



**ANNUAL GENERAL MEETING
OF THE MEMBERS**

**METROPOLITAN BIBLE CHURCH
*PROPERTY CORPORATION***

June 5, 2022

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ANNUAL BUSINESS MEETING AGENDA

Metropolitan Bible Church

June 5, 2022 4:30PM

Property Corporation

1. Call the meeting to order – Andrew Harwood
2. Election of 2022 Property Board Directors – Doug McLellan
3. Presentation of 2021 Financial Statements – Peter Hall
4. Appointment of Auditors for 2022 – Peter Hall
5. Property Director's Report – Jon Dyck
6. Adjournment of Meeting – Andrew Harwood

YOUR 2021/2022 PROPERTY BOARD

Ted Lennox – Chairman

Jonathan Dyck – Member at large

Mike Mulder - Member at large

Andrew Harwood – Secretary

Peter Hall – Treasurer

2021 CHAIRMAN'S REPORT (PROPERTY CORPORATION)

As The MET gradually began to reopen to in-person attendance during 2021, the Property Corporation undertook a number of activities. The church building was kept in generally excellent condition during the year thanks to the efforts of a diligent facility manager and a volunteer team of devoted Met members. Many energy-saving upgrades were undertaken, and significant new audio-visual control and production capabilities were put in place.

In 2020 the Property Board had initiated discussions with the Ministry Board to confirm that we are up to date with all government requirements and appropriate legal arrangements so that the Ministry and Property Corporations, both owned by the common membership of the church, will continue to be independent not-for-profit entities in the future. This provides important legal protection for the church's physical assets.

Brazeau Seller LLP were retained in January 2021 to undertake a legal review of the relevant role and separation issues. As work on the file progressed, the firm ultimately advised us that we should probably seek other counsel. They did us the courtesy of referring The Met to Carters Professional Corporation, a law firm who specialize in charity law and have an Ottawa office. Carters were retained jointly by the Ministry and Property Corporations in January 2022, an initial meeting held, and agreement on the scope of work is expected imminently.

In the absence of new guidance on the separation of the Property and Ministry Corporations' roles and activities, a short-term extension to the original 2009 lease was executed to cover lease payments for the year 2022.

During the year, church window deterioration, including cracking and moisture accumulation in various locations, was identified as an ongoing issue. The Property Board is undertaking follow-up investigations to determine the preferable way to resolve this issue. A photographic survey was completed to assess the extent and to track any progressive changes which might be occurring. Replacement of a limited number of windows is considered likely.

Chapel roof concerns involving the apparent inadequacy of the membrane installation were also identified as an issue during the year. A roof survey indicated the extent of the problem, and the possibility of remedial action has been estimated to cost \$150,000 - \$180,000. Follow-up investigations, warranty negotiations and resolution of this issue is planned for 2022.

We have been blessed by the Lord and by the generosity of members and attendees. 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

2021 TREASURER'S REPORT (PROPERTY CORPORATION)

In one key respect, 2021 was a landmark year for The Met Property Corporation. The last outstanding item of debt, a note payable to the Ministry Corporation, was fully paid off – we are debt-free! We do not take this for granted; it is the result of years of careful management and faithful giving, and we are thankful to the Lord and to those who bore the burden of implementing and participating in prudent financial plans over the years.

In most other respects, 2021 was a much less active year, as in contrast to last year there were no major capital purchases. As such, the surplus continued to build through the year.

Efforts to ensure that the Property Corporation is financially ready for major capital repairs in the future remain underway, with careful attention being paid to a comprehensive engineering report that was completed a number of years ago. This report is being actively augmented by more recent assessments of key assets that fall under the Property Corporation's purview.

We are unusually blessed to have these facilities to use in ministering to the body of Christ in Ottawa, and as a beacon for our city, our country and increasingly, beyond our borders. We are grateful to those who have offered faithful stewardship over the years. Each of us also benefits greatly from the care that is taken by our dedicated building staff and the volunteers who quietly offer their time and resources to keeping these facilities in top shape. We deeply appreciate the extra efforts they have taken to ensure our collective safety through the COVID-19 episode.

