

2021

ANNUAL

REPORT





Our Purpose

We exist to grow loving communities of Jesus-followers who live and share his irreligious message.

Vision

To introduce spiritually curious people to the Jesus-centred life, through a movement of Jesus-centred churches.

Values

We are committed to non-violence, peacemaking, and being agents of reconciliation.

— Peace

Community —

We challenge ourselves to live simply so that we can give generously.

— Simplicity

Mission —

We believe that God created us for relationship with him and with each other.

We move beyond our spaces to share the gospel with people and care for them.

Letter from Senior Pastors and Board Chair

We've continued to live in the tension of significant challenge and discovery this past year. All of us navigated the stress of the many uncertainties, difficulties, and losses the pandemic brought. But even in those hard places, we also experienced God's presence with us in finding new ways to serve others, connect with our church family, and pursue our vision as a church.

As you check out this year's Annual Report, you'll see that God has led us to a new determination to GO – to embrace our local communities by being parish-minded; to grow together as disciples by connecting in Home Churches online and in person; to generously invest our gifts and finances to have a Kingdom-impact; to share the irreligious message of Jesus locally and beyond our borders through livestreaming; and to engage our kids, youth, and families by providing discipling experiences and resources.

But we also know that after 18 months of uncertainty, there's a wide range of feelings, emotions, and expectations around what church will and should look like. While some can't wait to be back together in person, others are more hesitant. Some are excited to explore new opportunities for ministry, and others are longing for stability and familiarity. We want to create a welcoming environment for everyone by extending patience, love, and grace as we find our way forward.

Church will look different, but our vision and purpose are the same. We still exist to grow loving communities of Jesus-followers who live and share his irreligious message, and we're committed to introducing spiritually curious people to the Jesus-centred life through a movement of Jesus-centred churches.

Be reminded that through all this change, uncertainty, and tension, Jesus continues to be with us and wants to transform us with his love. This Good News hasn't changed!

Faith, Hope, and Love,



Bruxy, Darrell, Maggie



OUR MINISTRIES

Adult Ministries

Funding Home Church, hubs, local events, pastoral care, volunteer training and appreciation, plus resourcing and compensation for our parish pastors.

Shared Ministry Expenses

Resourcing and training for our staff team, covering administrative costs, and compensation for our senior pastors, IT, accounting, and HR staff.

Facilities & Rent

Renting spaces for Sunday services and other gatherings, meetings, rehearsals, and funding storage facilities, utilities, and maintenance of the Oakville facility.



Communications & Weekend Service

Producing and distributing teaching for our parishes, our livestream/online experience, as well as funding tech, parish support, and communications staff.

Compassion

Supporting people in our own communities and around the world through local initiatives and our partnerships with World Vision, Mennonite Central Committee (MCC), and BIC Canada Global.

Kids and Youth

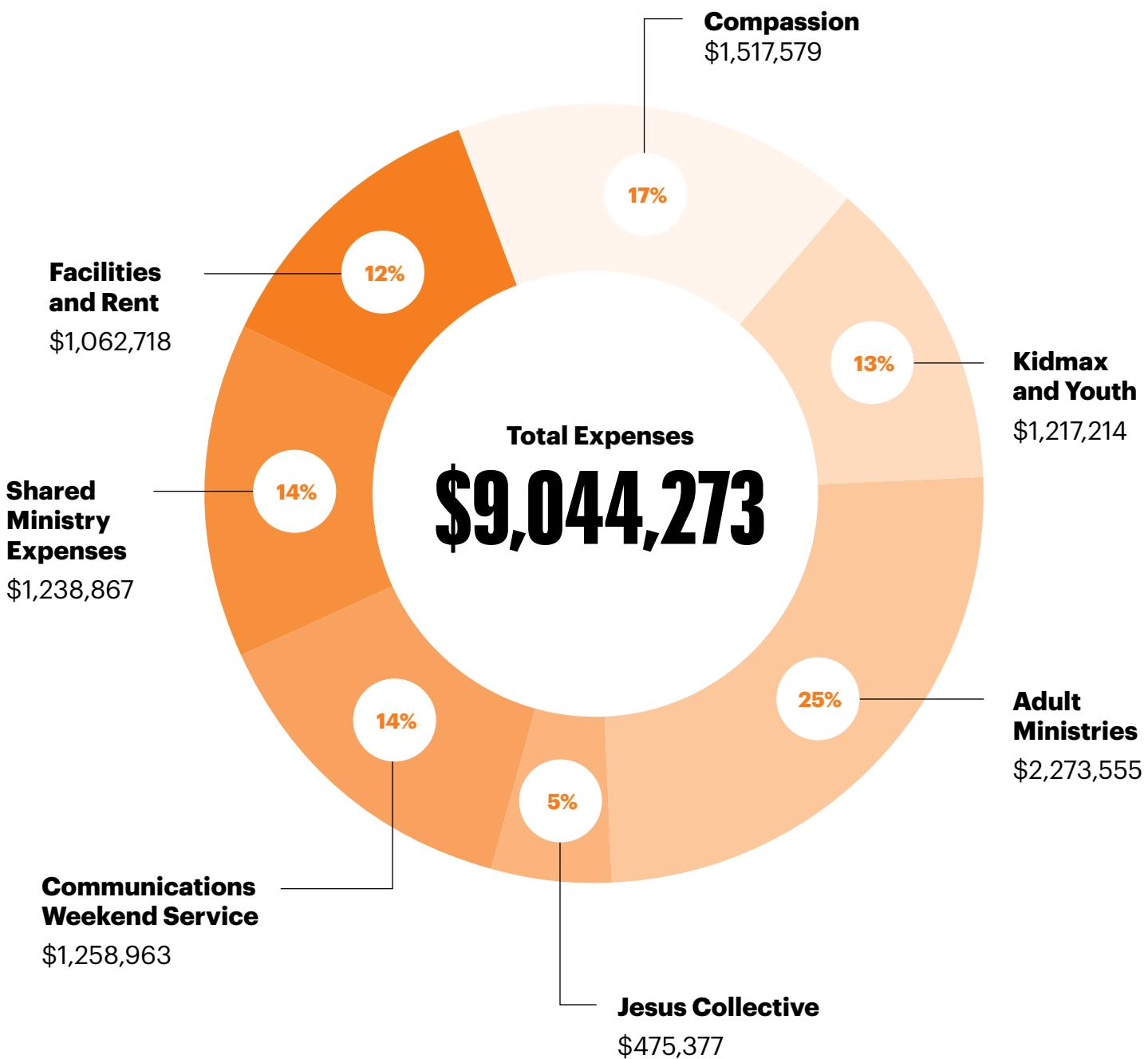
Discipling our kids and youth through relational connections/small groups, events, curriculum production, staffing, classroom supplies, and subsidies for our youth retreats or other experiences.

Jesus Collective

Planning, promoting, and organizing the framework for Jesus Collective and inviting other leaders and churches to join.

