20.8%	–
B	11.9%	–
CCC	2.1%	–
D	0.1%	–
Unrated	3.9%	–
	100%	100%

Credit risk associated with contributions receivable is minimized due to their nature. No provision for doubtful contributions has been recorded in either 2021 or 2020.

(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.

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, 2020, the amounts relate to fixed income securities directly held by the Plan. At December 31, 2021, the amounts relate to the investment in the fixed income mutual fund:

	2021	2020
Less than one year	4.0%	–
One to five years	39.3%	41.3%
After five years	56.7%	58.7%
	100.0%	100%

(d) Other risk:

The global pandemic related to an outbreak of COVID-19 has cast additional uncertainty on the assumptions used by management in making its judgements and estimates. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Plan in future periods.

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, 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

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

December 31, 2020	Level 1	Level 2	Level 3	Total
Cash and short-term investments	$ 3,276,065	$ 5,497,425	$ –	$ 8,773,490
Equity mutual funds	5,148,684	9,078,191	–	14,226,875
Fixed income and related securities	–	28,312,078	–	28,312,078
Canadian equity and related securities	6,228,655	–	–	6,228,655
U.S. equity and related securities	29,807,470	–	–	29,807,470
International equity and related securities	17,857,530	–	–	17,857,530
	$ 62,318,404	$ 42,887,694	$ –	$105,206,098

During the year ended December 31, 2021, there were no transfers between levels.

During the year ended December 31, 2020, $8,142,437 was transferred from level 3 to level 2

Level 3 fair values

The fair value of the mutual funds is determined based on the underlying net asset values of the mutual funds. The following table presents the reconciliation of the Plan's mutual funds measured at fair value using unobservable inputs (Level 3):

Contingent consideration	2021	2020
Balance, beginning of year	$ –	$ 8,142,437
Unrealized gains	–	–
Transfer to level 2	–	(8,142,437)
Balance, end of year	$ –	$ –

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.

6. Capital management (continued):

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.

2022 LEGACY REPORT

Legacy provides payroll and accounting services for our churches and conferences, administers the group benefits plan for conference employees and retirees, and administers the CCMBC Pension Plan. The raising of funds and lending activities are facilitated through our subsidiary, CCMBC Investments Ltd. By investing in promissory notes, investors provide the capital necessary for us to extend secured mortgages to our churches, pastors, schools, and camps, enabling them to have a presence in the communities they serve.

Amidst our shared struggle of navigating through COVID-19, the Lord continued to bless our relationships and finances. This is encouraging as we remain focused on better serving our constituents, enhancing stakeholder engagement, and glorifying God. During 2021 we were blessed with a healthy bottom line, which is reassuring, and we remain on track with the financial plan described in *Our Plan Forward: Emerging from Telling Our Financial Story*.

Thank you for being part of Legacy's ministry!

Jason Krueger

CEO, CCMBC Legacy

LEGACY BY THE NUMBERS

GROUP INSURANCE PARTICIPANTS

1,137

PENSION PLAN PARTICIPANTS

1,543

INVESTOR ACCOUNTS

1,956

INVESTED IN PROMISSORY NOTES

$158 MILLION

CHURCH AND PASTOR MORTGAGES

93

TOTAL MORTGAGES

$76 MILLION

CHURCHES USING PAYROLL SERVICES

191

ORGANIZATIONS USING ACCOUNTING SERVICES

26

CCMBC Legacy Fund Inc. ("Legacy") is a Canadian Registered Charity whose sole member is our national conference, and serves as a resource to our 230 churches, provincial conferences, and ministry partners. Legacy provides payroll and accounting services for our churches and conferences, administers the group benefits plan for conference employees and retirees, and administers the CCMBC Pension Plan. The raising of funds and lending activities are facilitated through our subsidiary, CCMBC Investments Ltd. By investing in promissory notes, investors provide the capital necessary for us to extend secured mortgages to our churches, pastors, schools, and camps, enabling them to have a presence in the communities they serve.

We are pleased to highlight certain key aspects of our financial position and performance. The 2021 Consolidated Financial Statements of CCMBC Legacy Fund Inc. include the activities of Legacy and its wholly-owned for-profit subsidiaries CCMBC Investments Ltd. and CCMBC Holdings Inc. The accompanying Notes to the Consolidated Financial Statements are an integral part of the Consolidated Financial Statements.

"Glory to God in the highest heaven, and on earth peace to those on whom his favor rests."
Luke 2:14

Amidst our shared struggle of navigating through COVID-19, the Lord continued to bless our relationships and finances. This is encouraging as we remain focused on better serving our constituents, enhancing stakeholder engagement, and glorifying God. During 2021 we were blessed with a healthy bottom line, which is reassuring, and we remain on track with the financial plan described in "Our Plan Forward: Emerging from Telling Our Financial Story". We still expect to eliminate the related party obligation by 2025, which resulted from the transfer of CCMBC's Stewardship Ministries assets into Legacy. At the end of 2019, $9.3 million was due to Legacy but by the end of 2021, this had been reduced to $2.2 million.

We have invested significant time to strengthen our operating policies, investment policies, and transparency. Several of our most important policies are available at (https://ccmbclegacyfund.com/about/policies). At National Assembly 2022, delegates will be asked to approve the Legacy Memorandum of Understanding ("MOU") with CCMBC, which describes expectations concerning Legacy's governance, financial management, and resource stewardship. Legacy is a partner organization in the Collaborative Unified Strategic Plan and participates in its development, implementation, and assessment. CCMBC and Legacy are committed to ensuring the vitality and sustainability of resources and continued service to our constituency.

We refreshed our marketing efforts with new banner ads on the CCMBC website and ads in MB Herald and are working on promotional videos that can be used in a variety of settings. The significant outflow of investor funds over the past 10 years has slowed considerably, and we are hopeful the outflow permanently reverses. Our activities are made possible through the continued support of our investors.

"To those who use well what they are given, even more will be given, and they will have an abundance." Matthew 25:29a

It is a privilege to use the resources we have been entrusted with to help others thrive in their ministry context. Beyond providing the capital necessary to operate our loans program, your investment also enables us to administer group benefits, pension, payroll, and accounting services to those serving within our conference. It is humbling to consider the Lord's blessing, the support of our investors, and the commitment of staff and board members enabling us to serve our constituency. We covet your prayer support. We seek wisdom so that our plans are God-pleasing and are supportive of our shared ministry objectives. We seek discernment to carry out our stewardship commitments within the context of a challenging economic environment. Thank you for your support! To God be the glory.

Consolidated Statement of Financial Position

<u>Assets</u>
Total assets decreased less than 1% to $163.6 million ($164.2 million – 2020). Legacy held mortgage investments of $71.9 million ($77.9 million – 2020), other investments of $68.5 million ($63.6 million – 2020), and land held for sale of $7.0 million ($6.9 million – 2020). The amount due from a related party (CCMBC) decreased to $2.2 million ($3.2 million – 2020). Of the 16 loan deferral agreements entered into during 2020 due to COVID-19, 12 organizations resumed their required payments, and two loans were repaid in full and closed during 2021. After year-end, one organization resumed its regular payments. God has blessed our churches and people during this challenging time.

<u>Liabilities, Deferred Contributions and Net Assets</u>
Total liabilities decreased to $158.7 million ($161.1 million – 2020), due primarily to the redemption of promissory notes. Total liabilities were comprised primarily of promissory notes totalling $125.8 million ($130.4 million – 2020) and deposit notes totalling $31.1 million ($29.0 million – 2020). Legacy is the administrator of CCMBC's Group Benefits Plan. The Due to Related Party amount of $0.6 million represents employee group benefit premiums and pension contributions held on CCMBC's behalf and is distinct from the amount due from CCMBC. Unrestricted net assets increased to $2.4 million ($0.4 million – 2020) due to positive operational performance during 2021.

