



ANNUAL GENERAL MEETING OF THE MEMBERS

**METROPOLITAN BIBLE CHURCH
*PROPERTY CORPORATION***

June 28th, 2020

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ANNUAL BUSINESS MEETING AGENDA

Metropolitan Bible Church

June 28, 2020 4:00PM

Property Corporation

1. Call the meeting to order – Ted Lennox
2. Election of 2020 Property Board Directors – Peter Hall
3. Presentation of 2019 Financial Statements – Lou Ranahan
4. Appointment of Auditors for 2020 – Lou Ranahan
5. Adjournment of Meeting – Ted Lennox

YOUR 2019 PROPERTY BOARD

Ted Lennox – Chair

Andrew Harwood – Member at large

Jonathan Dyck - Member at large

Morris Repeta – Secretary

Lou Ranahan – Appointed Treasurer

CHAIRMAN'S REPORT

The year 2019 saw the “new” Metropolitan Bible Church building on Prince of Wales Drive reach its 10-year anniversary. We have been blessed by the Lord and by the generosity of members and attendees. As a result, we have been able to pay off the cost of the original building, and as of 2020 the church will have retired all debts related to the new chapel expansion project.

Going forward, the Property Corporation will focus on the godly stewardship of the church's major assets which are held by the Property Corporation, and specifically on accumulating the financial reserves which are typically required when a building enters its second decade of service. Building condition monitoring and an engineering study indicate that a series of building repairs, replacements and improvements such as roof replacement, heating / ventilation / air conditioning improvements and repaving activities are to be anticipated in coming years.

Attendees are no doubt aware of the drainage, parking lot and west entry improvements which were begun last fall, interrupted by the winter and then by the COVID-19 shutdown. We are discussing some deficiencies with the contractor and hope to see the project completed by the end of July.

I am pleased on behalf of the Board and the Property Corporation to present this annual report for your approval.

In His Service,

Edward G. Lennox

Board Chairman

TREASURER'S REPORT

This time last year, I was writing about our priority to reduce the residual debt we had assumed to complete the Phase IIA expansion. We had a total of \$374,750 in outstanding bank loans and promissory notes at the end of 2018. By December 2019, this had reduced to \$187,750, and by the end of April 2020, we paid off the bank loan. The remaining debt consists of interest-free promissory notes totalling \$157,000. By this time next year, the Treasurer may be able to report that all debts have been paid.

Once debts have been retired, it must become a priority to build a reserve fund to properly maintain the \$20 million facility that we have been blessed with. Al Borschewski does an amazing job keeping the building looking and feeling like new. However, the reality is that many of the major systems will be near the end of their life cycle in the next decade, and we have a duty to the Lord to see that the facility is well-maintained. This will take a new level of cooperation between the Ministry and Property Corporations in the years ahead. It has been my pleasure to serve both aspects of The Met's ministry as Treasurer.

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		



MINUTES FROM PREVIOUS CONGREGATIONAL MEETINGS

Meeting Minutes:

Congregational Meeting

Metropolitan Bible Church Property Corporation

Feb 9th, 2020, 4:00PM

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 09,2020• Ted Lennox called the meeting to order																																					
2. 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>Kperegbeiyi</td><td>Christian</td></tr><tr><td>Simon (Kperegbeiyi)</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	Kperegbeiyi	Christian	Simon (Kperegbeiyi)	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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Duff	Liezl																																					
Lowery	John																																					

	Discussion / Decisions	Action Items
3. Property Corporation role summary	<ul style="list-style-type: none"> For the benefit of new members Ted summarized the role of the Property Corporation as being responsible for the assets of the church representing an investment of some \$20 million. He noted that new bylaws introduced last year identified the need for Property Corporation directors to have, in addition to Biblical qualifications, a need for ownership, management, legal, institutional and commercial experience, and mentioned that Peter Hall would be discussing the Nominating Committee later in the meeting. 	
4. Update on on-going construction in west entrance (Ted)	<ul style="list-style-type: none"> Ted provided an update on the construction in the west entrance After more than 10 years, the soil has settled and the drainage is not away from the building which causes some problem Ted explained the process from engineering studies to selecting contractors and getting the work executed With the early frost and sustained cold weather prevented the work from being completed last fall. It should be completed in the spring. 	
5. Budget review (Lou)	<ul style="list-style-type: none"> Property Corp Budget was presented. It calls for a budget of \$201,750. <p>Motion: <i>Lou moves that the Metropolitan Bible Church Property Corporation 2020 Budget of \$201,750 be approved as presented.</i></p> <p><i>Seconded: Chris Baker -</i></p> <ul style="list-style-type: none"> The motion was carried by a majority vote via ballots. 	
6. Meeting adjournment	<p>Motion: It was moved for meeting adjournment at 5:25PM.</p> <ul style="list-style-type: none"> The motion was seconded by <i>Carl O'Keefe</i> . The motion was carried by a majority vote via a show of hands. 	