MINISTRY EXPENSES

For more information on how to give,
visit themeetinghouse.com/give



HOME CHURCH



765

**Weekly
Home Church
attendance**
(Sep 2020–Jun 2021)

1,932

**People on a Home
Church roster**
(as of Apr 11, 2021)

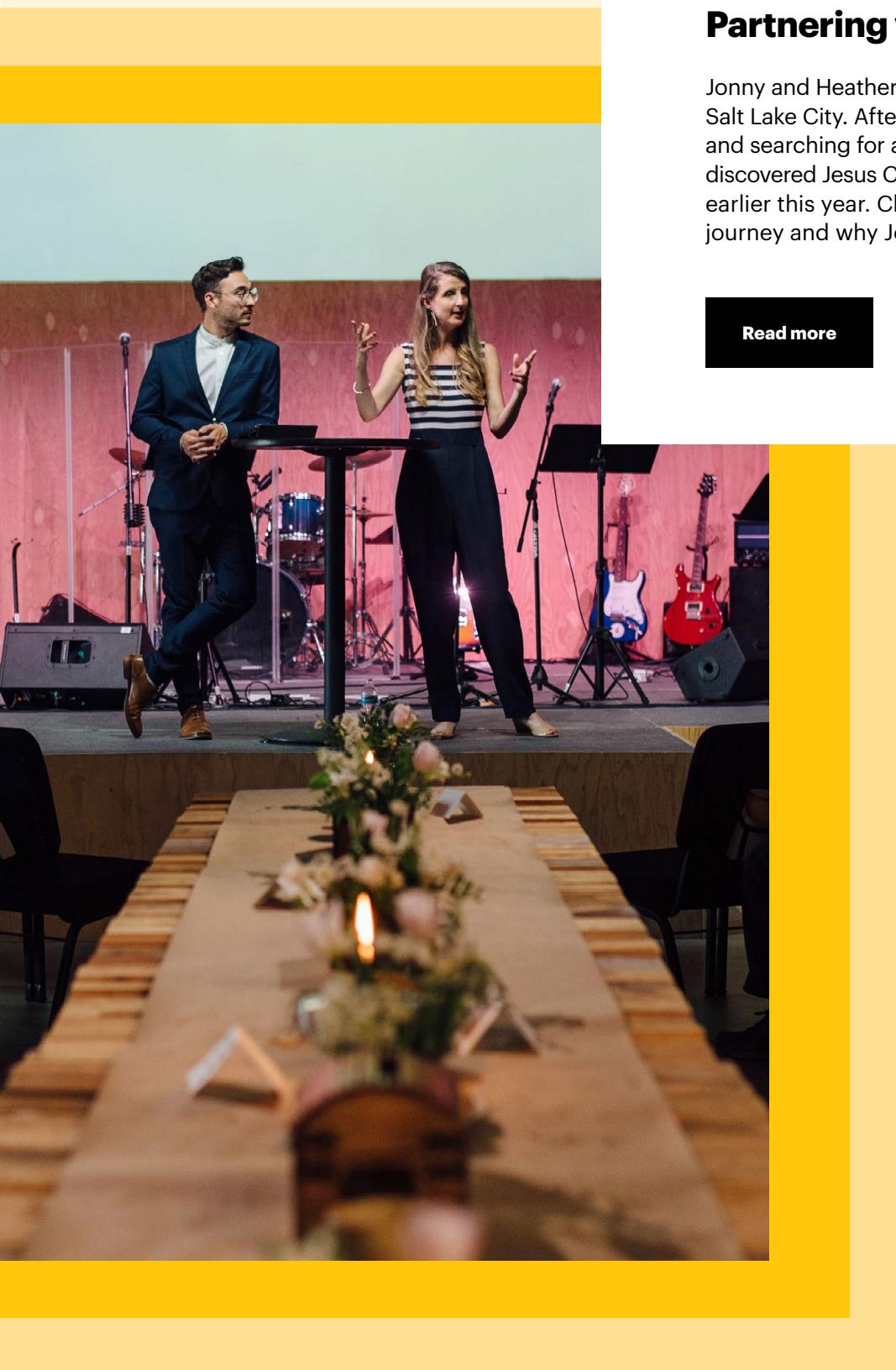
Spaces to Grow Community

For the people in an Oakville Region Home Church, this meal around a campfire represents an answer to prayer. During the COVID-19 pandemic, one family offered their large, outdoor property to be used in creative ways by the Home Church. It quickly became a gathering place for spiritual relationships to grow and deepen.



[Watch the full story](#)

JESUS COLLECTIVE



Partnering with Missio Dei

Jonny and Heather are Co-Lead Pastors at Missio Dei in Salt Lake City. After a season of pandemic transitions and searching for a larger network to connect with, they discovered Jesus Collective and became a Church Partner earlier this year. Click below to read more about their journey and why Jesus Collective resonated with them.

[Read more](#)

**25 CHURCHES &
60 INDIVIDUAL**

**Partners active or
onboarding** in our first
year, representing 12
countries and 5 continents

180

**One Story Kids and Youth
Curriculum subscribers**
since launching in
March 2021

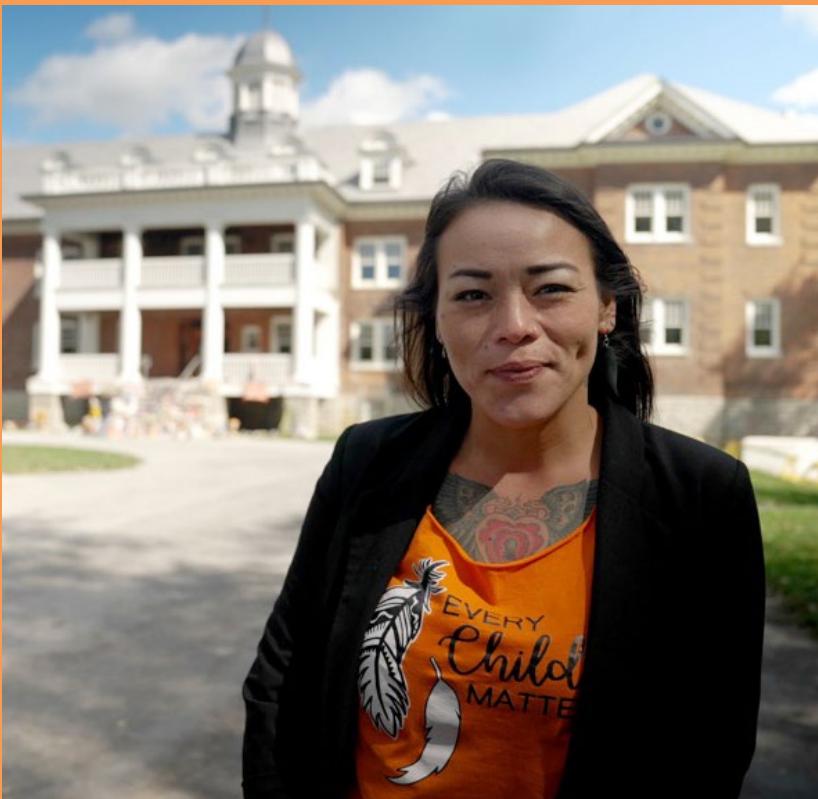
18,284

Podcast downloads

1,332

**People engaged in
Jesus-centred events
and trainings**

COMPASSION



Woodland Cultural Centre

Layla Black, Programming & Marketing Supervisor, at the Woodland Cultural Centre stands in front of the Mohawk Institute Residential School. Layla highlights our new partnership with the organization. She mentions that partnerships are important for us to educate ourselves about the history of residential schools and in creating a path together to move forward toward healing.



[Watch the full story](#)

\$286,785

Raised for MCC

through the Peacemakers campaign. [Read more](#)

343

World Vision children sponsored

\$125,000

Given to 18 local non-profits from our Local Compassion Fund. With another \$125,000 planned to be given by December 2021.

\$15K

Given to Woodland Cultural Centre

3

Families sponsored

15 people in 3 families sponsored from Syria

50+

Local partners

and numerous local initiatives with hundreds of volunteers

\$30,000

Given to MCC's Indigenous Neighbours program

PARISH MINDSET



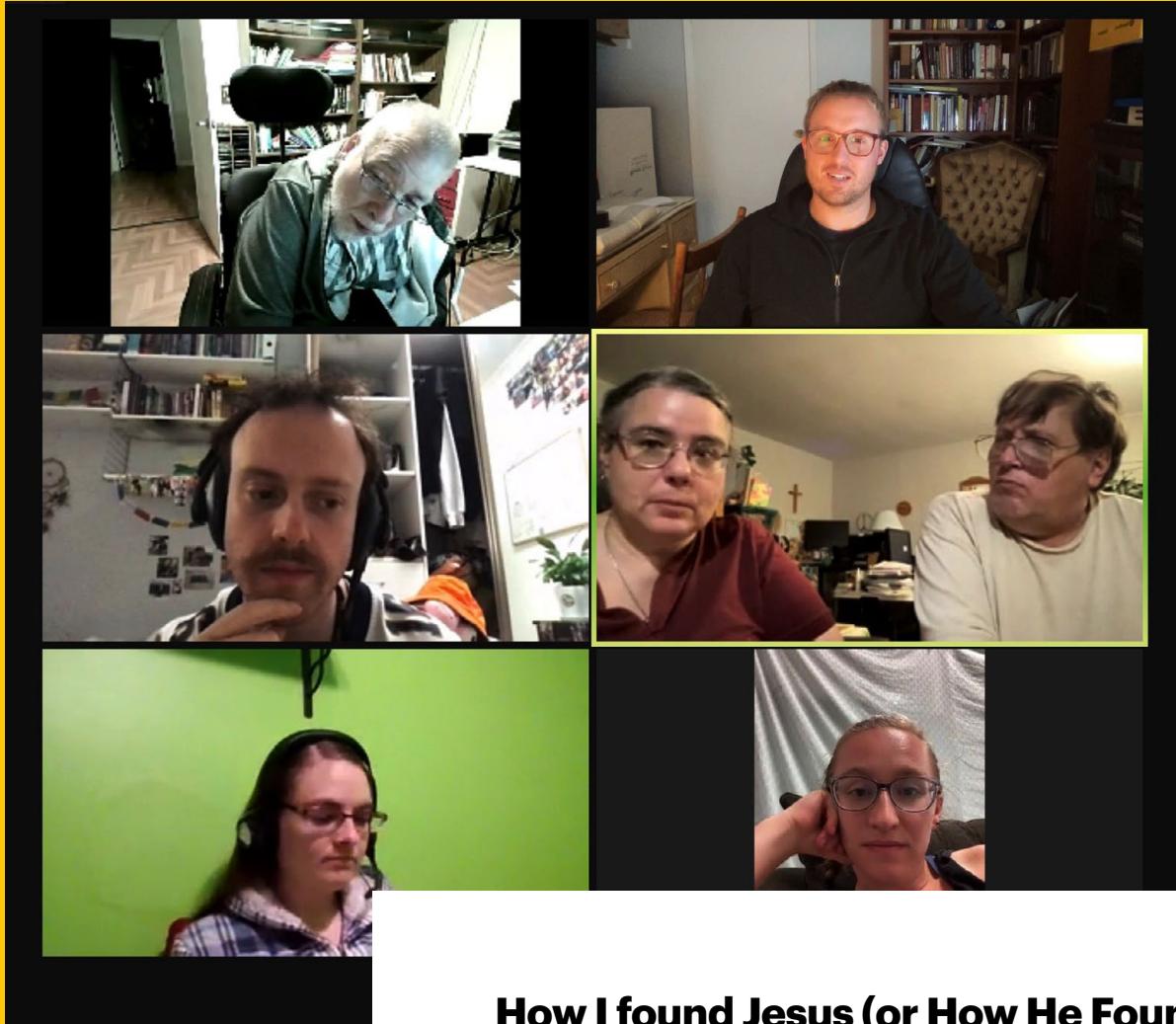
Local Lens

Downtown Toronto Compassion Team Member Melissa Poon and Compassion Coordinator Sheila Wong stand outside one of the locations used by The Dale Ministries. It's a non-profit located in Toronto's Parkdale neighbourhood, serving the marginalized population there. Melissa and Sheila both say noticing what needs there are in the neighbourhood has helped them be more focused on how to serve the community alongside others, and develop new friendships along the way.