Consolidated Statement of Operations

Revenue

Total revenue of $8.7 million was recorded during 2021 ($8.6 million – 2020), comprised primarily of $3.4 million of mortgage interest ($3.4 million – 2020) and $4.2 million of investment earnings ($4.2 million – 2020). The capital raised from investors through CCMBC Investments facilitates the lending of money secured by mortgages to CCMBC's churches, pastors, and partner organizations. Any excess funds not required for lending activities are invested according to specified Investment Policy Statement guidelines that are reviewed and approved annually. Lending activities are governed by Legacy's Credit Policy ensuring there is a credit underwriting regime that is sound.

Expenditures

Total expenditures of $5.8 million were recorded during 2021 ($7.6 million – 2020), including $2.0 million of interest on promissory notes ($3.1 million – 2020), $0.4 million of interest on deposit notes ($0.7 million – 2020), $1.2 million for salaries and benefits ($1.2 million – 2020), and $0.7 million for investment management fees ($0.7 million – 2020). Interest on promissory and deposit notes decreased due to lower interest rates and a decrease in the dollar amount of notes outstanding compared to the prior year. Investment management fees are paid to a third party for Exempt Market Dealer and Portfolio Manager services relating to monies raised on behalf of CCMBC Investments. Legacy recognizes an allowance for credit losses on financial assets (mortgages) measured at amortized cost. In 2021, $717,000 was recorded as an allowance for credit losses ($28,000 – 2020) and is the net effect of an improvement in collateral position on our loan portfolio and the re-measurement of the impaired loans.

Income Taxes

Although Legacy is exempt from income tax, its wholly-owned for-profit subsidiaries CCMBC Investments and CCMBC Holdings are not. Total income taxes of $0.2 million were recorded during 2021 ($0.4 million – 2020).

Excess of Revenue Over Expenditures

Legacy recorded an excess of revenue over expenditures of $2.0 million during 2021 ($0.4 million – 2020).

Respectfully submitted by
Jason Krueger, CEO and Bertha Dyck, CFO

Consolidated Financial Statements of

CCMBC LEGACY FUND INC.

Year ended December 31, 2021

CCMBC LEGACY FUND INC.

Table of Contents

Year ended December 31, 2021

	Page

INDEPENDENT AUDITORS' 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, 2021, 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, 2021, 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 "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' 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.

Auditors' 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 auditors' 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 auditors' 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 auditors' 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
__________, 2022

CCMBC LEGACY FUND INC.

Consolidated Statement of Financial Position

December 31, 2021, with comparative information for 2020

	2021	2020
Assets		
Cash	$ 9,134,592	$ 8,135,267
Accounts receivable	158,947	105,975
Income tax receivable	146,907	–
Other investments (note 4)	68,520,712	63,558,024
Mortgage investments (note 3)	71,898,900	77,906,297
Prepaid expenses and other assets	239,503	286,241
Due from related party (note 13)	2,249,741	3,142,840
Land held for sale	6,963,022	6,939,867
Capital assets (note 5)	4,156,058	3,974,357
Future tax asset	162,478	186,098
	$ 163,630,860	$ 164,234,966
Liabilities, Deferred Contributions and Net Assets		
Accounts payable and accrued liabilities (note 7)	$ 500,205	$ 621,434
Income taxes payable	–	271,342
Deposit notes (note 8)	31,110,368	29,044,791
Promissory notes (note 9)	125,847,166	130,427,625
Due to related party (note 13)	561,443	–
Preferred shares (note 10)	678,500	752,500
	158,697,682	161,117,692
Deferred contributions:		
Capital assets (note 11)	2,495,108	2,693,731
Net assets:		
Unrestricted	2,438,070	423,543
	$ 163,630,860	$ 164,234,966

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, 2021, with comparative information for 2020

	2021	2020
Revenue:		
Grants and donations (note 2[l])	$ 50,000	$ 165,498
Sales revenue	–	102,327
Payroll and accounting services (note 13)	294,026	270,615
Rental and property management revenue	335,148	377,485
Mortgage interest (note 3)	3,420,131	3,426,576
Income from other investments	4,216,087	4,158,343
Other interest income	6,203	50,675
Deferred contributions related to capital assets (note 11)	198,623	223,926
Net realized gains (losses) on sale of other investments	118,569	(128,549)
Other revenue	27,991	–
	8,666,778	8,646,896
Expenditures:		
Salaries and benefits	1,209,268	1,198,223
Professional fees	366,301	389,212
General and administrative (note 13)	341,081	416,391
Interest on deposit notes (note 8)	419,643	656,940
Interest on promissory notes (note 9)	1,967,869	3,125,888
Interest on preferred shares (note 10)	7,161	8,026
Investment management fees (note 12)	676,827	677,884
Occupancy	61,194	320,631
Property administration	208,046	198,609
Property taxes	225,534	231,752
Insurance	61,663	83,448
Depreciation	211,326	218,027
Bad debt expense	–	51,578
	5,755,913	7,576,609
Excess of revenue over expenditures before the undernoted	2,910,865	1,070,287
Other income (loss):		
Other income	–	114,334
Gain (loss) on disposal of capital assets	(2,197)	85,209
Change in unrealized appreciation (depreciation) in value of other investments	10,263	(495,738)
Allowance for credit losses (note 3)	(717,380)	(27,811)
	(709,314)	(324,006)
Excess of revenue over expenditures before income taxes	2,201,551	746,281
Income taxes:		
Current	163,405	350,446
Future	23,619	16,319
	187,024	366,765
Excess of revenue over expenditures	$ 2,014,527	$ 379,516

See accompanying notes to consolidated financial statements.

CCMBC LEGACY FUND INC.

Consolidated Statement of Changes in Net Assets

Year ended December 31, 2021, with comparative information for 2020

	2021	2020
Balance, beginning of year	$ 423,543	$ 44,027
Excess of revenue over expenditures	2,014,527	379,516
Balance, end of year	$ 2,438,070	$ 423,543

See accompanying notes to consolidated financial statements.

CCMBC LEGACY FUND INC.

