



ANNUAL GENERAL MEETING OF THE MEMBERS

**METROPOLITAN BIBLE CHURCH
*MINISTRY CORPORATION***

June 28th, 2020



TABLE OF CONTENTS

| | |
|-------------------------------------------------------|----|
| Agenda for the Annual General Meeting | 2 |
| 2019 Ministry Board Directors | 3 |
| Chairman's Report | 4 |
| Treasurer's Report | 5 |
| Nominating Committee Report | 6 |
| List of new members since Feb 2020..... | 8 |
| Minutes of Previous May 26, 2019 Annual Meeting | 9 |
| 2019 Audited Financial Statements | 13 |



ANNUAL BUSINESS MEETING AGENDA

Metropolitan Bible Church

June 28, 2020 4:00PM

Ministry Corporation

1. Prayer and call the meeting to order – Bob Shaver
2. Introduction of new members – Morris Repeta
3. Review of the Nominating Process – Peter Hall
4. Election of 2020 Ministry Board Directors – Peter Hall
5. Presentation of 2019 Financial Statements – Lou Ranahan
6. Appointment of Auditors for 2020 – Lou Ranahan
7. MET Ministry Update – Jonathan Griffiths
8. Adjournment of Meeting



YOUR 2019 MINISTRY BOARD

Bob Shaver – Chair

Julian Brainerd – Vice-Chair

Mark Donaldson – Finance

Morris Repeta – Secretary

Glen Ewen – Member at large

Richard Loewen – Member at large

Mark Oueis – Member at large

Aaron Maley – Member at large

Peter Hall – Member at large

Lou Ranahan – Appointed Treasurer



CHAIRMAN'S REPORT

We live in changing times and at The Met this year we have had many blessings and certainly some unique challenges.

Last summer we could see an expanding children's work with multiple activities over the summer and many children involved. The youth and young adult ministries continue to grow and thrive and overall in every ministry we had a lot going on with many volunteers engaged in serving. There were (and still are) lots of opportunities for growth and the gospel. It was good to be together moving forward.

That all changed in March when we had to rethink "virtually" everything we were doing. We had to take that up close and personal ministry and figure out how to make it relevant "online". Clearly this was a difficult task and could never be the same as gathering together but I have to say that our pastors and staff "stepped up to the plate" and made it happen; they did it well. This "virtual" situation has carried us through and now we are closer to what we long for that is to fulfill the instructions in Hebrews 10:25 of "Not neglecting to meet together, but encouraging one another". We couldn't meet during this time but we could definitely encourage and many did! I am certain we all will forever have a new appreciation for being together and the fellowship of believers; brothers and sisters in Christ together worshiping and enjoying our Lord. We still have much time to go to get back together fully but we have that time to look forward to. In the meantime we look to the Lord to guide us through – He is absolutely faithful.

The Lord has been merciful to us and we continue to rely on His grace and protection. We need to continue to pray for the church as a whole, be involved in the Word, spend time with the Lord and always remember to encourage and care for each other in any way possible – this is what the Lord would have us do.

Robert Shaver
Chairman, Directors Board

TREASURER'S REPORT

It has been my privilege to serve as The Met's Treasurer for 2019. I serve alongside several others who have the responsibility to carefully steward the resources of The Met. Lorena Severson serves as our Donations Secretary and she organizes the offering count teams to prepare deposits each Sunday. Lorena also records all of the bank deposits and online donations, and prepares the annual donation receipts we provide to donors for Income Tax purposes. Barbara Pranger is our Finance Officer, and she records all of our expenses, administers payroll and ensures that the bills are paid. Sue Reissner is the Office Manager. Sue handles many administrative matters as well as maintaining the Fixed Asset schedule and provides helpful advice on accounting as an accredited CPA. These are special people who I appreciate very much.

As Treasurer, I get to see God working in wonderful ways through his providing the necessary resources for an expansive ministry. Giving is a work of grace in the believer's heart, where the Christ-follower demonstrates his/her love and obedience to the Lord by delighting in making sacrificial financial gifts to the ministry of the Gospel. All gifts are confidential, which allows believers to make donations as the Lord leads and for the right motives. Through the giving of God's people, we were able to meet all expenses in 2019 and record a small surplus.