[Watch the full story](#)

SPIRITUALLY CURIOUS



How I found Jesus (or How He Found Me)

Jaydon met Katelyn at an online business conference about a year ago. Katelyn goes to our Waterloo parish and could tell that Jaydon was spiritually curious, so she invited him to a Bible reading group and then a Home Church. Two weeks ago, while learning about The Meeting House's vision to introduce spiritually curious people to the Jesus-centred life, Jaydon thought, "Hey, that's me!"

[Read more](#)

DIVERSITY & INCLUSION



Steps we've taken so far

- **Conducted 2 Focus Groups** with racialized TMH members virtually across various TMH sites:
 - 1 Black Focus Group (Fall 2020)
 - 1 BIPOC Focus Group with Black, Indigenous, People of Colour (Spring 2021)
- **Put forward a strategy for building racial reconciliation** in TMH parishes that demonstrates diversity, inclusion and anti-racism in the congregational space.
- **Rolled out racial training** for elders (Fall 2021)
- **Increased hire of racialized staff** on the pastoral and administrative teams



Inclusion & Understanding Advisor

Denley McIntosh has been serving on our staff team in a part-time capacity as our Inclusion and Understanding Advisor. Denley brings extensive experience in this area and is working with the Senior Pastors to continue the conversation and planning around racial inclusion and diversity at The Meeting House. Denley and his family are part of our Oakville Parish and attend the BFG Home Church.

ENGAGEMENT

Livestream Viewership

(March 14 – June 27, 2021)



Sunday views

2,471

Weekly views

6,568

Easter

3,568 (Apr 4, 2021)

Christmas Eve

3,142 (Dec 24, 2020)



We are family.
Staff 2021



Welcoming Our New Cross-regional Staff



Discipleship Pastor

We're so excited to welcome **Dr. Samuel Sarpiya** as our Discipleship Pastor in November. Samuel and his family will be moving from Quebec where he's been serving as a local church pastor. In joining our staff team, Samuel brings valuable experience in pastoral ministry, teaching, leadership development, reconciliation and non-violent response to conflict, cross-cultural engagement, and denominational leadership. His focus as Discipleship Pastor will be equipping and resourcing our elders and Home Churches as our core approach to relational discipleship.

Cross-Regional Kids Pastor

We're thrilled to have **Christie Penner Worden** as our new Cross-Regional Kids Pastor. She'll be focusing on equipping, coaching, and training Lead Pastors and Kids Coordinators. Christie is a strategic leader who's passionate about discipling children, empowering leaders, and providing effective support to those who love today's kids. She's also a wife, mama bear to three (mostly) delightful cubs, and lives with her family in St. Jacob's, Ontario, as part of our Waterloo parish.



Finance Director

Korede Agbenla joined The Meeting House staff team in August as our Finance Director. He's worked in multi-cultural contexts in four countries across industries like software development, management consulting, aviation, and e-commerce. We're so grateful and excited that he's joined us! Korede and his wife, Rele, live in Burlington with their two sons and attend the Oakville Parish.

HR Manager

We are very excited to welcome **Kim Knight** as our new HR Manager. Kim brings years of human resources, leadership, hospitality and ministry experience to our team and we couldn't be happier that she's here. Kim and her husband, John, along with their sweet dog, Parker, recently moved into their dream home, a nineteenth century gem in the country, and will join our nearby Ottawa parish.

Living in Tension

Tension can be frustrating, but it can also be constructive, creative, and empowering. Creative tension is a huge part of the reality we're experiencing right now as a church, so let's look for ways we can embrace this tension and invite God to bring good out of it.

Innovation + Stability

We live in the tension between wanting to experiment creatively with new ways of doing and being the church and wanting to provide a sense of familiarity.

Outreach + Inreach

We live in the tension between reaching spiritually curious people beyond our church and caring for those already in our church who have drifted away.

Localized + Centralized

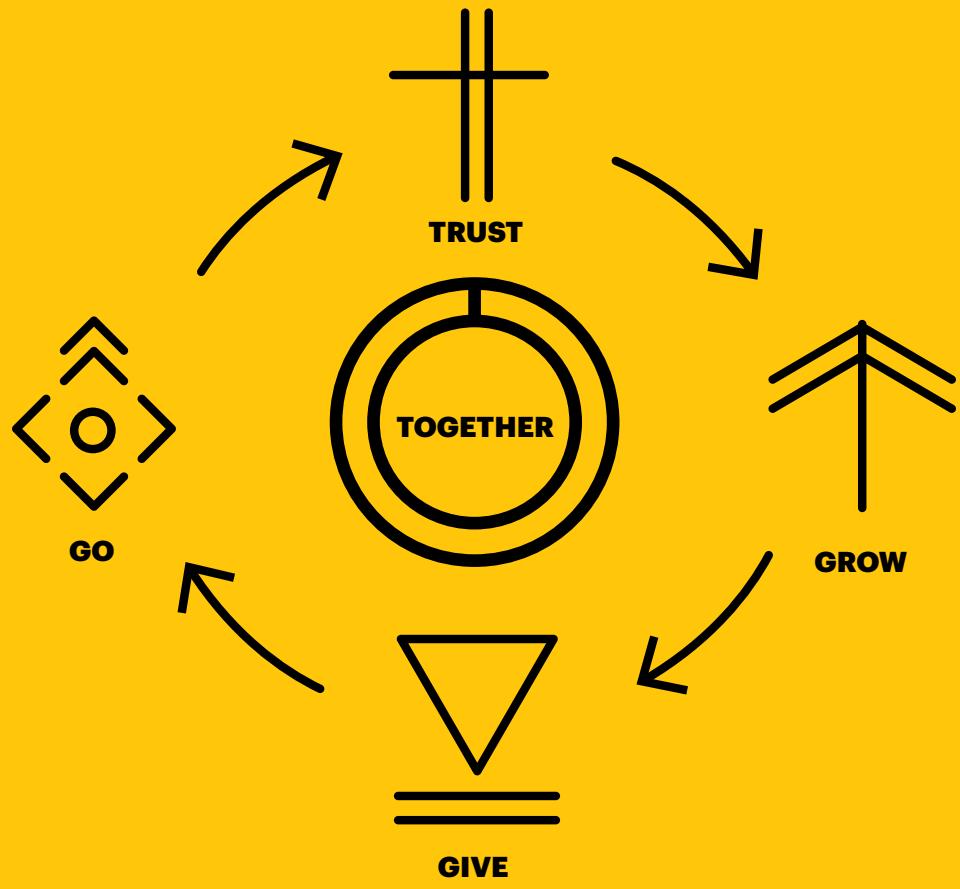
We live in the tension between wanting to be increasingly parish-minded and wanting to gather together centrally through our Sunday livestream.

Long-term + Short-term

We live in the tension between planning ahead for our long-term future and embracing flexibility in our current reality.

We believe the future of The Meeting House is small, local, and in person while also including supportive, shared, and online experiences. We embrace both realities and invite us all into this creative tension to be the best version of ourselves together.