**Meeting Minutes:
Annual General Meeting**

**Metropolitan Bible Church Property Corporation
May 26th, 2019, 4:00PM**

	Discussion / Decisions	Action Items
1. Opening and Commencement	<ul style="list-style-type: none"> There was 235 members physically present at the meeting + 54 proxy votes = 289 Ted Lennox called the meeting to order 	
2. New members	<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 	
3. Budget review (Lou)	<ul style="list-style-type: none"> Property Corp Budget was presented. It calls for a budget of \$208,000. <p>Motion:</p> <p><i>Lou moves that the Metropolitan Bible Church Property Corporation 2019 Budget of \$208,000 be approved as presented.</i></p> <p>Seconded: Carl O'Keefe -</p> <ul style="list-style-type: none"> The motion was carried by a majority vote via ballots. 	
4. Review of the Nominating Process (Mark Donaldson)	<ul style="list-style-type: none"> Carol Kilgour provided a brief summary of her experience on the Nominating committee and outlined selection process. 	

5. Election of 2019 Property Board of Directors (Morris)	<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"> • Ted Lennox • Andrew Harwood • Jonathan Dyck 	
6. Approval of Minutes (Morris)	<p>Motion: Moved by Morris Repeta:</p> <p><i>"I move to adopt the minutes from the May 27, 2018 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 Trevor Crowe. The motion was carried by a majority vote via a show of hands. 	
7. Presentation of Property Corporation 2018 Financial Statements (Lou)	Lou Ranahan provided an overview of the 2018 audited financial statements to the members.	
8. Motion to Appointment of Auditors for 2019 (Lou)	<p>Motion: Moved by Lou Ranahan: <i>In accordance with Article 4.6 of the Metropolitan Bible Church Property Corporation by-laws, I move that Price Waterhouse Coopers be appointed as Auditors for 2019.</i></p> <p><i>Seconded: Andrew Harwood -</i></p> <p>The motion was carried by a majority vote via ballots.</p>	
9. Property Board Update (Ted)	<ul style="list-style-type: none"> • Ted provided a brief update 	
10. Meeting adjournment	<p>Motion: It was moved for meeting adjournment at 5:50PM.</p> <p>The motion was seconded by Bruce Macmillan. The motion was carried by a majority vote via a show of hands.</p>	

Metropolitan Bible Church Property Corporation

Financial Statements
December 31, 2019



Independent auditor's report

To the Congregation of Metropolitan Bible Church Property Corporation

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Metropolitan Bible Church Property Corporation (the Property Corporation) 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 Property Corporation's financial statements comprise:

- the statement of financial position as at December 31, 2019;
- the statement of operations and changes in fund balances 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 opinion

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

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

Independence

We are independent of the Property Corporation 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.

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



In preparing the financial statements, management is responsible for assessing the Property Corporation'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 Property Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Property Corporation'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 Property Corporation'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 Property Corporation'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 Property Corporation 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 Property Corporation
Statement of Financial Position
As at December 31, 2019

	2019			2018
	General Fund \$	Building Fund \$	Total \$	Total \$
Assets				
Current assets				
Cash	-	112,650	112,650	29,418
Accounts receivable	-	10,113	10,113	533
	-	122,763	122,763	29,951
Capital assets (note 3)	14,828,435	-	14,828,435	15,255,226
	14,828,435	122,763	14,951,198	15,285,177
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities (note 4)	-	98,488	98,488	-
Notes payable (note 6)	-	29,000	29,000	29,000
Mortgage payable (note 7)	-	38,750	38,750	65,000
	-	166,238	166,238	94,000
Notes payable (note 6)	-	128,000	128,000	157,000
Mortgage payable (note 7)	-	-	-	123,750
	-	294,238	294,238	374,750
Fund Balances				
General Fund	14,828,435	-	14,828,435	15,255,226
Building Fund	-	(171,475)	(171,475)	(344,799)
	14,828,435	(171,475)	14,656,960	14,910,427
	14,828,435	122,763	14,951,198	15,285,177

Approved by the Board of Directors

 Director
  Director

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

Metropolitan Bible Church Property Corporation

Statement of Operations and Changes in Fund Balances

For the year ended December 31, 2019

	2019		2018
	General Fund \$	Building Fund \$	Total \$
Revenue			
Donations (note 5)	-	159,537	159,537
Interest income	-	13	13
Rental (note 5)	140,000	-	140,000
	140,000	159,550	299,550
Expense			
Administration and professional fees	7,726	-	7,726
Interest on long-term debt	5,759	-	5,759
Amortization of capital assets	539,532	-	539,532
	553,017	-	553,017
Net revenue (expense) for the year	(413,017)	159,550	(253,467)
Fund balances – Beginning of year	15,255,226	(344,799)	14,910,427
Transfers from (to)	(13,774)	13,774	-
Fund balances – End of year	14,828,435	(171,475)	14,656,960