As I write this report in June, we are preparing to re-open after 3 months of "virtual church". During that time, we saw our people generously giving to meet the needs of The Met, so that as at the end of May, we were in a better position financially than when the COVID crisis began. To God be the Glory!

2 Corinthians 8:9 For you know the grace of our Lord Jesus Christ, that though he was rich, yet for your sake he became poor, so that you through his poverty might become rich.

In Christ,
Lou Ranahan
Treasurer



NOMINATING COMMITTEE REPORT

Ministry Corporation Board Nominating Committee Members:

Peter Hall – Ministry Nominating Committee Chair and Board Representative
Pastor Jonathan Griffiths – Pastoral Representative
Linda Lim – Met Member Rep
Darlene MacLean – Met Member Rep
Steve Tharakan – Met Member Rep

Property Corporation Board Nominating Committee Members:

Pastor Jonathan Griffiths – Property Nominating Committee Chair and Pastoral Representative
Morris Repeta – Board Secretary
Linda Lim – Met Member Rep
Darlene MacLean – Met Member Rep
Steve Tharakan – Met Member Rep

The two Nominating Committees were struck in December 2019, in accordance with The Met Bylaws. In keeping with past practice, member representatives were asked to serve on both Board Committees to streamline the candidate discussion and selection. The qualifications for Director Nominees of both Boards share the biblical requirements of 1 Timothy 3:1-13, and so discussions surrounding potential candidates occurred at the same time. From the outset, we sought godly men of character. (Ministry Board Directors are also The Met's Elders and as such have additional conflict of professional and personal interest requirements as outlined in Article 7.1 (i) of the Ministry Board Bylaw.)

Ministry Corporation Board:

There are four positions open, each for a three-year term. We asked the congregation to prayerfully consider each of the men standing for election, and to look to the Holy Spirit's leading with their vote. The Nominating Committee sought to have more nominees than the four open positions, in order to provide a choice to the membership. Our plans are not always God's plan. While multiple qualified candidates were considered throughout the process, we believe the Lord has led us to the nominees on the ballot. Some candidates were not able to let their names stand at this time.

Property Corporation Board:

2019 marked the beginning of integrated three-year terms. The terms of the three positions in 2019 were staggered as outlined in Article 3.7(c) of the Property Corporation so that in the future, if each term is served to completion, only one director position comes open annually. The allocation of term lengths to Directors will be decided among the Directors themselves once elected.

Again, the Nominating Committee sought to have more nominees than the single open position to provide a choice to the membership.

All candidates were invited to attend an information session outlining the commitment of the service role and to have an opportunity to ask questions. We requested questionnaires and interviewed potential nominees as part of the evaluation process.

The Committees put forward the following nominees:

Ministry Corporation Nominees: Abraham Bach, Andrew Harwood, Doug McLellan and Robert Tooke

Property Corporation Nominee: Mike Mulder

Serving with the men and women on the Nominating Committees was an encouraging process, committing ourselves to prayer, understanding the teaching of the Word concerning church service in these roles, and to pray for guidance in the selection of candidates and for the candidates themselves. We would like to thank Linda, Darlene and Steve for agreeing to serve in this way, and for faithfully and cheerfully carrying out their charge. As committee members, we look forward to the coming ministry year with hope for the Lord's plan for The Met.

Peter Hall,
Ministry Board Nominating Committee Chairman

Pastor Jonathan Griffiths,
Property Board Nominating Committee Chairman

NEW MEMBERS SINCE FEB 2020

| | | | |
|----------|------------|------------|------------|
| Lateef | Adewoye | Lydia-Anne | Ninaber |
| Toyin | Adewoye | Josh | Ninaber |
| Heather | Berghuis | Glenda | Paquette |
| Henry | Berghuis | Mary | Pascas |
| Victoria | Brown | Brian | Pascas |
| Jonathan | Brown | Yen | Priddle |
| Bonnie | Clark | Stephen | Priddle |
| Trevor | Clark | Judy | Rae |
| Wendy | Forbes | Paul | SMITH |
| Brian | Forbes | Louise | Speirs |
| Melody | Gardner | John | Thelen |
| Don | Gardner | Susan | Toman |
| Rachel | Goodridge | Carolyn | Vandenbelt |
| David | Goodridge | Beth | Villarin |
| Jolanda | Jardine | Anne | White |
| First | Last | Lorne | WHITE |
| Kate | Loewen | Christina | Yarney |
| Monique | Montaruli | Thaddeus | Yarney |
| Louise | Mulitze | Gail | Yeung |
| Micheal | Mulitze | Vincent | Yeung |
| Manasseh | Muvandimwe | | |
| Andrea | Nicholls | | |
| Ian | Nicholls | | |