The Meeting House

Annual General Meeting November 13, 2021

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AGENDA

- | | |
|--|------------------------------|
| 1. Welcome | |
| a. Overseers Chair | Maggie John |
| b. BIC Canada Greetings | Charlie Mashinter |
| 2. Land Acknowledgement | Maggie John |
| 3. Governance Committee Report | Bruce Miller |
| a. <u>Motion:</u> Qualifications for Board of Overseers | |
| b. <u>Motion:</u> Conflict of Interest | |
| c. <u>Motion:</u> Officers of the Church | |
| d. <u>Motion:</u> Term limit for Officers | |
| 4. Nominating Committee Report | Sandy MacLean |
| a. <u>Motion:</u> Election of Overseers | |
| 5. Presentation of 2021-2022 Budget and Year-to-Date | Korede Agbenla |
| 6. Treasurer's Report | Cody Buchenauer |
| a. 2020-2021 Audited Financial Statements | |
| b. <u>Motion:</u> Approval of Audited Financial Statements for Fiscal Year Ended June 30, 2021 | |
| c. <u>Motion:</u> Approval of Appointment of 2021-2022 Auditors | |
| 7. Overseers Introductions | Maggie John |
| 8. Senior Pastor's Address | Bruxy Cavey & Darrell Winger |
| 9. Questions | Maggie John |
| 10. Closing Prayer and Dismissal | Maggie John |



2020 Annual General Meeting Minutes

November 14, 2020

1. Welcome and Greetings - Maggie John, Overseers Board Chair

- a. Still together but in a very different way
- b. Crowdcast details and instructions
- c. Sample poll
- d. This year has been challenging – we are the church
- e. Purpose/Vision/Values
- f. Denley McIntosh – Diversity and Understanding advisor
- g. Thank you for your sacrificial giving during this season
- h. Prayer

2. Be In Christ Church of Canada Greetings - Charlie Mashinter, Acting Executive Director

- a. Living through most unusual times
- b. Jeremiah 29: 4-7
- c. Look at this as an opportunity rather than a set back
- d. Praying that our communities will notice our churches are there
- e. We have an opportunity to bring the Good News to those around us
- f. Advent Devotional available online

3. Land Acknowledgement – Matt Thompson, Compassion Manager

4. 2019 Annual General Meeting Minutes

- a. Motion to approve the November 2019 Annual General Meeting Minutes
- b. Moved by Alison Hardman from the Oakville Parish
- c. Seconded by Natalie Frisk from the Brantford Parish
- d. All in favour. One opposed. Motion carried.

5. Nominating Committee Report - Mario Ferlanti

- a. Motion to Elect Jennifer Hryniw, Sandy MacLean and Nathan Scott to the Board of Overseers for their first 3-year term and that we re-elect Maggie John and Cody Buchenauer to serve on the Board for a second 3-year term. Moved by Mario Ferlanti from the Oakville Parish
- b. Seconded by Samson Chiu from the Richmond Hill Parish
- c. Questions pertaining to this motion:
 - i. Is there a limit to the number of terms an Overseer can serve?
 - 1. Yes, Overseers can serve two 3-year terms
 - d. All in favour. Motion carried.

6. Presentation of 2020-2021 Budget and Year-to-Date - Rod Tombs

7. Treasurer's Report - Cody Buchenauer

- a. Presentation of the 2019-2020 Audited Statements
- b. Motion to approve the Audited Financial Statements for the fiscal year ending June 30, 2020
 - i. Seconded by Tenika Millington from the Newmarket Parish
 - ii. Questions pertaining to the motion

1. What was the budget for when it was set last year?
 - a. The budget was set at \$8,922,180 in the spring of 2019
2. Has there been any analysis on how much money we are saving this year on expenses compared to normal?
 - a. We have committed to analyzing our finances as a whole every quarter and then rejig our plan based on the funds that have come in. The amount of money we are saving on expenses is offset by the decline in the offerings.
3. The rent expenditures are higher than I expected especially at the Parish level, can someone talk us through the trajectory of the rental expenditures?
 - a. There are some ongoing expenses that we were not able to pause like storage of trailers at the Parish level, other meeting expenses and the Parry Sound lease, but we are not spending to the same extent.
4. Is TMH Oakville Parish still able to collect any rental income from small groups using the facility in a safe way?
 - a. During the summer we were able to offer our facility for a summer camp for kids, so we were able to have some unexpected income over those months.
 - b. Many organizations would like to rent our facility, but it won't be to the same level as it has been in the past.
5. For the transfers to the Property, Compassion and Go funds, where are those funds being transferred from?
 - a. Those funds come from the General Fund
6. Is it better to give to the General Fund even if we are supporting the efforts for Compassion and Go Fund?
 - a. If there is any question about giving, please give to the General Fund. When we get to the end of the year, if the money in the GF balance is higher than we need, those finds are transferred to other funds that could use it.
7. Have there been layoffs due to COVID?
 - a. Yes, there have been. We did an assessment on what we are able to do in light of new realities and a number of our part-time staff at the Parish level had roles that focused on Sunday mornings and because of the shift we had to lay off a number of our part-time Parish staff. We have laid off some full-time staff that served our broader Parishes because their roles had been significantly impacted. If things change and improve, that will be reviewed and monitored as we go forward
8. What will we do if Cineplex goes bankrupt and we can't use the theatres anymore?
 - a. We are in the process of monitoring that and if we are no longer able to meet in theatres, we would ramp up our review of alternate facilities for Sunday mornings.
9. Is there still a mortgage on the Oakville production site?
 - a. Yes, there is, and the amount is around \$3,800,000
 - iii. All in favour. Motion carried.
- c. Motion to appoint Grant Thornton LLP as the Auditors for the 2020-2021 fiscal year
 - i. Moved by Ann Rowe from the Oakville Parish
 - ii. Seconded by Amanda Palias from the High Park Parish
 - iii. All in favour. Motion

8. Overseers Introductions

9. Senior Pastors Address

- a. Bruxy
 - i. Thank you for your engagement
 - ii. What about in-person Sunday services?
 - iii. Ears to Hear – Early 2021
 - iv. New TMH App
 - v. End of Religion – Jesus 201
 - vi. Rod's retirement
- b. Darrell

- i. Rod's retirement
- ii. Parish minded
- iii. Update on all things Go
- iv. Survey

10. Questions

- a. How often do the Overseers meet?
 - i. We used to meet quarterly but since the beginning of COVID, the meetings have been monthly
- b. Should we vote for each nominated Overseer individually?
 - i. Our bylaw indicates that we can do a blanket vote and we have done that for many years

11. Closing Remarks and Prayer – Maggie John



Nominating Committee Report

Members at this year's Annual General Meeting will be presented with two returning Overseers for election to serve for a second three-year term and three new candidates for election to serve for a first three-year term as Overseers.

We are excited to recommend the following Overseers, who are deeply committed to The Meeting House and clearly exhibit the qualities outlined in 1 Timothy 3: 1-7 and 1 Peter 5:1-7.

- Yohan Mahimwala, nominated to return for three years, the first of his 2nd and final three-year term. Yohan is a seasoned business leader with a broad range of experiences spanning over a decade in multiple sectors including Financial Services, Transportation / Logistics, Supply Chain and Not-For-Profit. Yohan and his family have been regular attenders of The Meeting House's Uptown site since 2012, volunteering and taking on eldership responsibilities that they are thrilled to be a part of.
- Bruce Miller, nominated to return for three years, the first of his 2nd and final three-year term. Bruce's working career includes five years in West Africa in international development, management positions in the petroleum industry, and six years at World Vision Canada. He has also served on a number of boards of Christian organisations. He and his wife Gael have been at The Meeting House for over 14 years and have volunteered in a variety of roles over that time.
- Nour Aziz, nominated to the first of her 1st three-year term. Nour has been part of The Meeting House family for 10 years in both Oakville and Uptown Toronto. Most recently, she served as the Compassion Coordinator in Uptown Toronto. Previously, she served on staff with The Meeting House youth team for a number of years. Nour is passionate about many things and has a deep love for the Church and spirituality. In 2014, she graduated with an Honours BA in Law & Society with a focus on human rights and equity studies. Nour has had the privilege of calling Canada home since 1997, after immigrating from Egypt with her family.
- Isaac Hoogland, nominated to the first of his 1st three-year term. Isaac and Kaitlin Hoogland, along with their two children, have been attending The Meeting House Ancaster for the past 5 years. After graduating from Calvin University then and working for 5 years as a certified public accountant, he and his wife moved to Ontario to join Kaitlin's family sign manufacturing business. Isaac and his brother-in-law are now co-owners of the business. Isaac and Kaitlin have been co-leaders of their home church for the past 3 years.
- Jamie van Manen, nominated to the first of his 1st three-year term. Jamie van Manen joined our Downtown Toronto Meeting House community in 2014. He has led a home church for six years and was a Kidmax sign-in volunteer for four years prior to the pandemic. Jamie was trained as a lawyer and is called to the bar of Ontario. He works in a non-practicing position at a trade union of public servants, where he performs dispute resolution, negotiations, training, advising, and infrastructure development. Jamie brings prior experience on a board of trustees. Jamie is a musician, an avid reader, and a movie lover. He has a particular passion for enriching the inner life of church community.

We want to thank our outgoing overseer Angela Rose for her invaluable service to the Board as she completes her first three-year term. Angela will not be returning to the board for a second three-year term. We also want to thank outgoing overseers Vincent John and Mario Ferlanti. They both have completed their second three-year terms. Both Vince and Mario have been part of the Nominating Committee and their contributions over the last six years include Vince's development of the nominee interview process and Mario's leadership as our chair for the last 5 years.

Respectfully submitted on behalf of the nominating committee,

Carole Ann Stephen
Nathan Scott
Darrell Winger
Sandy MacLean

Recommended Changes to The Meeting House Operating Bylaws

One of the responsibilities of the Overseers is to review The Meeting House Operating Bylaws from time to time and bring any recommended revisions to the Annual General Meeting (AGM). Over the last year, the Overseers have done this and are now bringing recommended changes to four bylaws. The following is a list of the proposed bylaw changes.