Consolidated Statement of Cash Flows

Year ended December 31, 2021, with comparative information for 2020

	2021	2020
Cash flows from (used in) operating activities:		
Excess of revenue over expenditures	$ 2,014,527	$ 379,516
Adjustments for:		
Net realized losses (gains) on sale of other investments	(118,569)	128,549
Change in unrealized depreciation (appreciation) In value of other investments	(10,263)	495,738
Depreciation	211,326	218,027
Deferred contributions related to capital assets	(198,623)	(223,926)
Loss (gain) on sale of capital assets	2,197	(85,209)
Bad debt expense	–	51,578
Amortization of transaction costs (note 9)	141,912	141,074
Allowance for credit losses (note 3)	717,380	27,811
Current income taxes	163,405	350,446
Future income taxes	23,619	16,319
Mortgage interest (note 3)	(3,420,131)	(3,426,576)
Interest on deposit notes (note 8)	419,643	656,940
Interest on promissory notes (note 9)	1,825,957	2,984,814
Interest on preferred shares (note 10)	7,161	8,026
Change in non-cash operating working capital:		
Accounts receivable	(52,972)	92,461
Inventories	–	18,243
Prepaid expenses	46,738	(55,944)
Accounts payable and accrued liabilities	(121,229)	(72,953)
Due to related party (note 13)	561,443	–
Funding of mortgage investments	(1,759,551)	(3,763,934)
Mortgage repayments	7,531,271	8,737,156
Purchase of other investments	(14,480,606)	(32,451,359)
Proceeds from sale of other investments	9,646,752	17,197,385
Mortgage interest received	2,938,433	3,231,015
Interest paid on deposit notes (note 8)	(16,819)	(25,855)
Interest paid on promissory notes (note 9)	(81,831)	(147,781)
Interest paid on preferred shares (note 10)	(431)	(584)
Income taxes paid	(581,654)	(162,652)
	5,409,085	(5,681,675)
Cash flows from (used in) financing activities:		
Proceeds on issuance of deposit notes (note 8)	3,225,995	7,045,595
Repayment of deposit notes (note 8)	(1,563,242)	(7,172,691)
Proceeds on issuance of promissory notes (note 9)	12,511,333	5,680,791
Repayment of promissory notes (note 9)	(18,993,060)	(26,226,690)
Proceeds from issuance of preferred shares (note 10)	15,500	21,500
Repayment on redemption of preferred shares (note 10)	(81,000)	(117,000)
Change in due from related party (note 13)	893,099	6,207,689
	(3,991,375)	(14,560,806)
Cash flows used in investing activities:		
Purchase of capital assets	(395,224)	(120,016)
Proceeds on disposal of capital assets	–	117,106
Expenditures on land held for sale	(23,161)	(22,687)
	(418,385)	(25,597)
Increase (decrease) in cash	999,325	(20,268,078)
Cash, beginning of year	8,135,267	28,403,345
Cash, end of year	$ 9,134,592	$ 8,135,267

See accompanying notes to consolidated financial statements.

CCMBC LEGACY FUND INC.

Notes to Consolidated Financial Statements

Year ended December 31, 2021

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.

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.

CCMBC LEGACY FUND INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

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.

CCMBC LEGACY FUND INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

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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.

CCMBC LEGACY FUND INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

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.

During the year ended December 31, 2021, Legacy has included in grants and donations nil (2020 - $19,498) for government assistance related to salaries expenditures under the Temporary Wage Subsidy for Employers program.

CCMBC LEGACY FUND INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

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.

COVID-19

The COVID-19 outbreak has resulted in the federal and provincial governments enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally, resulting in an economic slowdown.

The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the property is unknown. Legacy continues to monitor and assess the impact that COVID-19 will have on its business activities and financial results and the impact on Canadian and local economies, financial markets, and sectors and issuers in which Legacy may invest. COVID-19 has the potential to adversely affect the value of Legacy's mortgages and other investments and the extent of promissory note redemptions.

The estimates that could be most significantly impacted by COVID-19 include those underlying the allowance for credit losses (note 3). Actual results could differ from those estimates.

CCMBC LEGACY FUND INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

3. Mortgage investments:

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

	2021		2020	
	Principal	Accrued interest	Principal	Accrued interest
Mortgages investments	$ 76,104,245	$ 99,148	$ 82,193,516	$ 141,801
Allowance for credit losses	(4,304,493)		(4,429,020)	–
	71,799,752		77,764,496	141,801
		$ 71,898,900		$ 77,906,297

As at December 31, 2021, unadvanced mortgage commitments under the existing gross mortgage investments amounted to $3,974,589 (2020 - $3,782,899). The mortgage investments are secured by real property and will mature between 2022 and 2048. During the year ended December 31, 2021, Legacy generated net interest income of $3,420,131 (2020 - $3,426,576).

All mortgage investments bear interest at a variable rate. At December 31, 2021, the interest rate on mortgages to MB Churches and MB Church Entities is 3.90 percent (2020 – 3.90 percent) and for MB Church Pastors is 2.90 percent (2020 - 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, 2021, the weighted average interest rate earned on net mortgage investments was 3.85 percent (2020 - 3.86) 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 by contractual maturity dates are expected as follows:

2022	$ 6,368,878
2023	3,996,441
2024	3,958,549
2025	3,962,617
2026 and thereafter	57,817,760
	$ 76,104,245

CCMBC LEGACY FUND INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

3. Mortgage investments (continued):

The provision for credit losses amounted to $4,304,493 as at December 31, 2021 (2020 - $4,429,020) 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, 2020, Legacy worked with borrowers on a case-by-case basis on deferral arrangements. At December 31, 2021, 1.1 percent (2020 - 2.2 percent) of borrowers (excluding those in default) were still on deferral arrangements or had not resumed their principal and interest payments.

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

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

December 31, 2020	MB Churches	MB Church Entities	MB Church Pastors	Total
Mortgage investments, including interest receivable	$ 62,340,394	$ 16,669,020	$ 3,325,903	$ 82,335,317
Allowance for credit losses	(3,237,179)	(1,080,551)	(111,290)	(4,429,020)
	$ 59,103,215	$ 15,588,469	$ 3,214,613	$ 77,906,297

CCMBC LEGACY FUND INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

3. Mortgage investments (continued):

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.

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, 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, 2021

3. Mortgage investments (continued):

December 31, 2020	MB Churches	MB Church Entities	MB Church Pastors	Total
Low risk	$ 19,861,257	$ 4,373,068	$ 979,497	$ 25,213,822
Medium-low risk	22,400,121	9,315,105	1,177,163	32,892,389
Medium-high risk	4,594,871	948,125	647,931	6,190,927
High risk	9,875,689	–	453,271	10,328,960
Default	5,608,456	2,032,722	68,041	7,709,219
Mortgage investments	62,340,394	16,669,020	3,325,903	82,335,317
Allowance for credit losses	(3,237,179)	(1,080,551)	(111,290)	(4,429,020)
Mortgage investments	$ 59,103,215	$ 15,588,469	$ 3,214,613	$ 77,906,297

Geographic analysis:

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

December 31, 2020	MB Churches	MB Church Entities	MB Church Pastors	Total
British Columbia	$ 40,116,545	$ 6,894,378	$ 1,143,436	$ 48,154,359
Ontario	7,714,049	7,895,671	664,394	16,274,114
Alberta	6,465,105	113,824	–	6,578,929
Saskatchewan	366,674	365,668	329,379	1,061,721
Manitoba	4,212,330	–	503,748	4,716,078
Quebec	100,273	318,928	573,656	992,857
Atlantic Provinces	128,239	–	–	128,239
	$ 59,103,215	$ 15,588,469	$ 3,214,613	$ 77,906,297

4. Other investments:

Other investments are comprised of the following at December 31:

	2021		2020	
	Cost	Fair Value	Cost	Fair Value
Private fixed income funds	$ 41,611,788	$ 41,355,224	$ 39,864,134	$ 39,899,537
Private mortgage funds	21,826,099	21,991,031	19,873,302	19,932,723
Private equity fund	1,040,088	1,116,859	–	–
Corporate bonds	2,458,420	2,440,907	2,513,808	2,513,734
Equities and exchange traded funds	260,715	277,281	–	–
Convertible debentures	451,171	459,545	296,760	312,030
Preferred shares	271,986	279,865	–	–
Guaranteed income certificates	600,000	600,000	900,000	900,000
	$ 68,520,267	$ 68,520,712	$ 63,448,004	$ 63,558,024

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, 2021 and 2020, Legacy invests in six (2020 – six) private fixed income funds, two (2020 – two) private mortgage funds and one (2020 – 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 1.30 percent and 1.85 percent (2020 - ranging from 1.28 percent and 1.85 percent) and mature between March 2022 and March 2023 (2020 - March 2021 and March 2023). At December 31, 2021, the weighted average interest rate is 1.63 percent (2020 - 1.54 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, 2021 is $2,950,000 (2020 - $2,850,000). The corporate bonds and convertible debentures have interest rates ranging from 3.15 percent to 7.85 percent (2020 - ranging from 3.15 percent to 7.85 percent) and mature between May 2023 and October 2032 (2020 - between May 2023 and October 2032).