Meeting Minutes: Congregational Meeting Metropolitan Bible Church Ministry Corporation Feb 9th, 2020, 4:00PM

| | Discussion / Decisions | Action Items | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| 1. Opening and Commencement | <ul style="list-style-type: none">There was 269 members physically + proxies present at the meeting.Quorum was set 184 members as there was 525 members as of Feb 09,2020Robert Shaver called the meeting to order | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2. Short devotion & open In Prayer (Chair) | <ul style="list-style-type: none">Bob opened the meeting in prayerGave short devotion on Titus 2; 11-14 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3. selection of scrutineers (Morris) | Selection of scrutineers: <ul style="list-style-type: none">Nancy TookeBob TookeShirley EwenGlen Ewen | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4. New members | <ul style="list-style-type: none">Morris Repeta introduced and welcomed the following new MET members:<table><tr><td>Meed</td><td>Elizabeth (Liz)</td></tr><tr><td>Johnston</td><td>Devon</td></tr><tr><td>Kperegbeyi</td><td>Christian</td></tr><tr><td>Simon (Kperegbeyi)</td><td>Sharane</td></tr><tr><td>Yee</td><td>George</td></tr><tr><td>Rennalls</td><td>David</td></tr><tr><td>Rennalls</td><td>Jennifer</td></tr><tr><td>Bonney</td><td>Caleb</td></tr><tr><td>Bonney (Van Dolder)</td><td>Cassidy</td></tr><tr><td>Brake</td><td>Brenda</td></tr><tr><td>Coburn</td><td>Ron</td></tr><tr><td>Malebranche</td><td>Michel</td></tr><tr><td>Odumu</td><td>Chris</td></tr><tr><td>Usifoh</td><td>Nneka (Oghee)</td></tr><tr><td>Zhang</td><td>Bing</td></tr><tr><td>Corak</td><td>Marian</td></tr><tr><td>Duff</td><td>Liezl</td></tr><tr><td>Lowery</td><td>John</td></tr></table>Present members were notified that they would not receive an email to confirm the willingness to maintain their membership since they attended the meeting | Meed | Elizabeth (Liz) | Johnston | Devon | Kperegbeyi | Christian | Simon (Kperegbeyi) | Sharane | Yee | George | Rennalls | David | Rennalls | Jennifer | Bonney | Caleb | Bonney (Van Dolder) | Cassidy | Brake | Brenda | Coburn | Ron | Malebranche | Michel | Odumu | Chris | Usifoh | Nneka (Oghee) | Zhang | Bing | Corak | Marian | Duff | Liezl | Lowery | John | |
| Meed | Elizabeth (Liz) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Johnston | Devon | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Kperegbeyi | Christian | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Simon (Kperegbeyi) | Sharane | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Yee | George | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Rennalls | David | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Rennalls | Jennifer | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Bonney | Caleb | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Bonney (Van Dolder) | Cassidy | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Brake | Brenda | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Coburn | Ron | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Malebranche | Michel | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Odumu | Chris | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Usifoh | Nneka (Oghee) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Zhang | Bing | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Corak | Marian | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Duff | Liezl | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Lowery | John | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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| 5. Budget review (Lou) | <ul style="list-style-type: none"> Lou provided an update on the unaudited 2019 financials, indicated a ~112K\$ surplus at the end of the year Ministry Corp Budget was presented. It calls for a budget of \$3,485,000. Chris explained the budget preparation process which started in Oct 2019 <p>Motion:</p> <p><i>Lou moves that the Metropolitan Bible Church Ministry Corporation 2020 Budget of \$3,485,000 be approved as presented.</i></p> <p><i>Seconded: Bob Tooke -</i></p> <ul style="list-style-type: none"> The motion was carried by a majority vote via ballots. | |
| 5. Ministry Update (Pastor Jonathan) | <p>Pastor Jonathan provided an update on three areas</p> <ul style="list-style-type: none"> Draw In – Mission <ul style="list-style-type: none"> Effort to get church attendees to move from the periphery to the core 525 members; database has grown from more 5,500 contacts from 2.5 years ago to more 10,000 today Not sustainable to have a sustainable ministry with so few involved Want to invest in more evangelism at the Met, looking for the right person Missions Review <ul style="list-style-type: none"> Want to grow the ministry Currently reviewing the ministry to determine the health Sub-committee has started the review process Want to foster new missionaries from the Met going forward Societal trends <ul style="list-style-type: none"> Need to pray for our nation and our leaders Need to get involved in our nation, concerned with some legislative agenda <ul style="list-style-type: none"> Protection of life Freedom of religion | |
| 6. Review the Nominating Process (Peter Hall) | <ul style="list-style-type: none"> Nominating process is progressing well Two meetings have been held since January On-track to have a preliminary list of candidates before the end of March | |
| 7. Meeting adjournment | <p>Motion: It was moved for meeting adjournment at 5:25PM.</p> <p>The motion was seconded by Dell Smith. The motion was carried by a majority vote via a show of hands.</p> | |