1. Bylaw 5.02 Qualifications for Board of Overseers

A section of our Bylaws pertaining to our Board of Overseers (Section 5) identifies seven important qualifications needed to serve as an Overseer for The Meeting House (Section 5.02). As the Overseers have been working with this in the nomination process to recommend new persons to serve on the Board, it has become clear that one of the items listed in the Bylaws would benefit from some clarification and, as well, be better placed in our Board Policies document.

The currently worded section of this bylaw states:

An individual may be considered for election to the Board of Overseers if...

(g) the person and his or her spouse, father, mother, child, brother, sister, or spouse of any of such individual, shall not be an employee, agent or individual that is receiving remuneration either directly or indirectly from the Church.

This qualification addresses the need to avoid conflict of interest which is very important. However, the current wording is somewhat unclear and overly broad. We believe better guidance would be provided with new wording and by also placing this in the Board Policy document rather than being in a bylaw format.

We, therefore, **recommend** that we delete the existing bylaw 5.02 (g) and replace it with the following wording: "*the person must also fulfil the qualifications defined in the Board policies*".

In the Board Policy document, we would insert these new paragraphs:

In addition to the qualifications defined by the Bylaws and the Nominating Committee the following qualifications shall apply:

Having a family member who is in a senior leadership position will disqualify someone from being an Overseer. Family member is defined as "spouse, father, mother, child, brother, sister, and spouses of such individuals.

Senior leadership positions are defined as: Senior Pastor, Lead Pastor, and Director.

2. Bylaw 5.09 Conflict of Interest

One section of our Bylaws pertaining to the Board of Overseers addresses the issue of Conflict of Interest (Section 5.09). As stated in the first recommendation, this is an important principle for good governance.

The current wording is as follows:

No member of the Board of Overseers shall place himself or herself in a position where there is a conflict of interest between his or her duties as an Overseer and his or her other personal interest. Every Overseer who is in any way directly or indirectly interested in or may become interested in a material way in an existing or proposed contract, transaction, or arrangement with the Church or who otherwise has a conflict of interest by virtue of involvement with his or her:

- (a) *spouse, father, mother, child, brother, sister, or spouse of any of such individual; or*
- (b) *partner, business associate or church that the Overseer is involved with as either a director, shareholder, officer, employee, or agent, then such Overseer shall declare his or her conflict of interest fully at a meeting of the Board of Overseers and shall withdraw from any discussion or vote thereon and if such proposed contract, transaction or arrangement is approved by the Board of Overseers, such Overseer shall immediately resign from membership on the Board of Overseers.*

As the Overseers reviewed this section, it became clear that the current wording was not as simple or clear as it could be to provide guidance to the Board.

We, therefore, **recommend** that Bylaw 5.09 be amended as follows:

- a) *No director shall place himself/herself in a position where there is a conflict of interest between his/her duties as a director and his/her other interests.*
- b) *A director who has in any way a direct or indirect material interest in an existing or proposed contract, transaction, or arrangement with The Meeting House or who otherwise has a conflict of interest by virtue of involvement with a member of the director's family (as defined in 5.02 (g)) then such director shall declare his/her conflict of interest in the manner and at the time as required by the Act and Board Policy, shall withdraw from the discussion and refrain from voting in respect to the contract or arrangement or proposed contract or proposed arrangement.*
- c) *Material Interest: In this Section, "material interest" shall mean that the director in question, directly or indirectly, is personally receiving a direct or indirect material pecuniary interest, gain or benefit, with the determination of materiality in such circumstances to be determined by the Board.*

3. Bylaw 7.01 Officers of the Church

Each year, the officers of the Overseers Board need to be appointed and *Section 7: Officers in the Bylaws* addresses various aspects of this matter of governance, including when in the year officers should be appointed. As the Overseers reviewed this section it became clear that our existing timing of appointing officers has shifted to align with the timing of the Annual General Meeting. To bring things into current practice, we are recommending a revision to current wording.

The current wording states that the timing of the appointment of officers shall be "*at the first meeting of each fiscal year.*" (See Section 7:01 (a), (b), (c), (d)).

Our practice has shifted to having this take place at the first meeting after the Annual General Meeting.

We, therefore, **recommend**, that Bylaw 7.01 (a), (b), (c), (d) be amended to read: "*at the first Overseers meeting after the Annual General Meeting.*"

4. Bylaw 7.02 Term limit for an officer

In the section of the Bylaws that pertains to the Board officers (Section 7), one bylaw (7.02) speaks to the issue of how many years in a row an officer can serve in that role. As the Overseers reviewed this section it was observed that this unnecessarily limits the potential of officers to provide continuity to the Board in serving as an officer. We believe more flexibility is best.

The current wording of Bylaw 7.02 states: "*An officer shall not hold his or her office for more than three (3) consecutive one-year terms.*"

We, therefore, **recommend**, that Bylaw 7.02 be amended to state:

"An officer shall not hold his or her office for more than five (5) consecutive one-year terms."

Finance Update – October 2021

With limited understanding of how the last fiscal year was going to evolve and a higher level of uncertainty throughout our planning period as well as during the now concluded year, we consistently encouraged donations to be channeled into our unrestricted General Fund. This was to allow us the flexibility of deploying our resources where they were most needed, with limited constraints. It also explains an unusually low contribution into our restricted Funds – the Go Fund and Compassion Fund.

As we look ahead from our first full fiscal year under the pandemic related restrictions to the current year, the following reports provide an update for the last fiscal year and reflect income and expense trend expectations for this year.

Restrictions due to the coronavirus on ministry activity and resulting finances continues to be unpredictable and impact the trend on which projections are usually based. We will therefore continue to maintain a flexible approach as we look ahead to this unfolding fiscal year.

First Quarter Review

Our current fiscal year began July 1, 2021. Like last year, our first quarter General Fund budget anticipated a reduction in offerings in line with historical trend and this was largely the case. At the end of August, Contribution to the General Fund was 1% below last year's. However, we ended the quarter at 4.4% above last year's contributions due to a 43% increase in **special offerings (one-time larger gifts)**; **Regular offerings** also grew by 1% above last year.

We continue to see a first quarter **special gifts** growth trend. While the number of **special gifts** decreased by 10%, this year's **special gifts** at the end of September were \$214,000, a 137% increase over the same period last year. This enabled us to close our first quarter 4% ahead of our budget.

Our first quarter expenses are currently trending below budgeted spending levels. This is primarily due to the general restrictions to ministry during the summer as well as our adaptations to a slower pace of in-person regathering activities across our parishes on account of the lingering impact of Covid-19 and its Delta variant.

Please see below for further explanations of the current year's provisions for our budget, along with the financial reports for the last fiscal year.

THE MEETING HOUSE CHURCH FAMILY
Statement of Financial Position
As at June 30, 2021

ASSETS	General Fund	Go Fund	Compassion Fund	Property Fund	Total
Current Assets					
Current Bank Accounts	400,787				400,787
RBC Savings	3,333,072	768,888	952,143	820,898	5,875,002
Accounts Receivable & HST Receivable	49,739				49,739
Prepaid Expenses & Security Deposits	39,127				39,127
Resource Centre Inventory	18,649				18,649
Total Current Assets	3,841,375	768,888	952,143	820,898	6,383,304
Fixed Assets					
Building (net of depreciation)				7,516,606	7,516,606
Land				2,070,000	2,070,000
Landscaping/Paving				140,477	140,477
Leasehold Improvements				14,023	14,023
Computer Equipment (net)				16,377	16,377
Furniture & Equipment (net)				147,087	147,087
Sound/Video (net)				279,312	279,312
Vehicles & Trailers (net)				59,563	59,563
Total Fixed Assets	-			10,243,444	10,243,444
Total Assets	3,841,375	768,888	952,143	11,064,343	16,626,749
LIABILITIES & FUND BALANCES					
Current Liabilities					
Accounts Payable & Accrued Liabilities	356,326				356,326
Deferred Revenue	48,652		8,385		57,038
Current Portion of RBC Mortgage				284,019	284,019
Total Current Liabilities	404,979	-	8,385	284,019	697,383
Long Term Liabilities					
Long Term RBC Mtg – Renews June 2024				3,519,111	3,519,111
Total Long Term Liabilities	-	-	-	3,519,111	3,519,111
Total Liabilities	404,979	-	8,385	3,803,130	4,216,494
Fund Balances					
Fund Balance June 30, 2021	1,925,460	787,061	519,822	6,937,886	10,170,229
Change in Fund Balance Current Year	1,510,936	(18,173)	423,936	323,327	2,240,025
Total Fund Balance	3,436,396	768,888	943,758	7,261,213	12,410,255
	3,841,375	768,888	952,143	11,064,343	16,626,749