CCMBC LEGACY FUND INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

4. Other investments (continued):

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

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%

December 31, 2020	Under one year	1 - 5 years	6 - 10 years	Over 10 years	Total	Weighted average yield
	$ –	$ 689,150	$ 624,759	$1,511,855	$ 2,825,764	4.13%

5. Capital assets:

Legacy's capital assets consist of the following at December 31, 2021:

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Land	$ 1,109,453	$ –	$ 1,109,453	$ 1,109,453
Artwork	46,681	–	46,681	46,681
Buildings	3,293,126	364,073	2,929,053	2,724,391
Computer equipment	87,936	40,958	46,978	56,518
Office equipment	45,391	22,310	23,081	32,151
Parking lot	5,163	4,351	812	5,163
	$ 4,587,750	$ 431,692	$ 4,156,058	$ 3,974,357

6. Operating facility and guarantee:

On August 22, 2020, and as amended October 25, 2020 and May 6, 2021, 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 (2020 - $2,750,000), 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 (2020 - $3,000,000) 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, 2021 and 2020, the operating facility was unutilized.

CCMBC LEGACY FUND INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

6. Operating facility and guarantee (continued):

At December 31, 2020, Legacy had provided a guarantee in the amount of $400,000 and a general security agreement to the Bank of Montreal as security for the operating facility of CCMBC. The operating facility of CCMBC was cancelled during the year ended December 31, 2021.

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 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 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, 2021, the operating facility was unutilized.

7. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities is $3,802 (2020 - $3,356) 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 following table summarizes activity for the deposit notes for the years ending December 31, 2021 and 2020:

	Note	2021	2020
Balance, beginning of year		$ 29,044,791	$ 28,540,802
Deposit notes issued		3,225,995	7,045,595
Deposit notes repaid		(1,563,242)	(7,172,691)
Interest on deposit notes		419,643	656,940
Interest paid		(16,819)	(25,855)
Balance, end of year		$ 31,110,368	$ 29,044,791

CCMBC LEGACY FUND INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

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.

On December 20, 2021, 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, 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.

The following table summarizes the promissory notes as at December 31, 2021 and 2020:

	2021	2020
Promissory notes	$ 126,269,189	$ 130,991,560
Less: transaction costs	(422,023)	(563,935)
	$ 125,847,166	$ 130,427,625

The following table summarizes activity for the promissory notes for the years ending December 31, 2021 and 2020:

	Note	2021	2020
Balance, beginning of year		$ 130,427,625	$ 147,721,475
Promissory notes issued		12,511,333	5,680,791
Transfer from preferred shares	10	8,500	266,500
Promissory notes repaid		(18,993,060)	(26,226,690)
Amortization of transaction costs		141,912	141,074
Interest on promissory notes		1,825,957	2,984,814
Transfer of interest on preferred shares	10	6,730	7,442
Interest paid		(81,831)	(147,781)
Balance, end of year		$ 125,847,166	$ 130,427,625

CCMBC LEGACY FUND INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

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:

	2021		2020	
	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	678,500	$ 678,500	752,500	$ 752,500

The following table summarizes activity for the preferred shares:

	Note	2021	2020
Balance, beginning of year		$ 752,500	$ 1,114,500
Preferred shares issued		15,500	21,500
Preferred shares transferred to promissory notes	9	(8,500)	(266,500)
Preferred shares repurchased		(81,000)	(117,000)
Accrued interest		7,161	8,026
Interest paid		(431)	(584)
Transfer of interest to promissory notes	9	(6,730)	(7,442)
Balance, end of year		$ 678,500	$ 752,500

CCMBC LEGACY FUND INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

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.

			2021	2020
	Donations	Recognized in revenue	Ending balance	Ending balance
Buildings	$ 2,636,036	$ 176,213	$ 2,459,823	$ 2,636,036
Computer equipment	26,106	12,137	13,969	26,106
Office equipment	26,426	9,068	17,358	26,426
Parking lot	5,163	1,205	3,958	5,163
	$ 2,693,731	$ 198,623	$ 2,495,108	$ 2,693,731

12. Investment management fees:

CCMBC Investments 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

13. Related party transactions:

At December 31, 2021, Legacy had a receivable in the amount of $2,249,741 (2020 - $3,142,840) from CCMBC which is due on demand with no specified terms of repayment. During the year ended December 31, 2021, Legacy received a cash payment in the amount of $1,000,000 from CCMBC to reduce the amount receivable. During the year, Legacy advanced a further $100,000 to the Conference which was repaid subsequent to December 31, 2021.

At December 31, 2021, Legacy has a payable in the amount of $561,443 (2020 – nil) due to CCMBC relating to contributions to the employee pension plan and premiums on the group benefit plan administered by CCMBC. The payable is due on demand with no specified terms of repayment.

At December 31, 2021, Legacy holds $2,283,725 (2020 - $2,551,710) on deposit from CCMBC which bears interest at a variable rate of interest, 1.40 percent (2020 - 1.40 percent) at December 31, 2021.

13. Related party transactions (continued):

During the year ended December 31, 2021, Legacy provided accounting and payroll services to CCMBC for $50,000 (2020 - $47,700). Additionally, during the year ended December 31, 2021, Legacy donated $117,570 (2020 – nil) to CCMBC which is included in general and administrative expense 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 2021 was 5 percent (2020 - 5 percent) of the employee salaries. The pension expense for the year ended December 31, 2021 was $45,183 (2020 - $37,108).

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, 2021, $71,898,900 (2020 - $77,906,297) 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 $759,000 (2020 - $808,000).

As of December 31, 2021, $125,847,166 (2020 - $130,427,625) of promissory notes and $31,110,368 (2020 - $29,044,791) 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 decrease or increase in revenue over expenditures of approximately $1,406,000 (2020 - $1,752,000).

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

CCMBC LEGACY FUND INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

15. Financial risks (continued):

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, 2021, had the prices increased or decreased by 10 percent, all other variables held constant, net income would have increased or decrease by approximately $128,000 (2020 – nil).

(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, 2021 and 2020 or indirect exposure at December 31, 2020. Legacy does have indirect exposure to currency risk through its investment in Investee Funds at December 31, 2021.

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, 2021 relating to net mortgages amounts to $71,898,900 (2020 - $77,906,297) and for accounts receivable amounts to $158,947 (2020 - $105,975). 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).

Two of the private fixed income Investee Funds, which represent approximately 75 percent (2020 - 78 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. 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.

Financial Statements of

CCMBC INVESTMENTS LTD.

And Independent Auditors' Report thereon

Year ended December 31, 2021

INDEPENDENT AUDITORS' 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, 2021, 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, 2021, 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 "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' 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.

Auditors' 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 auditors' 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 auditors' 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 auditors' 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

April __, 2022

CCMBC INVESTMENTS LTD.