In our Lord's service,

Peter Hall
Treasurer

NOMINATING COMMITTEE REPORT

Ministry Corporation Board Nominating Committee Members:

Doug McLellan – Ministry Nominating Committee Chair and Board Representative
Pastor Jonathan Griffiths – Pastoral Representative
Andrea Nicholls – Met Member Rep
Linda Lim – Met Member Rep
Steve Andrews – Met Member Rep

Property Corporation Board Nominating Committee Members:

Pastor Jonathan Griffiths – Property Nominating Committee Chair and Pastoral Representative
Andrew Harwood – Board Secretary
Andrea Nicholls – Met Member Rep
Linda Lim – Met Member Rep
Steve Andrews – Met Member Rep

The two Nominating Committees were formed in December 2021, in accordance with The Met Bylaws. 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 this was the focus of our meeting starting in early January. (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 three 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. The Nominating Committee sought to have more nominees than the three open positions, in order to provide a choice to the membership. Our plans are not always God's plan. While we considered many qualified candidates throughout the process, most felt unable to let their names stand at this time. After much prayer, we believe the Lord has led us to the nominees on the ballot.

Property Corporation Board:

There is a single position open for a three-year term as per the recent bylaw changes. Again, the Nominating Committee set out to have more nominees than the single open position to provide a choice to the membership. We considered several qualified candidates, but at the end of the day, felt the Lord was leading us to the candidates on the ballot.



The Committees put forward the following nominees:

Ministry Corporation Nominees: Jonathan Brown, Aaron Maley, Morris Repeta

Property Corporation Nominees: Calvin Ferguson, Paul Mussell

Serving with the men and women on the Nominating Committees was an encouraging process, understanding the teaching of the Word concerning church service in these roles, and praying for guidance in the selection of candidates and for the candidates themselves. We would like to thank Andrea, Linda, and Steve for agreeing to serve in this way, and for faithfully and prayerfully carrying out their charge. The committee members look forward to the coming ministry year, trusting and desiring the Lord's will for The Met.

Doug McLellan,
Ministry Board Nominating Committee Chairman

Pastor Jonathan Griffiths,
Property Board Nominating Committee Chair

NEW MEMBERS MARCH TO MAY 2022

- Kaily Kim
- Karina Flick
- Aren & Myriam Van Volkingburgh
- Sophia Kasthuri
- Dhanaraj Samuel

Meeting Minutes
Membership Meeting – Annual General Meeting, AGM
Metropolitan Bible Church Property Corporation
May 30, 2021, 4:00PM, via Zoom

Item	Discussion / Decisions	Actions
1 – Opening and Call to Order	The members meeting commenced around 4:45pm. Ted Lennox welcomed the members and called the meeting to order.	
2 – Nominating Process	Aaron Maley provided a review of the nominating process for Board nominees this year. The Nominating Committee consisted of Pastor Jonathan Griffiths (Chair), Ann Penner, Anne McGregor, Steven Harrison, and Andrew Harwood.	
3 – Quorum and Scrutineers	Andrew Harwood noted that the 35% quorum specified in the by-laws had been met for this meeting. It was noted that no paper ballots had been received. Simply Voting was used for all electronic ballots.	
4 – Recognition of New Members	Andrew Harwood announced and welcomed the following new members: Marc & Michelle Bezanson, David & Adenola Bodunde, Slaven Radic & Emily Bracewell, Jonathan & Jennifer Farley, Dennis & Salma Ivall, Emanuel & Sarah Lepindea, Peter & Judy Macaulay, and Jinsuk Solomon.	
5 – Election of Board of Directors	Andrew Harwood announced that Jonathan Dyck's nomination had been ratified. Andrew asked the members to pray for Jonathan as he serves on the Board.	
6 – 2020 Financial Statements	Lou Ranahan presented the 2020 audited financial statements to the members.	
7 – 2021 Financial Position and Appointment of Auditors	Peter Hall updated the membership on the unaudited year to date financial position. Peter moved the following motion as a formality, since it was already voted on (electronic voting) by the membership: "I approve the appointment of PwC as auditors of the Metropolitan Bible Church Property Corporation for 2021" Andrew Harwood announced that the results of the electronic voting indicated that the motion had been carried.	
8 – Property Update	Ted Lennox provided an update on the property corporation activities, including the parking lot construction project, building condition and lease	

Item	Discussion / Decisions	Actions
10 – Adjournment	Ted Lennox adjourned the meeting.	