THE MEETING HOUSE – GENERAL FUND
Year Ending June 2021

	Actual 2021	Budget 2021	Budget 2022
INCOME			
Offerings	8,400,444	7,281,700	8,700,000
Bristol Lease & Rentals Income - Net	75,906	150,000	230,000
Interest, Resource Ctr & Other Income	7,944	12,000	9,000
Total General Fund Income	8,484,294	7,443,700	8,939,000
EXPENSES			
Missions & Partnership Support	387,025	325,500	403,500
Ministry Development Reserve	-	125,320	125,000
Sunday Gathering Re-opening	104	140,000	253,350
Kidmax	243,048	236,850	306,080
Youth Ministries	389,492	383,350	472,470
Adult Ministries	2,260,616	2,392,630	2,527,670
Communications & Livestream	698,901	743,450	914,930
Weekend Service	482,975	496,250	623,610
Administration	697,387	756,050	807,530
Shared Ministry Expenses	528,035	485,200	752,210
Facilities & Site Rent	578,082	754,080	1,437,770
Mortgage Interest	149,826	150,195	139,240
TOTAL EXPENSES	6,415,491	6,988,875	8,763,360
Net Income (Loss)	2,068,803	454,825	175,640
Equipment/Livestream Purchases	34,435	50,000	89,500
Mortgage Principal	273,432	273,065	284,020
Transfer to Compassion Fund	-	100,000	-
Transfer to Go Fund	250,000	50,000	-
Transfer to Property Fund	500,000	100,000	200,000
One Time Special Donation	(500,000)		-
Total Cash Outflow	6,973,358	7,561,940	9,336,880
NET CASH FLOW	1,510,936	(118,240)	(397,880)
General Fund Balance at Beginning of Year	1,925,460	1,925,460	3,436,396
General Fund Balance at End of Year/Period	3,436,396	1,807,220	3,038,516

General Fund Budget Notes:

1. Contribution to the General Fund last year was 15% higher than the budget but slightly lower than the previous year's contribution. This is partly because last year's budget was more conservative than usual as the unfolding economic impact of the pandemic made it difficult to plan with a comfortable degree of certainty. Although the budget for this year is set at 3.5% higher than last year's contribution, with an expectation of in-person services resuming and impacting giving trends, this is still 3% lower than the latest pre-pandemic year.
2. Rental of the Bristol Circle facility in Oakville ended the year with a net profit 50% lower than planned. We were able to have some limited rental events but not as many as planned due to continued Covid-19 related shutdowns. The rentals/facilities staff were able to pivot and provide online options for some of our clients. While we anticipate a higher activity level this year as booking possibilities slowly re-open, we continue to budget conservatively at 43% below the latest pre-pandemic year.
3. BIC Co-operative Ministries is a percentage of our offerings that we donate to our denomination to help fund their work in Canada and throughout the world.
4. Total expenses ended under budget by 8% last year. We created two contingency lines last year called Ministry Development Reserve and Sunday Gathering Re-opening. While these contingencies were meant to have been used where needed if we could resume in-person services, our services remained virtual through the year and most of our budget lines were scaled back. These contingencies have once again been included in our 2022 budget in anticipation of in-person services resuming during this year.

5. KidMax and Youth Ministry expenses include staff that serve in these ministries as well as supplies that facilitate online and scaled back in-person ministry.
6. Adult Ministries allows our pastors and support staff to serve our adult community. Costs would cover leadership development, training our elders, and providing general pastoral care.
7. Communications includes costs associated with capturing and producing Sunday service teaching, video, and other resource developments that provide support for all our ministries and promote The Meeting House externally. This includes the cost of running our Sunday Livestream services and broadcasting them to each of our parishes.
8. Weekend Service costs for last year were reduced significantly to only provide for support that facilitates online ministry. Support for meetings (Sundays or otherwise) had been significantly reduced in the light of provincial restrictions but this year's budget reintroduces some of these costs in anticipation of resuming in-person Sunday services in our parishes.
9. Administration and IT costs include such things as insurance, our IT infrastructure, telephone, professional fees, and general office expenses, supporting all ministries. The budget this year increased to allow for additional cyber security and HR staffing costs.
10. Facilities and parish rent costs typically include operating and staffing of the Oakville production facility, local parish rental costs for Sunday services, midweek youth program locations, music rehearsal space, truck and trailer parking during the week, as well as any special ministry space requirements at all our parishes throughout the year. The budget last year was significantly reduced but increases again this year as we look to re-open.
11. Equipment purchases covers the costs for minor equipment purchases as required and this year includes an additional allowance for livestreaming equipment.
12. The transfer to the Property Fund is planned to cover anticipated costs in our five-year replacement plan for repair/replacement of significant building components, major production equipment, trucks/trailers, etc. At the end of last year, we were able to transfer \$500,000 from the General Fund in line with our fund balance target. This will enable us to carry out some major upcoming expenditures in this respect.
13. The planned transfer to the Compassion Fund last year was not needed due to a special one-time donation received at year end. Overall donations to the Compassion Fund have been trending slightly lower in recent years but we do not see a need to transfer funds from the General Fund this year.
14. The budgeted transfer of \$50,000 to the Go Fund last year was added to support innovative plans at the parish and Home Church level for reaching out into local communities beyond historical ways. Due to the overall surplus in the General Fund and lower than anticipated donations to the Go Fund, we were able to transfer \$250,000 to cover the difference.
15. The General Fund balance is held to allow for fluctuations in cash flow throughout the year and as an emergency fund for unforeseen events. Seasonal fluctuation within this fund is normative. Our cash balances are naturally the highest around the Christmas season and lowest through the summer. A balance in this fund on the June statements would typically be around \$900,000 — this level ensures we have enough cash on hand for expenses throughout the summer months. Due to the uncertainty of this time, we have planned to increase the level of this provision to \$1,800,000 to allow for increased uncertainty. We ended the year significantly higher due to a one-time special donation and overall positive cash flow. This balance gives us a cushion for the uncertainties of the future and will be drawn down over the next few years. (Note: the balances in the other funds are restricted and cannot be used for General Fund needs.)

THE MEETING HOUSE – COMPASSION FUND
Year Ending June 2021

INCOME	Actual 2021	Plan 2021	Plan 2022
Donations	756,332	790,551	750,000
Peacemakers Donations	295,945	225,000	255,000
Interest & Other Income	2,212	3,000	3,000
Total Income	1,054,490	1,018,551	1,008,000
EXPENSES			
Cross Regional Compassion`			
MCC Peacemakers, Program Support	295,945	255,000	255,000
World Vision Support	100,000	100,000	100,000
BIC Global Ministry & Compassion Support	105,000	105,000	105,000
Extended Partner Support	15,015	19,380	200,000
Ministry Oversight & Communication	118,429	135,000	122,770
Total Cross Regional Compassion	634,389	614,380	782,770
Local Engagement			
Local Partner Funding	238,692	238,600	400,000
Local Extended Partner Support	13,525	49,000	25,000
Parish Level Partner Support & Benevolence	117,600	149,551	105,000
Ministry Oversight & Communication	126,348	136,000	99,690
Total Local Engagement	496,165	573,151	629,690
Total Expenses	1,130,554	1,187,531	1,412,460
Other Income – One Time Donation	500,000	0	
Net Cash Flow	423,936	(168,980)	(404,460)
Fund Balance at Beginning of Year	519,822	519,822	943,758
Transfer from General Fund		100,000	
Fund Balance at End of Year/Period	943,758	450,842	539,298

Compassion Fund Notes

1. Donations to the Compassion Fund were slightly lower than planned. This year's budget reflects reduced expectations again due to the unfolding economic impact of the coronavirus pandemic.
2. Peacemakers donations were above plan last year. We were not able to assemble in person and collect physical relief kits as usual. This resulted in donors giving more financially rather than purchasing and donating kit supplies.
3. Global Compassion supports partner agencies and mission workers in global relief and development and evangelistic work.
4. The extended partner support budget increased significantly this year as we draw down on the one-time donation to support indigenous reconciliation partners and programs, as well as other international agencies support.
5. Local Compassion provides funding to the various agencies we partner with at each of our parishes. It also provides support for Canadian mission workers, local mission trips, parish level compassion initiatives, and benevolence needs in our local communities. This year's local partner budget increased to provide additional support to some of our partners who have struggled with lower cash flow over this past year and to support some new initiatives.

THE MEETING HOUSE – GO FUND

	Actual 2021	Plan 2021	Plan 2022
INCOME			
Donations	780,496	980,000	1,036,000
One Story Curriculum Income	32,232	43,875	150,000
Interest and Other Income	31,828	16,000	31,500
Total Income	844,556	1,039,875	1,217,500
EXPENSES			
Jesus Collective	475,377	485,800	427,595
One Story Curriculum	580,268	587,328	514,515
Ministry Initiatives	57,084	120,934	355,900
Total Expenses	1,112,729	1,194,062	1,298,010
Net Cash Flow	(268,173)	(154,187)	(80,510)
Fund Balance at Beginning of Year/Period	787,061	787,061	768,888
Transfer from General Fund	250,000	50,000	
Fund Balance at End of Year	768,888	682,874	688,378

Go Fund Notes

1. The Go vision was launched in November 2019 as a five-year plan to support special initiatives such as One Story curriculum, Jesus Collective launch and support, Website and App upgrades, Home Church resourcing, youth and young adults, TMHU launch, support for new TMH extended family churches, parish expansion initiatives and an upgrade to physical technologies.
2. This vision continues to develop and is being rolled out over the next few years. The current plan reflects anticipated spending on these initiatives during this fiscal year.
3. Jesus Collective completed the pilot phase and has successfully launched this year. It has received its' own charitable status and is now operating as a distinct legal entity. The plan is to continue our support for the first few years until it becomes self sustaining. The above expenses are net of its anticipated income next year.
4. The ongoing development of our One Story curriculum for kids and youth teaching was substantially completed this year. As planned, we have transitioned from the free model to a subscription distribution model in which other churches and organizations use the curriculum based on subscriptions through Jesus Collective. This was launched in March of 2021, and we anticipate more uptake as churches re-open into the fall. The planned expenses relate to the cost of making the product available to the market as well as keeping the product current.
5. Ministry Initiatives include Website and App upgrades, Home Church resourcing, youth and young adults, TMHU launch, support for new TMH extended family churches, parish expansion initiatives and an upgrade to physical technologies.