MINUTES FROM PREVIOUS CONGREGATIONAL MEETINGS

Meeting Minutes: Annual General Meeting Metropolitan Bible Church Ministry Corporation May 26th, 2019, 4:00PM

| | Discussion / Decisions | Action Items |
|----------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| 1. Call Ministry Corporation Meeting to Order (Chair Ministry Board – Bob) | <ul style="list-style-type: none"> There was 235 members physically present at the meeting + 54 proxy votes = 289 | |
| 2. Short devotion & Open In Prayer (Bob) | <ul style="list-style-type: none"> Bob opened in prayer and spent some time in 2Peter 1:3-11 What should characterize a member of the Met: virtue, knowledge, self-control, godliness, brotherly affection and love | |
| 3, Approval of Minutes | <p>Motion: Moved by Morris Repeta:</p> <p><i>“I move to adopt the minutes from the May 28, 2017 Annual General Meeting and the February 11, 2018 congregational meeting, as presented in the annual report.”</i></p> <ul style="list-style-type: none"> The motion was seconded by Paul Mussell. The motion was carried by a majority vote via a show of hands. | |

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| <p>4. Introduce New Members (Morris)</p> | <p>Morris Repeta introduced and welcomed the following new MET members:</p> <ul style="list-style-type: none"> • Joe Candy • Fion Chan • Juliana Lopera • Martha Lopera (Pinto) • Cecilia Alves • Behnaz Behmanesh • Marlene Dalley • Reza Deison • Medhat El-Nakady • Isac Lima • Chris Baker • Jacqueline (Michielli) Anthony • Daniel Anthony • Aimee Mussell • Elizabeth Shepherd • Esther Yeung • Samir Javed • Tamara Javed • Daniel Gilman • Adam Callaway • Lindsay Callaway | |
| <p>5. Budget review (Lou)</p> | <p>The 2019 Ministry Corporation budget of \$3,450,000 was presented.</p> <ul style="list-style-type: none"> • Spending rationale • A snapshot of last 10 years' giving was shown – challenge given to increase as there has been no significant increase <p>Motion:</p> <p><i>Lou moves that the Metropolitan Bible Church Ministry Corporation 2019 Budget of \$3.45 Million be approved as presented.</i></p> <p><i>Seconded: Judy Gatehouse -</i></p> <ul style="list-style-type: none"> • The motion was carried by a majority vote via ballots. | |