Statement of Financial Position

As at December 31, 2021, with comparative information for 2020

	Note		2021		2020
Assets					
Cash		$	2,836,210	$	3,177,583
Income taxes receivable	11		146,907		–
Prepaid expenses			9,363		6,765
Other investments	5		53,019,565		51,182,349
Mortgage investments, net	4		71,898,900		77,906,297
Deferred tax assets	11		162,478		186,098
Total assets		$	128,073,423	$	132,459,092
Liabilities and Equity					
Accounts payable and accrued liabilities		$	342,446	$	366,836
Income taxes payable	11		–		271,342
Promissory notes	6		125,847,166		130,427,625
Preferred shares	7		678,500		752,500
Total liabilities			126,868,112		131,818,303
Equity			1,205,311		640,789
Total liabilities and equity		$	128,073,423	$	132,459,092

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, 2021, with comparative information for 2020

	Note	2021	2020
Investment income:			
Mortgage interest	4	$ 3,420,131	$ 3,426,576
Income from other investments		3,813,750	4,011,263
Other income		–	23,337
Net realized gains (losses) on sale of other investments		49,107	(280,670)
		7,282,988	7,180,506
Expenses:			
Interest on promissory notes	6	1,967,869	3,125,888
Interest on preferred shares	7	7,161	8,026
Management fees	9, 10	422,000	440,600
Investment management fees	9	660,427	656,359
General and administrative		330,965	459,080
Donation to related party	10	2,400,000	700,000
		5,788,422	5,389,953
Net income before other expenses		1,494,566	1,790,553
Other expenses:			
Change in unrealized depreciation in value of other investments		(25,640)	(433,193)
Provision for credit losses	4	(717,380)	(27,811)
		(743,020)	(461,004)
Net income before taxes		751,546	1,329,549
Income taxes:			
Current	11	163,405	350,446
Deferred	11	23,619	16,319
		187,024	366,765
Net comprehensive income		$ 564,522	$ 962,784

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

CCMBC INVESTMENTS LTD.

Statement of Equity

Year ended December 31, 2021, with comparative information for 2020

	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

	Note	Common share	Retained earnings (deficit)	Total equity (deficiency)
Balance, beginning of year	8	$ 100	$ (322,095)	$ (321,995)
Net comprehensive income for the year		–	962,784	962,784
December 31, 2020		$ 100	$ 640,689	$ 640,789

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

CCMBC INVESTMENTS LTD.

Statement of Cash Flows

Year ended December 31, 2021, with comparative information for 2020

	Note	2021	2020
Cash flows from (used in) operating activities:			
Net comprehensive income		$ 564,522	$ 962,784
Adjustments for:			
Net realized losses (gains) on sale of other investments		(49,107)	280,670
Change in unrealized depreciation in value of other investments		25,640	433,193
Amortization of transaction costs	6	141,912	141,074
Provision for credit losses	4	717,380	27,811
Income taxes	11	163,405	350,446
Deferred taxes	11	23,619	16,319
Mortgage interest	4	(3,420,131)	(3,426,576)
Interest on promissory notes	6	1,825,957	2,984,814
Interest on preferred shares	7	7,161	8,026
Change in non-cash operating items:			
Prepaid expenses		(2,598)	(6,765)
Accounts payable and accrued liabilities		(24,390)	(106,556)
Funding of mortgage investments	4	(1,759,551)	(3,763,934)
Mortgage repayments	4	7,531,267	8,737,156
Purchase of other investments		(9,313,749)	(24,510,569)
Proceeds from sale of other investments		7,500,000	13,000,000
Mortgage interest received		2,938,433	3,231,015
Interest paid on promissory notes	6	(81,831)	(147,781)
Interest paid on preferred shares	7	(431)	(584)
Income tax paid		(581,654)	(162,652)
		6,205,854	(1,952,109)
Cash flows from (used in) financing activities:			
Proceeds on issuance of promissory notes	6	12,511,333	5,680,791
Repayment of promissory notes	6	(18,993,060)	(26,226,690)
Proceeds from issuance of preferred shares	7	15,500	21,500
Repayment on redemption of preferred shares	7	(81,000)	(117,000)
Change in due from related party	10	–	16,400
		(6,547,227)	(20,624,999)
Decrease in cash		(341,373)	(22,577,108)
Cash, beginning of year		3,177,583	25,754,691
Cash, end of year		$ 2,836,210	$ 3,177,583

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

CCMBC INVESTMENTS LTD.

Notes to Financial Statements

Year ended December 31, 2021

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 April __, 2022.

(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.

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.

COVID-19

The COVID-19 outbreak has resulted in the federal and provincial governments enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally, resulting in an economic slowdown.

The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the property is unknown. The Company continues to monitor and assess the impact that COVID-19 will have on its business activities and financial results and the impact on Canadian and local economies, financial markets, and sectors and issuers in which the Company may invest. COVID-19 has the potential to adversely affect the value of the Company's mortgages and other investments and the extent of promissory note redemptions.

The estimates that could be most significantly impacted by COVID-19 include those underlying the allowance for credit losses (note 4). Actual results could differ from those estimates.

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).

2. Basis of preparation (continued):

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.

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.

3. Significant accounting policies (continued):

(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.

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.

3. Significant accounting policies (continued):

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.

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.

3. Significant accounting policies (continued):

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.

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, 2021 and 2020, 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 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, 2021

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:

	2021	2020
Mortgage investments	$ 73,113,607	$ 78,622,774
Interest receivable	96,575	141,801
	73,210,182	78,764,575
Allowance for credit losses	(1,311,282)	(858,278)
Mortgage investments at amortized cost	$ 71,898,900	$ 77,906,297

As at December 31, 2021, unadvanced mortgage commitments under the existing gross mortgage investments amounted to $3,974,589 (2020 - $3,782,899). The mortgage investments are secured by real property and will mature between 2022 and 2048. During the year ended December 31, 2021, the Company generated net interest income of $3,420,131 (2020 - $3,426,576).

All mortgage investments bear interest at a variable rate. At December 31, 2021, the interest rate on mortgages to MB Churches and MB Church Entities is 3.90 percent (2020 - 3.90 percent) and for MB Church Pastors is 2.90 percent (2020 - 2.90 percent).

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, 2021, the weighted average interest rate earned on net mortgage investments was 3.85 percent (2020 - 3.86 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	$ 6,368,878
2023	3,996,441
2024	3,958,549
2025	3,962,617
2026 and thereafter	57,817,760
	$ 76,104,245

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 $1,311,282 as at December 31, 2021 (2020 - $858,278) 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, 2020, the Company worked with borrowers on a case-by-case basis on deferral arrangements. At December 31, 2021, 1.1 percent (2020 – 2.2 percent) of borrowers (excluding those POCI) were still on deferral arrangements or had not resumed their principal and interest payments.

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

CCMBC INVESTMENTS LTD.
Notes to Financial Statements (continued)

Year ended December 31, 2021

4. Mortgage investments (continued):

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

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

December 31, 2020:

MB Churches	Stage 1	Stage 2	Stage 3	POCI	Total
Mortgage investments, including interest receivable	$ 44,241,017	$12,490,919	$ –	$ 3,015,413	$ 59,747,349
Allowance for credit losses	(6,507)	(630,288)	–	(7,339)	(644,134)
Mortgage investments, net of allowance	$ 44,234,510	$11,860,631	$ –	$ 3,008,074	$ 59,103,215

MB Church Entities	Stage 1	Stage 2	Stage 3	POCI	Total
Mortgage investments, including interest receivable	$ 13,541,939	$ 1,094,359	$ –	$ 1,123,066	$ 15,759,364
Allowance for credit losses	(7,089)	(32,410)	–	(131,396)	(170,895)
Mortgage investments, net of allowance	$ 13,534,850	$ 1,061,949	$ –	$ 991,670	$ 15,588,469

MB Church Pastors	Stage 1	Stage 2	Stage 3	POCI	Total
Mortgage investments, including interest receivable	$ 2,476,404	$ 781,458	$ –	$ –	$ 3,257,862
Allowance for credit losses	(43,249)	–	–	–	(43,249)
Mortgage investments, net of allowance	$ 2,433,155	$ 781,458	$ –	$ –	$ 3,214,613

CCMBC INVESTMENTS LTD.