Restricted Funds

The Go and Compassion Funds are considered externally restricted funds, meaning donations to these funds should be used for their stated purposes and not for General Fund needs. The General Fund is not restricted, and therefore surplus funds at year end can be transferred to the Go, Compassion, or Property funds as directed by the Overseers.

Designated Giving Policy

Spending of funds is confined to organization-approved programs and projects. Each restricted contribution designated towards an organization-approved program or project will be used with the understanding that when the need for such a program or project has been met or cannot be completed for any reason determined by the organization, the remaining restricted contributions designated for the program or project will be used where needed most.



Financial Statements

The Meeting House Church Family

June 30, 2021

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Independent Auditor's Report

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To the Overseers of
The Meeting House Church Family

Opinion

We have audited the financial statements of The Meeting House Church Family (the "Church"), which comprise the statement of financial position as at June 30, 2021, and the statements of General Fund activity and changes in fund balance, Restricted Funds activity and changes in fund balances, Property Fund activity and changes in fund balance, changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Church as at June 30, 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 ("ASNPO").

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 are independent of the Church in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with ASNPO, 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 Church's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Church or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Church'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 Church'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 Church'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 Church 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.

The logo for Grant Thornton LLP, featuring the company name in a stylized, handwritten font.

Mississauga, Canada
September 28, 2021

Chartered Professional Accountants
Licensed Public Accountants

The Meeting House Church Family Statement of General Fund Activity and Changes in Fund Balance

Year ended June 30

2021

2020

Revenue		
Offerings	\$ 8,400,444	\$ 8,778,637
Rental and sales income	113,615	436,383
Interest and other	26,844	67,494
Ministry reimbursements	7,953	53,101
	<hr/>	<hr/>
	8,548,856	9,335,615
Expenditures		
Adult ministries	2,272,626	2,364,489
Communications	710,684	602,101
Administration	701,281	766,998
Facilities	584,119	1,403,696
Shared staff expense	528,036	529,046
Weekend services	488,604	854,112
Youth	393,688	565,627
Missions and partnership support	387,025	332,700
Kidmax	243,258	443,430
Interest on long-term debt (Note 6)	149,826	160,845
Rent and sales expense	38,263	168,931
	<hr/>	<hr/>
	6,497,410	8,191,975
Excess of revenue over expenditures before unusual item	2,051,446	1,143,640
Special one-time donation	500,000	-
Excess of revenue over expenditures	2,551,446	1,143,640
Fund balance, beginning of year	1,925,461	1,119,847
Interfund transfers		
Funding of property and equipment reserve fund	(500,000)	(70,000)
Repayment of loan principal	(273,432)	(262,412)
Funding of Go fund	(250,000)	-
Purchase of property and equipment	(17,078)	(5,614)
	<hr/>	<hr/>
	(1,040,510)	(338,026)
Fund balance, end of year	\$ 3,436,397	\$ 1,925,461
	<hr/>	<hr/>

The Meeting House Church Family Statement of Restricted Funds Activity and Changes in Fund Balances

Year ended June 30	Go Fund	Compassion Fund	Total 2021	Total 2020
Revenue				
Offerings	\$ 801,611	\$ 1,052,277	\$ 1,853,888	\$ 2,122,489
Other income	40,605	255	40,860	31,559
Interest income	<u>2,340</u>	<u>1,958</u>	<u>4,298</u>	<u>25,245</u>
	<u>844,556</u>	<u>1,054,490</u>	<u>1,899,046</u>	<u>2,179,293</u>
Expenditures				
Compassion - local and global	-	885,777	885,777	1,038,883
Curriculum - One Story	580,268	-	580,268	402,614
Jesus Collective	475,377	-	475,377	562,783
Ministry oversight and communication	-	244,777	244,777	287,577
Ministry initiatives	<u>57,084</u>	<u>-</u>	<u>57,084</u>	<u>219,017</u>
	<u>1,112,729</u>	<u>1,130,554</u>	<u>2,243,283</u>	<u>2,510,874</u>
Excess (deficiency) of revenue over expenditures before unusual item	(268,173)	(76,064)	(344,237)	(331,581)
Special one-time donation	<u>-</u>	<u>500,000</u>	<u>500,000</u>	<u>-</u>
Excess (deficiency) of revenue over expenditures	(268,173)	423,936	155,763	(331,581)
Fund balances, beginning of year	<u>787,060</u>	<u>519,822</u>	<u>1,306,882</u>	<u>1,670,621</u>
Interfund transfers				
Support from General Fund	250,000	-	250,000	-
Purchase of property and equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>(32,158)</u>
	<u>250,000</u>	<u>-</u>	<u>250,000</u>	<u>(32,158)</u>
Fund balances, end of year	<u>\$ 768,887</u>	<u>\$ 943,758</u>	<u>\$ 1,712,645</u>	<u>\$ 1,306,882</u>

The Meeting House Church Family Statement of Property Fund Activity and Changes in Fund Balance

Year ended June 30	2021	2020
Revenue		
Gain on disposal of property and equipment	\$ 14,487	\$ 8,283
Interest income	<u>1,338</u>	<u>7,484</u>
	<u>15,825</u>	<u>15,767</u>
Expenditures		
Amortization of property and equipment	469,940	493,945
Property repairs and replacement equipment	<u>13,069</u>	<u>30,266</u>
	<u>483,009</u>	<u>524,211</u>
Deficiency of revenue over expenditures	<u>(467,184)</u>	<u>(508,444)</u>
Fund balance, beginning of year	<u>6,937,886</u>	<u>7,076,146</u>
Interfund transfers		
Support from General Fund	500,000	70,000
Repayment of loan principal	<u>273,432</u>	<u>262,412</u>
Purchase of property and equipment	<u>17,078</u>	<u>37,772</u>
	<u>790,510</u>	<u>370,184</u>
Fund balance, end of year	<u>\$ 7,261,212</u>	<u>\$ 6,937,886</u>

The Meeting House Church Family Statement of Changes in Fund Balances

Year ended June 30	General Fund	Restricted Funds	Property Fund	Total 2021	Total 2020
Fund balances, beginning of year	\$ 1,925,461	\$ 1,306,882	\$ 6,937,886	\$ 10,170,229	\$ 9,866,614
Excess (deficiency) of revenue over expenditures	2,551,446	155,763	(467,184)	2,240,025	303,615
Interfund transfers					
Repayment of loan principal	(273,432)	-	273,432	-	-
Support from General Fund	(750,000)	250,000	500,000	-	-
Purchase of property and equipment	(17,078)	-	17,078	-	-
Fund balances, end of year	<u>\$ 3,436,397</u>	<u>\$ 1,712,645</u>	<u>\$ 7,261,212</u>	<u>\$ 12,410,254</u>	<u>\$ 10,170,229</u>

The Meeting House Church Family Statement of Financial Position

As at June 30

2021

2020

Assets

Current

Cash and cash equivalents (Note 4)	\$ 6,275,789	\$ 3,991,551
Taxes recoverable	21,950	16,524
Miscellaneous receivables	27,789	4,055
Prepaid expenses and deposits	39,127	110,167
Resource Centre inventory	<u>18,649</u>	<u>18,986</u>
	6,383,304	4,141,283
Property and equipment (Note 5)	<u>10,243,444</u>	<u>10,554,133</u>
	<u>\$ 16,626,748</u>	<u>\$ 14,695,416</u>

Liabilities

Current

Accounts payable and accrued liabilities	\$ 356,326	\$ 356,235
Deferred revenue	57,038	92,390
Long-term debt (Note 6)	<u>284,019</u>	<u>273,474</u>
	697,383	722,099
Long-term debt (Note 6)	<u>3,519,111</u>	<u>3,803,088</u>
	<u>4,216,494</u>	<u>4,525,187</u>

Fund balances

Working capital reserve		
General Fund	3,436,397	1,925,461
Internally restricted		
Property Fund		
Property and equipment reserve fund	820,898	460,315
Invested in property and equipment	<u>6,440,314</u>	<u>6,477,571</u>
Externally restricted		
Go Fund	768,887	787,060
Compassion Fund	<u>943,758</u>	<u>519,822</u>
	<u>12,410,254</u>	<u>10,170,229</u>
	<u>\$ 16,626,748</u>	<u>\$ 14,695,416</u>

Commitments (Note 8)

On behalf of the Overseers Board

Director

Director

See accompanying notes to the financial statements.