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| <p>6. Review of the Nominating Process (Mark Donaldson)</p> | <ul style="list-style-type: none"> Carol Kilgour provided a brief summary of her experience on the Nominating committee and outlined selection process. <p>Selection of scrutineers:</p> <ul style="list-style-type: none"> Rod Nickel George Borschewski Trevor Crowe Edmond Chiasson <p>As a results of the voting process, the following candidates were elected</p> <ul style="list-style-type: none"> Peter Hall Aaron Mailey | |
| <p>7. Presentation of Ministry Corporation 2018 Financial Statements (Lou)</p> | <p>Lou Ranahan provided an overview of the 2018 audited financial statements to the members. It was followed by a brief Q&A period.</p> | |
| <p>8. Motion to Appointment of Auditors for 2019 (Lou)</p> | <p>Motion: Moved by Lou Ranahan: <i>In accordance with Article 9.7 of the Metropolitan Bible Church Ministry Corporation by-laws, I move that Price Waterhouse Coopers be appointed as Auditors for 2019.</i></p> <p>The motion was seconded by Richard Thorton. The motion was carried by a majority vote via a show of hands.</p> | |
| <p>9. MET Ministry Update (Pastor Jonathan)</p> | <ul style="list-style-type: none"> Living out the new mission statement has been encouraging for the last 18 months Help in getting all the ministries focused on the same page 3 project update <p>Sandra Tharakan Home@The Met</p> <ul style="list-style-type: none"> Prioritizing engaging newcomers introducing section hosts in the sanctuary Enhancing our database tracking for follow-up of our guests <p>Adam Callaway Met @ Home</p> <ul style="list-style-type: none"> Prioritizing the growth and development of Community Groups Training leaders and providing resources | |

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|--------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| | <ul style="list-style-type: none"> • There is currently 37 active groups • David Renalls will be joining the pastoral team in January, as the Pastor Discipleship to continue the work started BY Pastor Adam. <p>Bible Teaching in Canada</p> <ul style="list-style-type: none"> • This initiative, known as The Timothy Trust, has already launched a training course on Biblical exposition for interns to raise up a new generation of preachers. • is preparing for a luncheon for area pastors, and a fall retreat for men in ministry, to refresh the preacher and his preaching. | |
| 10 Ministry Board Update (Bob) | <ul style="list-style-type: none"> • Bob provided a brief update on the Ministry Board, details can be found in the yearend report • Followed by a brief Q&A sessions | |
| 11. Meeting adjournment | <p>Motion: It was moved for meeting adjournment at 5:50PM.</p> <p>The motion was seconded by Edmond Chiasson. The motion was carried by a majority vote via a show of hands.</p> | |



2019 AUDITED FINANCIAL STATEMENTS

**Metropolitan Bible Church
Ministry Corporation**

Financial Statements
December 31, 2019



Independent auditor's report

To the Congregation of Metropolitan Bible Church Ministry Corporation

Our qualified opinion

In our opinion, except for the possible effects of the matter described in the *Basis for qualified opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of Metropolitan Bible Church Ministry Corporation (the Ministry) as at December 31, 2019 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

What we have audited

The Ministry's financial statements comprise:

- the statement of financial position as at December 31, 2019;
- the statement of changes in fund balances for the year then ended;
- the statement of operations for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for qualified opinion

In common with many not-for-profit organizations, the Ministry derives revenues from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Ministry. Therefore, we were not able to determine whether any adjustments might be necessary to donations revenue, net revenue (expense) and cash flows from operating activities for the years ended December 31, 2019 and 2018, current assets as at December 31, 2019 and 2018 and fund balances as at the beginning and the end of the years ended December 31, 2019 and 2018. Our audit opinion on the financial statements for the year ended December 31, 2018 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

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

PricewaterhouseCoopers LLP
99 Bank Street, Suite 710, Ottawa, Ontario, Canada K1P 1E4
T: +1 613 237 3702, F: +1 613 237 3963

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



Independence

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

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 Ministry'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 Ministry or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Ministry's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 Ministry'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 Ministry's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Ministry 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.

We 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.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Ontario
June 11, 2020



Metropolitan Bible Church Ministry Corporation

Statement of Financial Position

As at December 31, 2019

| | 2019 \$ | 2018 \$ |
|------------------------------------------------------------------------------|------------------|------------------|
| Assets | | |
| Current assets | | |
| Cash | 371,298 | 210,893 |
| Investments (note 3) | 844,765 | 1,048,150 |
| Accounts receivable (note 5) | 39,704 | 48,798 |
| | <u>1,255,767</u> | <u>1,307,841</u> |
| Loans receivable from employees (note 6) | 85,350 | 35,750 |
| Note receivable from Metropolitan Bible Church Property Corporation (note 6) | 100,000 | 100,000 |
| Capital assets (note 4) | 61,922 | 87,740 |
| | <u>1,503,039</u> | <u>1,531,331</u> |
| Liabilities | | |
| Current liabilities | | |
| Accounts payable and accrued liabilities (note 5) | 51,383 | 83,030 |
| Deferred contributions (note 7) | 61,919 | 16,059 |
| | <u>113,302</u> | <u>99,089</u> |
| Fund Balances | | |
| General Fund | 806,096 | 668,320 |
| Internally Restricted – Reserve Fund | 350,000 | 450,000 |
| Externally Restricted Funds | 233,641 | 313,922 |
| | <u>1,389,737</u> | <u>1,432,242</u> |
| | <u>1,503,039</u> | <u>1,531,331</u> |