Notes to Financial Statements (continued)

Year ended December 31, 2021

4. Mortgage investments (continued):

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

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

CCMBC INVESTMENTS LTD.

Notes to Financial Statements (continued)

Year ended December 31, 2021

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

December 31, 2020

MB Churches	Stage 1	Stage 2	Stage 3	POCI	Total
Balance, beginning of year	$ 52,554	$ 644,811	$ –	$ (4,911)	$ 692,454
Transfer to/from:					
Stage 1	–	–	–	–	–
Stage 2	(16,480)	16,480	–	–	–
Stage 3	–	–	–	–	–
Remeasurement	(30,579)	(72,091)	–	40,304	(62,366)
Purchases	–	–	–	–	–
Fundings	1,225	43,188	–	–	44,413
Repayments	(213)	(2,100)	–	(28,054)	(30,367)
Write-offs	–	–	–	–	–
Balance, end of year	$ 6,507	$ 630,288	$ –	$ 7,339	$ 644,134

MB Church Entities	Stage 1	Stage 2	Stage 3	POCI	Total
Balance, beginning of year	$ 65,546	$ –	$ –	$ 57,839	$ 123,385
Transfer to/from:					
Stage 1	–	–	–	–	–
Stage 2	–	–	–	–	–
Stage 3	–	–	–	–	–
Remeasurement	(58,457)	34,510	–	73,557	49,610
Purchases	–	–	–	–	–
Fundings	–	–	–	–	–
Repayments	–	(2,100)	–	–	(2,100)
Write-offs	–	–	–	–	–
Balance, end of year	$ 7,089	$ 32,410	$ –	$ 131,396	$ 170,895

CCMBC INVESTMENTS LTD.

Notes to Financial Statements (continued)

Year ended December 31, 2021

4. Mortgage investments (continued):

MB Church Pastors	Stage 1	Stage 2	Stage 3	POCI	Total
Balance, beginning of year	$ 9,328	$ 5,300	$ –	$ –	$ 14,628
Transfer to/from:					
Stage 1	–	–	–	–	–
Stage 2	–	–	–	–	–
Stage 3	–	–	–	–	–
Remeasurement	27,259	(6,065)	–	–	21,194
Purchases	–	–	–	–	
Fundings	6,662	765	–	–	7,427
Repayments	–	–	–	–	–
Write-offs	–	–	–	–	–
Balance, end of year	$ 43,249	$ –	$ –	$ –	$ 43,249

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, 2021

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	$ 1,215,645	$ –	$ –	$ –	$ 1,215,645
Medium-low risk	1,116,740	606,750	–	–	1,723,490
Medium-high risk	121,854	318,132	–	–	439,986
High risk	–	–	–	–	–
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, 2021

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, 2020:

MB Churches	Stage 1	Stage 2	Stage 3	POCI	Total
Low risk	$ 19,861,255	$ –	$ –	$ –	$ 19,861,255
Medium-low risk	20,484,540	1,915,581	–	–	22,400,121
Medium-high risk	3,895,222	699,649	–	–	4,594,871
High risk	–	9,875,689	–	–	9,875,689
Default	–	–	–	3,015,413	3,015,413
Gross mortgage investments	44,241,017	12,490,919	–	3,015,413	59,747,349
Allowance for credit losses	(6,507)	(630,288)	–	(7,339)	(644,134)
Mortgage investments, net of allowance	$ 44,234,510	$11,860,631	$ –	$ 3,008,074	$ 59,103,215

MB Church Entities	Stage 1	Stage 2	Stage 3	POCI	Total
Low risk	$ 4,373,068	$ –	$ –	$ –	$ 4,373,068
Medium-low risk	9,168,871	146,234	–	–	9,315,105
Medium-high risk	–	948,125	–	–	948,125
High risk	–	–	–	–	–
Default	–	–	–	1,123,066	1,123,066
Gross mortgage investments	13,541,939	1,094,359	–	1,123,066	15,759,364
Allowance for credit losses	(7,089)	(32,410)	–	(131,396)	(170,895)
Mortgage investments, net of allowance	$ 13,534,850	$ 1,061,949	$ –	$ 991,670	$ 15,588,469

MB Church Pastors	Stage 1	Stage 2	Stage 3	POCI	Total
Low risk	$ 979,497	$ –	$ –	$ –	$ 979,497
Medium-low risk	1,177,163	–	–	–	1,177,163
Medium-high risk	193,269	454,662	–	–	647,931
High risk	126,475	326,796	–	–	453,271
Default	–	–	–	–	–
Gross mortgage investments	2,476,404	781,458	–	–	3,257,862
Allowance for credit losses	(43,249)	–	–	–	(43,249)
Mortgage investments, net of allowance	$ 2,433,155	$ 781,458	$ –	$ –	$ 3,214,613

CCMBC INVESTMENTS LTD.

Notes to Financial Statements (continued)

Year ended December 31, 2021

4. Mortgage investments (continued):

Geographic analysis:

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

December 31, 2020	MB Churches	MB Church Entities	MB Church Pastors	Total
British Columbia	$ 40,116,545	$ 6,894,378	$ 1,143,436	$ 48,154,359
Ontario	7,714,049	7,895,671	664,394	16,274,114
Alberta	6,465,105	113,824	–	6,578,929
Saskatchewan	366,674	365,668	329,379	1,061,721
Manitoba	4,212,330	–	503,748	4,716,078
Quebec	100,273	318,928	573,656	992,857
Atlantic Provinces	128,239	–	–	128,239
	$ 59,103,215	$ 15,588,469	$ 3,214,613	$ 77,906,297

5. Other investments:

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

	2021	2020
Private mortgage funds	$ 21,991,031	$ 19,932,723
Private fixed income funds	31,028,534	31,249,626
	$ 53,019,565	$ 51,182,349

CCMBC INVESTMENTS LTD.

Notes to Financial Statements (continued)

Year ended December 31, 2021

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 following table summarizes the promissory notes as at December 31:

	2021	2020
Promissory notes	$ 126,269,189	$ 130,991,560
Less transaction costs	(422,023)	(563,935)
	$ 125,847,166	$ 130,427,625

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

	Note	2021	2020
Balance, beginning of year		$ 130,427,625	$ 147,721,475
Promissory notes issued		12,511,333	5,680,791
Transfer from preferred shares	7	8,500	266,500
Transaction costs		–	–
Promissory notes repaid		(18,993,060)	(26,226,690)
Amortization of transaction costs		141,912	141,074
Interest on promissory notes		1,825,957	2,984,814
Transfer of interest on preferred shares	7	6,730	7,442
Interest paid		(81,831)	(147,781)
Balance, end of year		$ 125,847,166	$ 130,427,625

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.

CCMBC INVESTMENTS LTD.

Notes to Financial Statements (continued)

Year ended December 31, 2021

7. Preferred shares (continued):

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, 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 the preferred shares as at December 31, 2020:

	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	752,500	$	752,500

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

	Note		2021		2020
Balance, beginning of year		$	752,500	$	1,114,500
Preferred shares issued			15,500		21,500
Preferred shares transferred to promissory notes	6		(8,500)		(266,500)
Preferred shares repurchased			(81,000)		(117,000)
Accrued interest			7,161		8,026
Interest paid			(431)		(584)
Transfer of interest to promissory notes	6		(6,730)		(7,442)
Balance, end of year		$	678,500	$	752,500

CCMBC INVESTMENTS LTD.

Notes to Financial Statements (continued)

Year ended December 31, 2021

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, 2021, the Company incurred management fees of $422,000 (2020 - $440,600).