**Meeting Minutes
Membership Meeting
Metropolitan Bible Church Property Corporation
February 13, 2022, 4:00PM, via Zoom**

Item	Discussion / Decisions	Actions
1 – Opening and Call to Order	Mike Mulder and called the meeting to order.	
2 – Quorum, Scrutineers, and Recognition of New Members	<p>Andrew Harwood noted that the 35% quorum specified in the by-laws had been met for this meeting.</p> <p>No paper ballots were received and therefore no Scrutineers were required. Simply Voting was used for the electronic ballots.</p> <p>Andrew announced and welcomed the following new members: Mason & Susan Bramer, Tom Chen, Victor & Kaye Devadason, David Gamble & Gertrude St. Pierre, Celestine Ganza, Shannon & Lynn Johnston, Jeff Lauzon, Michael & Sarah Pearce, Anil & Veena Rao, and Chuck & Iris Wang.</p>	
4 – Presentation of 2022 Budget	<p>Peter Hall noted that an error had been made in the proposed 2022 budget documents provided to the members. Therefore, the votes cast will be annulled and a corrected budget and revised ballot will be sent to the members.</p> <p>Mike Mulder provided an overview of the 2022 Property Corporation budget.</p>	
5 – Nominating Committee	Doug McLellan provided an update on the nominating committee. The Nominating Committee consists of Doug McLellan (Chair), Pastor Jonathan Griffiths, Andrea Nicholls, Linda Lim and Steve Andrews.	
6 – Property Update	Mike Mulder provided an update of the Property Corporation, the state of the building, and governance updates.	
7 – Closing Comments and Adjournment	Mike Mulder adjourned the meeting.	



Metropolitan Bible Church Property Corporation

Financial Statements
December 31, 2021



Independent auditor's report

To the Members 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, 2021 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, 2021;
- 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 significant accounting policies and other explanatory information.

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
May 5, 2022

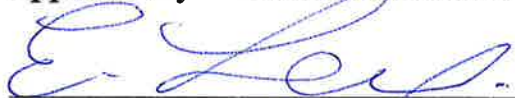
Metropolitan Bible Church Property Corporation

Statement of Financial Position

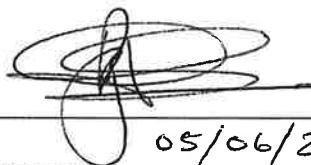
As at December 31, 2021

	2021		2020
	General Fund \$	Building Fund \$	Total \$
Assets			
Current assets			
Cash	-	168,546	168,546
Accounts receivable	-	926	926
	-	169,472	169,472
Capital assets (note 3)	13,862,896	-	13,862,896
	13,862,896	169,472	14,032,368
			14,460,724
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities (note 4)	-	-	-
Notes payable (note 6)	-	-	-
	-	-	-
			65,649
Fund Balances			
General Fund	13,862,896	-	13,862,896
Building Fund	-	169,472	169,472
	13,862,896	169,472	14,032,368
	13,862,896	169,472	14,032,368
			14,460,724

Approved by the Board of Directors



Director



Director

11/5/21

05/06/22

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, 2021

	2021		2020
	General Fund \$	Building Fund \$	Total \$
Revenue			
Donations (note 5)	-	34,162	34,162
Interest income	-	6	6
Rental (note 5)	140,000	-	140,000
	140,000	34,168	174,168
Expense			
Administration and professional fees	17,255	-	17,255
Interest on long-term debt	-	-	-
Amortization of capital assets	519,620	-	519,620
	536,875	-	536,875
Net revenue (expense) for the year	(396,875)	34,168	(362,707)
Fund balances – Beginning of year	14,382,516	12,559	14,395,075
Transfers from (to)	(122,745)	122,745	-
Fund balances – End of year	13,862,896	169,472	14,032,368