Approved by the Board of Directors

Director

Director

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

Metropolitan Bible Church Ministry Corporation

Statement of Changes in Fund Balances

For the year ended December 31, 2019

| | Balance – Beginning of year \$ | Net revenue (expense) for the year \$ | Transfers (from) to \$ | Balance – End of year \$ |
|-------------------------------------------------|-----------------------------------------|------------------------------------------------|------------------------------|--------------------------------|
| General Fund | 668,320 | 12,698 | 125,078 | 806,096 |
| Internally Restricted – Reserve Fund | 450,000 | - | (100,000) | 350,000 |
| Externally Restricted Funds | | | | |
| Missions Fund | 94,044 | (71,148) | - | 22,896 |
| Capital Fund | 4 | - | - | 4 |
| Benevolent Fund | 7,671 | 3,477 | - | 11,148 |
| Memorial Fund | 112,446 | (19,800) | (38,158) | 54,488 |
| Scholarship Fund | 5,065 | (1,875) | - | 3,190 |
| Vision Fund | 94,692 | 21,374 | 13,080 | 129,146 |
| Timothy Trust Fund | - | 12,769 | - | 12,769 |
| | 313,922 | (55,203) | (25,078) | 233,641 |
| | 1,432,242 | (42,505) | - | 1,389,737 |

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

Metropolitan Bible Church Ministry Corporation

Statement of Operations

For the year ended December 31, 2019

| | 2019 | | | | | | | 2018 | |
|-----------------------------------------------|------------------|---------------|--------------|-----------------|---------------|------------------|-------------|--------------------|-----------|
| | Restricted Funds | | | | | | | Total | Total |
| | General Fund | Missions Fund | Capital Fund | Benevolent Fund | Memorial Fund | Scholarship Fund | Vision Fund | Timothy Trust Fund | |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Revenue | | | | | | | | | |
| Donations | 14,832 | 84,257 | 51,991 | 40,808 | 2,995 | 375 | 23,529 | 26,750 | 245,337 |
| Specific Church program | 3,249,876 | - | - | - | - | - | - | - | 3,249,876 |
| Rental income | 65,690 | - | - | - | - | - | - | - | 65,690 |
| Interest | 22,139 | - | - | - | - | - | - | - | 22,139 |
| Class registrations | - | - | - | - | - | - | - | 11,790 | 11,790 |
| Ministries | 185,736 | - | - | - | - | - | - | - | 185,736 |
| | 3,538,073 | 84,257 | 51,991 | 40,808 | 2,995 | 375 | 23,529 | 38,540 | 3,780,568 |
| | | | | | | | | | 3,820,305 |
| Expense | | | | | | | | | |
| Administration | 111,465 | - | - | - | - | - | - | 20,851 | 132,326 |
| Pastoral support | 62,884 | - | - | - | - | - | - | - | 62,884 |
| Plant | 418,048 | - | - | - | - | - | - | - | 418,048 |
| Personnel | 1,682,445 | - | - | - | - | - | - | 4,909 | 1,687,354 |
| Living community | 84,079 | - | - | - | - | - | - | - | 84,079 |
| Regional outreach | 15,237 | - | - | - | - | - | - | - | 15,237 |
| Children's Ministries | 69,427 | - | - | - | - | - | - | - | 69,427 |
| Youth Ministries | 126,359 | - | - | - | - | - | - | - | 126,359 |
| Adult Ministries | 36,516 | - | - | - | - | - | - | - | 36,516 |
| Missions | 652,276 | 155,405 | - | - | - | - | 2,154 | - | 807,681 |
| Other | 26,641 | - | - | - | - | - | - | - | 26,641 |
| Rent (note 6) | 140,000 | - | - | - | - | - | - | - | 140,000 |
| Scholarship | - | - | - | - | - | 2,250 | - | - | 2,250 |
| Donation to the Property Corporation (note 6) | 100,000 | - | 51,991 | - | - | - | - | - | 151,991 |
| Social assistance | - | - | - | 37,331 | - | - | - | - | 37,331 |
| Memorial | - | - | - | - | 22,795 | - | - | - | 22,795 |
| Reproducing Church | - | - | - | - | - | - | - | - | - |
| | 3,525,377 | 155,405 | 51,991 | 37,331 | 22,795 | 2,250 | 2,154 | 25,770 | 3,823,073 |
| | | | | | | | | | 4,295,071 |
| Net revenue (expense) for the year | 12,696 | (71,149) | - | 3,477 | (19,800) | (1,875) | 21,375 | 12,770 | (42,505) |
| | | | | | | | | | (474,765) |