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

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, 2021, the Company donated $2,400,000 (2020 - $700,000) to Legacy.

Key management personnel:

During the periods ended December 31, 2021 and 2020, 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, 2021

11. Income taxes:

Components of income tax expense (recovery):

		2021		2020
Current taxes	$	163,405	$	350,446
Deferred taxes		23,619		16,319
Total income taxes	$	187,024	$	366,765

Reconciliation of total tax expense (recovery):

		2021		2020
Income before tax	$	751,546	$	1,329,549
Combined federal and provincial statutory tax rates		27%		27%
Expected income taxes using combined statutory rates		202,917		358,978
Effects of other differences, net		(15,893)		7,787
Total income taxes	$	187,024	$	366,765

Net deferred tax assets at December 31, 2021 and 2020:

	Statement of financial position			
		2021		2021
Provision for credit losses	$	68,639	$	197,682
Donation carryforward		107,835		–
Transaction costs		(13,996)		(11,584)
Net deferred tax assets	$	162,478	$	186,098

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, 2021 and 2020.

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, 2021

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, 2021

Underlying funds	Number of underlying funds held	Total net assets of underlying funds	Carrying amount
Private mortgage funds	2	$	$ 21,991,031
Private fixed income funds	2		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

December 31, 2020

Underlying funds	Number of underlying funds held	Total net assets of underlying funds	Carrying amount
Private mortgage funds	2	$ 214,633,715	$ 19,932,723
Private fixed income funds	2	99,548,200	31,249,626

Underlying funds	Principal place of business	Country of domicile	Average cost	Carrying amount included in other investments
Private mortgage funds	Canada	Canada	$ 19,873,302	$ 19,932,723
Private fixed income funds	Canada	Canada	31,460,690	31,249,626
Total			$ 51,333,992	$ 51,182,349

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 Investee Funds invest in unconsolidated structured entities (investment funds) which comprise approximately __ percent (2020 - 81 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 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, 2021, the operating facility was unutilized.

On August 22, 2019, and as amended October 25, 2019, CCMBC and Legacy entered into Letter Agreements with the Bank of Montreal providing for operating facilities for use by CCMBC and Legacy. The Company has provided a guarantee in the amount of $1,275,000 (2020 - $3,000,000) 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, 2021 and 2020, the operating facility for use by Legacy was unutilized.

At December 31, 2020, the Company had provided a guarantee in the amount of $400,000 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 CCMBC. The operating facility of CCMBC was cancelled during the year ended December 31, 2021.

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, 2021, $71,898,900 (2020 - $77,906,297) 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 $759,000 (2020 - $808,000).

As of December 31, 2021, $125,847,167 (2020 - $130,427,625) 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 decrease or increase in net comprehensive income of approximately $1,406,000 (2020 - $1,449,000).

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, 2021 and 2020.

(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.

CCMBC INVESTMENTS LTD.

Notes to Financial Statements (continued)

Year ended December 31, 2021

16. Risk management (continued):

The exposure to credit risk at December 31, 2021 relating to net mortgages amounts to $71,898,900 (2020 - $77,906,297).

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. 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.

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.

NOTICE OF MOTIONS

Date Saturday, June 11, 2022
Location 1310 Taylor Ave, Winnipeg, MB R3M 3Z6
Time 10 am – 3 pm CDT

1. Meeting called to order – welcome and instructions
2. Consent Motion to appoint parliamentarians, ballot team, and minute review committee
3. Consent Motion to approve agenda and the June 12, 2021 AGM minutes as presented
4. Moderator's Report
5. National Director's Report
6. MB Seminary Report
7. Motion to approve the audited financial statements as presented:
   a. CCMBC Non-Consolidated Financials
   b. Consolidated CCMBC Legacy Fund Inc. Consolidated Financials
   c. CCMBC Pension Plan
8. Motion to approve KPMG as auditors for:
   a. CCMBC
   b. CCMBC Legacy Fund Inc.
   c. CCMBC Pension
   d. CCMBC Investments
9. Legacy Report
10. Motion to approve the 2022 CCMBC budget as presented.
11. Motion to approve the 2023 CCMBC Pro Forma as presented.
12. National Faith & Life Report
13. Multiply Report
14. Motion to accept all 2022 ministry reports as presented.
15. Motion to approve the Canadian MB CUSP Strategic Partnership Agreement as presented
16. Motion to approve the MOU between The Canadian Conference of Mennonite Brethren Churches and Mennonite Brethren Biblical Seminary as presented
17. Motion to approve the MOU between The Canadian Conference of Mennonite Brethren Churches and CCMBC Legacy Fund Inc. as presented
18. Elections by ballot
    a. Executive Board
    b. National Faith & Life Team
    c. Legacy Board
    d. Nominating Committee
    e. Multiply Board
    f. Historical Commission
    g. MCC
19. 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 2021 AGM Minutes

- It is moved that the agenda for the 2022 annual general meeting and the June 12, 2021 AGM minutes be approved as presented.

  Related Documents
  2022 Agenda (page 1)
  2021 AGM Minutes (online)

Motions – Approval of Audited Statements

- It is moved that the 2021 audited non-consolidated financial statements for CCMBC be approved as presented.
- It is moved that the CCMBC Member Representative* approve the 2021 CCMBC Legacy Fund Inc. consolidated financial statements as presented
- It is moved that the 2021 audited financial statements of the Canadian MB Pension Plan be approved as presented.

  Related Documents:
  2021 audited non-consolidated CCMBC financial statements (page 45)
  2021 CCMBC Legacy Fund Inc consolidated financial statement (page 88)
  2021 audited financial statement for CCMBC Pension Plan (page 63)

Motions – Approval of KPMG as Auditor

- It is moved that KPMG be appointed as auditor for CCMBC for fiscal year 2022.
- 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 2022.
- It is moved that KPMG be appointed as auditor for the CCMBC Pension Plan for the fiscal year 2022.
- It is moved that the CCMBC Member Representative* vote in favour of KPMG being appointed as auditor for CCMBC Investments for fiscal year 2022.

Motion – CCMBC Budgets

- It is moved that the 2022 CCMBC budget be approved as presented.
- It is moved that the 2023 CCMBC Pro Forma be approved as presented.
  Related Documents:
  Proposed 2022 Budget and 2023 Pro Forma (page 82)

Motion – Ministry Reports

- It is moved that all 2022 ministry reports be accepted as presented.
  Related Documents:
  National Director's Report (page 6)
  Moderator's Report (page 3)
  National Faith & Life Director Report (page 7)
  MB Seminary Report (page 24)
  Multiply Report (page 25)
  Legacy Report (page 84)

- **Motion – CUSP SPA**
  It is moved that the Canadian MB CUSP Strategic Partnership Agreement be approved as presented.
  Related Documents:
  CUSP SPA (page 16)

Motion – MB Seminary MOU

- It is moved that the MOU between The Canadian Conference of Mennonite Brethren Churches and Mennonite Brethren Biblical Seminary be approved as presented.
  Related Documents:
  MB Seminary MOU (page 19)

Motion – CCMBC Legacy Fund Inc. MOU

- It is moved that the MOU between The Canadian Conference of Mennonite Brethren Churches and CCMBC Legacy Fund Inc. be approved as presented.
  Related Documents:
  Legacy MOU (page 21)

- **Motion – Elections**
  It is moved that the following individuals be received and elected, by ballot, as nominees to the following boards:
- **Executive Board**
  Ron Penner – Moderator (term: 2022-2024)
  Reg Toews – Secretary (term: 2022-2024)
  Cam Stuart – Assistant Moderator (term: 2022-2023)
  Rob Dyck – Member at Large (term: 2022-2026)
- Bonita Eby – Member at Large (term: 2022-2026
  Sam Reimer – Member at Large (term: 2022-2026)
  MAL – Vacant
- **National Faith & Life**
  Kristal Toews – Member at Large (term: 2022-2026)
  MAL – Vacant
  MAL – Vacant
- **Legacy Board**
- Cory Regier (term: 2021-2025)
- **Nominating Committee**
  David Wiebe – Member at Large (term: 2022-2026)
- **Multiply Board**
  Maryanne Berge (term: 2022-2026)
- **Historical Commission**
  Chris Koop (term: 2022-2026)
- **MCC**
  Dave Ens (term: 2022-2026)
  Rich Janzen (term: 2022-2026)

Consent Motion – Adjournment

- It is moved the Annual General Meeting be adjourned.