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

Metropolitan Bible Church Property Corporation

Statement of Cash Flows

For the year ended December 31, 2021

	2021 \$	2020 \$
Cash provided by (used in)		
Operating activities		
Net expense for the year	(362,707)	(261,885)
Item not affecting cash		
Amortization of capital assets	519,620	540,943
Changes in non-cash working capital items		
Accounts receivable	18,960	(9,772)
Accounts payable and accrued liabilities	(15,649)	(82,839)
	<u>160,224</u>	<u>186,447</u>
Investing activities		
Purchase of capital assets	<u>-</u>	<u>(95,025)</u>
Financing activities		
Repayments of notes payable	(50,000)	(107,000)
Repayment of mortgage payable	<u>-</u>	<u>(38,750)</u>
	<u>(50,000)</u>	<u>(145,750)</u>
Change in cash during the year	<u>110,224</u>	<u>(54,328)</u>
Cash – Beginning of year	<u>58,322</u>	<u>112,650</u>
Cash – End of year	<u>168,546</u>	<u>58,322</u>

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

Metropolitan Bible Church Property Corporation

Notes to Financial Statements

December 31, 2021

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 and to acquire the necessary property for the erection of churches, missions and buildings incidental thereto. 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 (ASNPO) and include the following significant accounting policies.

Use of estimates

The preparation of financial statements in conformity with ASNPO 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 Ministry Corporation (the Ministry).

(1)

Metropolitan Bible Church Property Corporation

Notes to Financial Statements

December 31, 2021

Financial instruments

Measurement of financial instruments

The Property Corporation initially measures its financial assets and financial liabilities at fair value, except for certain instruments originated or acquired in related party transactions. The Property Corporation subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost comprise cash and accounts receivable. Financial liabilities measured at amortized cost comprise accounts payable and accrued liabilities and notes payable.

Impairment

At the end of each reporting period, the Property Corporation assesses whether there are any indications that a financial asset measured at amortized cost may be impaired. If there are indicators of impairment, and the Property Corporation determines there has been a significant adverse change in the expected amount or timing of future cash flows, the carrying amount of the asset is reduced to the higher of the expected cash flows expected to be generated by holding the asset, discounted using a current market rate of interest, and the amount that could be realized by selling the asset at the statement of financial position date.

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 equipment and lighting	5 years

3 Capital assets

	2021		2020	
	Cost \$	Accumulated amortization \$	Net \$	Net \$
Land	1,621,791	-	1,621,791	1,621,791
Building	16,556,167	4,670,604	11,885,563	12,299,467
Paving	1,185,381	1,044,119	141,262	198,918
Furniture and equipment	364,966	186,892	178,074	196,322
Audiovisual and lighting	410,455	374,249	36,206	66,019
	20,138,760	6,275,864	13,862,896	14,382,517

(2)

Metropolitan Bible Church Property Corporation

Notes to Financial Statements

December 31, 2021

Cost and accumulated amortization amounted to \$20,138,760 and \$5,756,243, respectively, as at December 31, 2020.

4 Government remittances

Government remittances owing are nil as at December 31, 2021 (2020 – 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 their respective Boards 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 \$26,818 (2020 – \$139,720) to the Building Fund, with nil (2020 – \$72,180) of these donated funds being for the purpose of completing major repairs (2020 – major parking lot repairs). These transactions are recorded at the exchange amount, which is the amount established and agreed to by related parties involved.

Accounts receivable include \$106 (2020 – \$8,708) due from the Ministry, net of the due to balance of nil (2020 – \$779).

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.

6 Notes payable

Notes payable issued by the Property Corporation to congregants to help finance the capital expansion were non-interest bearing and outstanding were fully repaid in 2021.

In 2018, a note payable was issued by the Property Corporation to the Ministry for \$100,000 to help finance the capital expansion. The \$50,000 balance of this note was repaid in 2021.

Metropolitan Bible Church Property Corporation

Notes to Financial Statements

December 31, 2021

7 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. The Property Corporation's liquidity risk is primarily a default in monthly rent payments by the Ministry, its primary tenant.

Credit risk

The Property Corporation's credit risk arises on cash and accounts receivable. Cash is maintained at major financial institutions; therefore, the Property Corporation considers the risk of non-performance of these instruments to be remote. Accounts receivable mainly represent receivables from the government; management has assessed credit risk in respect of such receivables to be low.

8 Impact of COVID-19 pandemic

The COVID-19 outbreak has developed rapidly since March 2020, with a significant number of infections. Measures taken by the authorities to contain the virus have affected global and local economic activity. The long-term impact of the outbreak remains uncertain. Given the unprecedented nature of this event, it is difficult to predict the length or breadth of any earnings disruption and market movements in general.