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

Metropolitan Bible Church Ministry Corporation

Statement of Cash Flows

For the year ended December 31, 2019

| | 2019 \$ | 2018 \$ |
|--------------------------------------------------|-----------------------|-----------------------|
| Cash provided by (used in) | | |
| Operating activities | | |
| Net expense for the year | (42,505) | (474,766) |
| Items not affecting cash | | |
| Amortization of capital assets | 38,282 | 50,223 |
| Transfer of capital assets to WestVillage Church | - | 73,586 |
| Changes in non-cash working capital items | | |
| Accounts receivable | 9,094 | (3,507) |
| Deferred contributions | 45,860 | 8,491 |
| Accounts payable and accrued liabilities | (31,647) | (45,545) |
| | <u>19,084</u> | <u>(391,518)</u> |
| Investing activities | | |
| Purchase of investments | (431,850) | (625,951) |
| Proceeds on disposal of investments | 635,235 | 942,741 |
| Purchase of capital assets | (12,464) | (30,641) |
| | <u>190,921</u> | <u>286,149</u> |
| Financing activities | | |
| Advance to Property Corporation (note 6) | - | (100,000) |
| Advances to employees | (50,000) | - |
| Repayments of loans receivable from employees | 400 | 2,250 |
| | <u>(49,600)</u> | <u>(97,750)</u> |
| Change in cash during the year | 160,405 | (203,119) |
| Cash – Beginning of year | 210,893 | 414,012 |
| Cash – End of year | <u>371,298</u> | <u>210,893</u> |

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



Metropolitan Bible Church Ministry Corporation

Notes to Financial Statements

December 31, 2019

1 Governing statutes and purpose of the organization

The purpose of Metropolitan Bible Church Ministry Corporation (the Ministry) is to glorify God by fulfilling the mission and vision God has given to His living Church through His word.

The Ministry is incorporated without share capital under the Ontario Corporations Act and is a charitable organization within the meaning of the Income Tax Act (Canada).

2 Summary of significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies.

Use of estimates

The preparation of financial statements in conformity 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting periods. Actual results could differ from these estimates.

Fund accounting

- **General Fund**

The General Fund accounts for the Ministry's administration, personnel, missions and ministries and plant maintenance activities.

- **Internally Restricted – Reserve Fund**

The Reserve Fund accounts for internally restricted funds set aside to cover any potential major repairs to the building.

- **Externally Restricted Funds**

The Missions Fund accounts for externally restricted contributions for support to missionaries around the world.

The Capital Fund accounts for externally restricted contributions for the Metropolitan Bible Church Property Corporation's (the Property Corporation) capital projects (note 6) as well as for other capital projects.

The Benevolent Fund accounts for externally restricted contributions for social assistance to the needy.



Metropolitan Bible Church Ministry Corporation

Notes to Financial Statements

December 31, 2019

The Memorial Fund accounts for externally restricted contributions received in memory of loved ones or bequests and, unless otherwise designated by the donor and agreed to by the Board, will be used to underwrite capital purchases or projects, or special ministry initiatives approved by the Board.

The Scholarship Fund accounts for externally restricted contributions received for preparing young people for ministry.

The Vision Fund accounts for externally restricted contributions received for the Reproducing Church initiative as well as for internally funded ministry development activities.

The Timothy Trust Fund accounts for externally restricted contributions for the advancement of expository Bible teaching and preaching training for ministry.

Revenue recognition

The Ministry follows the restricted fund method of accounting for contributions.