Explanation of the CCMBC Member Representative:

The Multiply Bylaws and the Legacy Bylaws have been written to comply with the Canadian Not-for-Profit Corporation Act (CNCA). These bylaws state that a single individual will be selected by the CCMBC Executive Board to be the CCMBC Member Representative who will vote on behalf of the Canadian Conference of MB Churches.

The CCMBC Member Representative will vote on one motion at the Multiply Annual General Meeting:

- *To elect the Multiply board members.*

The CCMBC Member Representative will vote on three motions at the Legacy Annual General Meeting:

- *To approve the Consolidated Legacy Audited Statements,*
- *To appoint the CCMBC Investments auditor, and to appoint the Legacy auditor.*

The motions presented give the CCMBC Member Representative clear instructions on how to vote on each of the motions. By following this procedure, the CCMBC Executive Board is ensuring that related organizations are being accountable to the MB churches in Canada.

NOMINEE PROFILES

EXECUTIVE BOARD

Ron Penner
Ron is a retired educator, most recently serving at Columbia Bible College as Academic Dean and then as President. Alongside being a Grandpa to three little ones who live next door, he finds joy in gardening, reading, golf and volunteer work; most of that is presently done via Board work for CCMBC. Linda and Ron also enjoy golf and motorcycling together and having people into their home.

Reg Toews
Reg loves Jesus and His Church, recognizing that the Church is not perfect. God is still at work. Kingdom advancement is one of his passions – churches renewed, and new churches started. Reg has been involved in full-time ministry for 39 years as a pastor, transitional leader, and church planting director. Ministry is the focus of every believer.

Married to Brenda for 41 years with three adult children and six grandchildren, Reg and Brenda with four of them in the same home. Two grandkids live in Alaska .

Coaching is becoming a passion of Reg's as he works with men who want to be faithful to God. He runs for his mental and physical health and rides his motorcycle for excitement and for guy connections. Last year Reg and Brenda bought a boat because they love the water and want as many ways to connect with their grandkids as possible.

Sam Reimer
Sam is Professor of Sociology at Crandall University and a member of River of Life MB church in Moncton, New Brunswick. Sam has served on the CCMBC executive board for three terms in the past, is chair of the Personnel Committee of the Board, and represents the Atlantic region.

Cam Stuart
Cam is married to Michelle, together they have four kids, two of which are married. Cam currently pastors at Arnold Community Church, in Abbotsford, B.C. and has pastored among the Mennonite Brethren for the past 29 years. He has served on many MB boards and agencies and enjoyed this experience very much. Most recently, Cam has served on the CCMBC Executive Board as chair of the Governance Committee. He is excited about growing collaborative culture and vision toward healthy discipleship and disciple-making cultures.

Bonita Eby
Bonita is a Burnout Prevention Strategist and owner of Breakthrough Personal & Professional Development Inc. A former MB pastor, Bonita specializes in burnout prevention and wellness for organizations and individuals at the intersection of health and leadership development.

Rob Dyck
Rob is married to Leanne and together they have served three churches in pastoral ministry in BC over the past twenty-eight years. Rob serves as lead pastor at Westwood Church in Prince George. Rob has been involved with the MB Seminary Board as well as other aspects of provincial conference leadership. His DMin dissertation focused on expository preaching and its impact on the spiritual formation of BCMB millennials. Hailing from the prairies, Rob curls competitively, loves coaching his son in volleyball and enjoys camping and the Okanagan!

LEGACY BOARD

Cory Regier

Cory lives in Waldheim, SK with his wife and two teenage children. They attend the Waldheim MB Church, where Cory has served in a number of different positions over the 15 years that they have been members there. Cory is currently the CEO of Amity Trust (formerly Mennonite Trust Ltd.), a licensed, deposit-taking financial institution in the province of Saskatchewan. Cory holds a Bachelor of Commerce degree from the University of Saskatchewan, a Certified Financial Planner designation, an MTI – Estate and Trust professional designation, and is also a graduate of the Executive Stream of the Arrow Leadership Program. In addition to his twenty plus years with Amity Trust, Cory has served on various non-profit boards.

NFLT

Kristal Toews

Kristal is a Pastor of Discipleship at Northview Community Church. She received a Bachelor of Arts from Simon Fraser University with a Major in English Literature, and a Masters of Arts Degree (Biblical Studies Concentration) at Regent College. Kristal was a speaker at the 2017 and 2019 National Equip Conferences, is on the Leadership Team for the annual Lower Mainland Women in the Word conference which trains women to teach and preach the Bible expositionally (https://northview.org/witw-2020/). She has co-written Bible study curriculum on several biblical books. Kristal has also created a weekend workshop entitled *The Whole Bible in 3 Hours* which is designed to make people familiar with the overarching story and themes which knit the Biblical books together.

Kristal is married to Bob; they have three adult children, one daughter-in-law and one son-in-law.

HISTORICAL COMMISSION

Chris Koop

Rich is an active member of Water-

Christopher grew up in the Niagara region, where his Mennonite Brethren/Anabaptist roots shaped his interest in political theology. After completing his undergraduate degree in historical studies, Christopher pursued political theory (MA, Brock) and Western religious thought (PhD, McMaster). He graduated from the education program at Brock University and is employed by the District School Board of Niagara as an elementary and secondary educator.

MULTIPLY

Maryanne Berge

Maryanne has served as the Global Mission Pastor at Forest Grove Community Church in Saskatoon, SK since 2007, working closely with Multiply to develop strong relational partnerships in Panama, Mexico and Central Asia. Maryanne has a passion to see the local church engage in mission and fostering healthy, mutual relationships with the global Church. She has served on the Matthew Training Center Board in Mexico since 2011 and is a certified coach with Coaching Mission International. Maryanne and her husband Scott have three adult children and one granddaughter.

NOMINATING COMMITTEE

David Wiebe

David is a member of Westwood Community Church in Winnipeg and serves on the church council leading mission support, refugee sponsorships and other holistic mission efforts. He is retired from various leadership positions in the Mennonite Brethren church.

MCC

Rich Janzen

Rich is an active member of Waterloo Mennonite Brethren Church and is vice chair of Mennonite Central Committee (MCC) Ontario. Rich is a Community Psychologist by training and leads a non-profit organization called the Centre for Community Based Research which is located on the University of Waterloo campus. Rich is married to Jen and has two young adult daughters, both of whom are active with MCC.

Dave Ens

Dave is pastor at One88 Community Church, a faith community in downtown Winnipeg. He has been ministering among marginalized people for the past 10 years, seeking to extend the grace & love of Christ to people who carry so much sadness & shame. Dave has been pastoring in the MB church for about 28 years and recently stepped into the position of moderator of MBCM.

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2022 NATIONAL ASSEMBLY

Canadian Conference
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