Metropolitan Bible Church Property 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	(253,467)	(341,279)
Item not affecting cash		
Amortization of capital assets	539,532	543,730
Changes in non-cash working capital items		
Accounts receivable	(9,580)	7,344
Accounts payable and accrued liabilities	3,560	-
	<u>280,045</u>	<u>209,795</u>
Investing activities		
Purchase of capital assets	<u>(17,813)</u>	<u>-</u>
Financing activities		
Repayments of notes payable	(29,000)	(12,000)
Proceeds from notes payable	-	150,000
Repayment of mortgage payable	<u>(150,000)</u>	<u>(345,000)</u>
	<u>(179,000)</u>	<u>(207,000)</u>
Change in cash during the year	83,232	2,795
Cash – Beginning of year	<u>29,418</u>	<u>26,623</u>
Cash – End of year	<u>112,650</u>	<u>29,418</u>
Supplementary non-cash information		
Purchase of capital assets	94,928	-
Change in accounts payable related to capital assets	<u>(94,928)</u>	<u>-</u>

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

Metropolitan Bible Church Property Corporation

Notes to Financial Statements

December 31, 2019

1 Governing statutes and purpose of the organization

The purpose of Metropolitan Bible Church Property Corporation (the Property Corporation) is to establish places for worship and the preaching of the Gospel; to conduct religious training classes; to establish missions; to acquire the necessary property for the erection of churches, missions and buildings incidental thereto; and to promote the principles of Christian fellowship and communion. The Property Corporation does not operate as a church.

The Property Corporation 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 the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the year. Actual results could differ from those estimates.

Revenue recognition

The Property Corporation follows the restricted fund method of accounting for contributions.

Externally restricted contributions for capital projects, including a new building, are reported as revenue of the Building 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.

Fund accounting

The General Fund accounts for the Property Corporation's administration and operations.

The Building Fund accounts for externally restricted donations for capital projects, including a building expansion, as well as transfers received from Metropolitan Bible Church Property Corporation (the Ministry).

Metropolitan Bible Church Property Corporation

Notes to Financial Statements

December 31, 2019

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:

Building	40 years
Paving	12 years
Furniture and equipment	20 years
Audiovisual and lighting	5 years

3 Capital assets

	2019		2018	
	Cost \$	Accumulated amortization \$	Net \$	Net \$
Land	1,621,791	-	1,621,791	1,621,791
Building	16,556,167	3,842,796	12,713,371	13,127,275
Paving	1,125,943	903,928	222,015	198,405
Furniture and equipment	364,965	150,395	214,570	228,371
Audiovisual and lighting	374,870	318,182	56,688	79,384
	20,043,736	5,215,301	14,828,435	15,255,226

Cost and accumulated amortization amounted to \$19,930,996 and \$4,675,770, respectively, as at December 31, 2018.

4 Government remittances

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

5 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 rental income is derived from the Ministry, and the Ministry is responsible for operating costs. The Ministry also donated \$151,991 (2018 – \$95,823) to the Building Fund, with \$100,000 of these donated funds being for the purpose of major parking lot repairs. These transactions are recorded at the exchange amount, which is the amount established and agreed to by related parties involved.

Unless otherwise specified, amounts due from and to the Ministry are non-interest bearing and have no specified terms of repayment.

Metropolitan Bible Church Property Corporation

Notes to Financial Statements

December 31, 2019

6 Notes payable

Notes payable issued by the Property Corporation to congregants to help finance the capital expansion are non-interest bearing and are repayable as follows:

	\$
2020	29,000
2021	128,000
	<u>157,000</u>

In 2018, a note payable was issued by the Property Corporation to the Ministry for \$100,000 to help finance the capital expansion. The note is non-interest bearing and is repayable on December 31, 2021.

7 Mortgage payable

As at September 20, 2017, the Property Corporation secured a bank mortgage for \$650,000, bearing interest at prime (currently 3.95%) plus 0.50% with a maturity date of September 2027 and monthly instalments of \$5,417 consisting of blended principal and interest, for its building expansion. Early repayments of the mortgage have resulted in an early maturity date in 2020.

Principal repayments are as follows:

	\$
2020	38,750

The Property Corporation must comply with certain financial covenants in order to be in compliance with the mortgage with Scotiabank. As at December 31, 2019, the Property Corporation is in compliance with all required financial covenants.

8 Financial instruments

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

Liquidity risk

The Property Corporation's objective is to have sufficient liquidity to meet its liabilities when due. The Property Corporation monitors its cash balances and cash flows generated from operations to meet its requirements and seek funds in the form of donations from the Ministry if required. As at December 31, 2019, the most significant financial liabilities are accounts payable and accrued liabilities, notes payable and mortgage payable.

Metropolitan Bible Church Property Corporation

Notes to Financial Statements

December 31, 2019

Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Property Corporation is exposed to fair value risk on its fixed interest rate financial instruments. As at year-end, the Property Corporation's exposure to interest rate risk arises on its mortgage payable.

9 Subsequent event

The Property Corporation 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.