Externally restricted contributions for which there is no corresponding restricted fund are deferred and recognized as revenue during the year in which the related expenses are incurred. All other externally restricted contributions are recognized as revenue of the appropriate restricted fund.

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.

Investments

Investments are recorded at amortized cost. Interest is calculated using the effective interest rate method.

Capital assets

Capital assets acquired are initially recorded at cost and are then amortized, on a straight-line basis, over their anticipated useful lives as follows:

| | |
|-------------------------|---------|
| Furniture and equipment | 5 years |
| Automotive equipment | 6 years |
| Leasehold improvements | 3 years |

Contributed services

Due to the difficulty in determining their value, contributed services are not recognized in the financial statements.



Metropolitan Bible Church Ministry Corporation

Notes to Financial Statements

December 31, 2019

3 Investments

| | 2019 \$ | 2018 \$ |
|------------------------------------|----------------|------------------|
| Guaranteed investment certificates | 745,900 | 942,400 |
| High interest savings accounts | 98,865 | 105,750 |
| | <u>844,765</u> | <u>1,048,150</u> |

Guaranteed investment certificates bear interest at rates ranging from 2.13% to 2.90% (2018 – 1.25% to 2.90%) and mature from 2020 to 2022 (2018 – from 2019 to 2021). The high interest savings accounts earn interest at 1.50% (2018 – 1.00%).

4 Capital assets

| | 2019 | | 2018 | |
|-------------------------|----------------|-----------------------------------|---------------|---------------|
| | Cost \$ | Accumulated amortization \$ | Net \$ | Net \$ |
| Furniture and equipment | 641,284 | 596,307 | 44,977 | 61,167 |
| Automotive equipment | 20,676 | 20,676 | - | - |
| Leasehold improvements | 78,553 | 61,608 | 16,945 | 26,573 |
| | <u>740,513</u> | <u>678,591</u> | <u>61,922</u> | <u>87,740</u> |

Cost and accumulated amortization amounted to \$803,859 and \$622,951, respectively, as at December 31, 2018.

5 Government remittances

Government remittances owing amounted to \$nil as at December 31, 2019 (2018 – \$nil).

6 Related party balances and transactions

The Ministry and the Property Corporation are entities under common control as the members of both corporations, who elect the respective board of directors of each corporation, are in common.

All rent expense is charged by the Property Corporation. The Ministry is responsible for operating costs. Future minimum rent payments are estimated as follows:

| | \$ |
|------|---------|
| 2020 | 140,000 |
| 2021 | 140,000 |

Metropolitan Bible Church Ministry Corporation

Notes to Financial Statements

December 31, 2019

The Ministry made externally restricted donations of \$51,991 (2018 – \$95,823) for capital projects and general donations for the purpose of major parking lot repairs of \$100,000 (2018 – \$nil) to the Property Corporation. The Internally Restricted – Reserve Fund was used to cover the donations made for major parking lot repairs. These transactions are recorded at the exchange amount, which is the amount established and agreed to by the related parties involved.

The note receivable from the Property Corporation is non-interest bearing and is due on December 31, 2021.

Loans receivable from employees are non-interest bearing, may be secured by a registered second mortgage on the employee's property and have terms of repayment that are varied at the discretion of the Ministry.

7 Deferred contributions

| | 2019 \$ | 2018 \$ |
|---------------------------------|------------|------------|
| Balance – Beginning of the year | 16,059 | 7,568 |
| Contributions received | 61,919 | 16,059 |
| Revenue recognized in the year | (16,059) | (7,568) |
| Balance – End of the year | 61,919 | 16,059 |

8 Financial instruments

The Ministry is exposed to various risks through its financial instruments. The following analysis provides a measure of the Ministry's risk exposure and concentrations. Ministry does not use derivative financial instruments to manage its risks.

Investment risk

Investment in financial instruments renders the Ministry subject to investment risks. Interest risk is the risk arising from fluctuations in interest rates and their degree of volatility. The Ministry's exposure to interest rate risk arises from its investments in guaranteed investment certificates and high interest savings accounts (note 3).

There is also the risk arising from the failure of a party to a financial instrument to discharge an obligation when it is due.

9 Subsequent event

The Ministry is assessing the impact of the COVID-19 pandemic on its operations. Given the unprecedented nature of this event, it is difficult to predict the length or breadth of this disruption on its operations.