The Meeting House Church Family Statement of Cash Flows

Year ended June 30	2021	2020
Increase (decrease) in cash and cash equivalents		
Operating		
Excess of revenue over expenditures	\$ 2,240,025	\$ 303,615
Items not affecting cash		
Amortization of property and equipment	<u>469,940</u>	493,945
Gain on disposal of property and equipment	<u>(14,487)</u>	<u>(8,283)</u>
	<u>2,695,478</u>	<u>789,277</u>
Change in non-cash working capital items		
Taxes recoverable	<u>(5,426)</u>	50,293
Miscellaneous receivables	<u>(23,734)</u>	3,555
Prepaid expenses and deposits	<u>71,040</u>	(98,441)
Resource Centre inventory	<u>337</u>	5,469
Accounts payable and accrued liabilities	<u>91</u>	(312,584)
Deferred revenue	<u>(35,352)</u>	<u>(1,083)</u>
	<u>6,956</u>	<u>(352,791)</u>
	<u>2,702,434</u>	<u>436,486</u>
Financing		
Long-term debt principal repayments	<u>(273,432)</u>	<u>(262,412)</u>
Investing		
Proceeds from sale of property and equipment	<u>20,185</u>	9,427
Purchase of property and equipment	<u>(164,949)</u>	<u>(130,724)</u>
	<u>(144,764)</u>	<u>(121,297)</u>
Increase in cash and cash equivalents	2,284,238	52,777
Cash and cash equivalents (Note 4)		
Beginning of year	<u>3,991,551</u>	<u>3,938,774</u>
End of year	<u>\$ 6,275,789</u>	<u>\$ 3,991,551</u>

See accompanying notes to the financial statements.

The Meeting House Church Family

Notes to the Financial Statements

June 30, 2021

1. Purpose of the Organization

The Meeting House Church Family (the “Organization”) was established to honour God by proclaiming the irreligious message of Jesus and fostering loving communities of fully-committed Christ-followers. The Organization was incorporated under the Canada Not-for-profit Corporations Act and is a registered charity under the Income Tax Act (Canada) and, as such, is exempt from income taxes.

The Organization controls Jesus Collective (“JC”) as JC’s Board of Directors consists entirely of members of the Overseers Board (the “Overseers”) as well as a member of senior management of the Organization. JC is incorporated under the Canada Not-for-profit Corporations Act and is a registered charity under the Income Tax Act.

The purpose of JC is as follows:

- To advance religion by providing ministry and educational resources, conferences, and workshops in relation to doctrine, theological distinctives, teachings, ministry, and best practices in furtherance of the Christian faith; and
- To deepen and extend Christian fellowship, provide counselling, leadership training, mentorship, and consultation to, ministers, lay pastors, Christian workers, religious organizations, missionaries, evangelists, believers, the public and individuals interested in the Christian faith.

JC has not been consolidated in the Organization’s financial statements although details regarding JC are included in Note 9.

2. Summary of significant accounting policies

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations (“ASNPO”). ASNPO requires entities to select policies appropriate for their circumstances from policies provided in these standards. The significant accounting policies selected by the Organization and applied in these financial statements are summarized below.

Fund accounting

The accounts are maintained in accordance with the principles of fund accounting, whereby fund balances of the Organization are classified for accounting and reporting purposes into funds to be used according to the directions of the donor or as determined by the Organization.

General Fund

The General Fund consists of unrestricted contributions and other revenue and related expenditures pertaining to the operations of the Organization.

The Meeting House Church Family

Notes to the Financial Statements

June 30, 2021

2. Summary of significant accounting policies (continued)

Fund accounting (continued)

Restricted Funds

Externally restricted fund - Go Fund

The Go Fund consists of amounts designated by donors to assist in church growth and other programs as established by the Overseers Board (the "Overseers"). Such programs include, but are not limited to, establishing and expanding regional sites, acquisition and improvements of buildings and other assets.

Externally restricted fund - Compassion Fund

The Compassion Fund consists of amounts designated by donors to assist in compassionate ministries and other programs. Such programs include, but are not limited to, local and global compassionate initiatives, and outreach opportunities.

Property Fund

The Property Fund consists of the assets, liabilities, revenue and expenditures related to the Organization's property and equipment.

Interfund transfers

Transfers between funds are made when resources of one fund have been authorized to finance activities and acquisitions in another fund.

Revenue recognition

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

All offerings which are externally restricted by the donor with an associated restricted fund are recorded in the appropriate restricted fund in the year received. Externally restricted offerings and deposits to the General Fund are recorded as deferred revenue and subsequently recognized as revenue as the related expenses are incurred.

Unrestricted offerings are recorded as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Rent, sales, interest and all other income are recognized as earned.

Contributed goods and services

Contributed goods and capital donations are recorded at fair market value as at the date of contribution. Contributed services are not recognized in these financial statements due to the difficulty in determining their fair value.

The Meeting House Church Family

Notes to the Financial Statements

June 30, 2021

2. Summary of significant accounting policies (continued)

Resource Centre inventory

The cost of Resource Centre inventory comprises the purchase price and other costs directly attributable to its acquisition. Resource Centre inventory is stated at the lower of cost and net realizable value and relieved on a first-in, first-out basis. Net realizable value is the estimated selling price, in the ordinary course of business, less the estimated costs necessary to make the sale.

Resource Centre inventory is adjusted to net realizable value when the cost of Resource Centre inventory is not estimated to be recoverable. The amount of any write-down of Resource Centre inventory to net realizable value and all losses of Resource Centre inventory are recognized as an expense in the period the write-down occurs.

Property and equipment

Purchased property and equipment are recorded in the Property Fund at cost less accumulated amortization, which is provided for over the expected useful life of the assets as follows:

Building	4% declining balance
Sound and video equipment	20% declining balance
Furniture and equipment	20% declining balance
Computer hardware and software	30% declining balance
Vehicles and trailers	30% declining balance
Paving	10 years straight-line
Leasehold improvements	straight-line over the life of the lease

The Organization tests capital assets for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

Financial instruments

The Organization considers any contract creating a financial asset, liability or equity instrument as a financial instrument. The Organization's financial instruments are comprised of cash and cash equivalents, taxes recoverable, miscellaneous receivables, accounts payable and long-term debt.

Financial assets and liabilities are initially recorded at their fair value. The Organization subsequently measures all of its financial assets and liabilities at amortized cost.

Use of estimates

Management reviews the carrying amounts of items in the financial statements at each statement of financial position date to assess the need for revision or any possibility of impairment. Certain items in the preparation of these financial statements require management's best estimate. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action.

These estimates are reviewed periodically and adjustments are made to the excess or deficiency of revenue over expenditures as appropriate in the year they become known.

The Meeting House Church Family

Notes to the Financial Statements

June 30, 2021

2. Summary of significant accounting policies (continued)

COVID-19 related lease concessions

In November 2020, the Accounting Standards Board amended Section 3065 Leases to provide relief for both lessees and lessors in accounting for rent concessions as a result of the COVID-19 pandemic. Lessees and lessors that meet certain qualifying criteria are able to elect, on a lease-by-lease basis, to apply a practical expedient to account for waivers and deferrals. The amendments apply to annual financial statements relating to fiscal years ending on or after December 31, 2020.

The Organization has early adopted these amendments for any qualifying lease arrangements that have been modified to provide waivers of rental payments due to the COVID-19 pandemic.

Where the Organization has negotiated waivers of rental payments resulting in a decrease in total payments as compared to the original lease, the Organization continues to account for the lease consistent with the terms of the original lease contract during the concession period and only recognizes the reduction in lease payments as a lessee – gain in the period to which the lease payments relate. During the year, the Organization negotiated lease concessions with its landlord for the rental space as a result of the impact of COVID-19. This resulted in lower total payments required than those previously required by the original lease contract. Total concessions of \$753,767 given during the year has been netted off with the facilities expense in the statement of general fund activity and changes in fund balance.

3. Objectives, policies and processes for managing capital

The Organization's capital is comprised of the net amounts invested in property and equipment, unrestricted funds and internally and externally restricted funds.

Working capital reserve fund – General Fund

The Overseers' objective is to maintain a working capital reserve fund balance sufficient to meet its annual working capital requirements. This is an amount determined by the Overseers based on the annual budget. Staff prepares and the Overseers approve the annual budget which projects the working capital reserve fund balance required. The Treasurer monitors the actual results against the forecast and notifies the Overseers when changes to plans are required.

Internally restricted funds – Property Fund – Property and equipment reserve fund

The Overseers' objective is to maintain a reserve of funds that can be drawn on to fund major building and property repairs and improvements and replace broken or obsolete equipment. The Property Fund is replenished by an annual budgeted transfer from the General Fund based on the spending expectations in the Property Fund replacement plan. Staff monitors the status of the fund and reports to the Overseers on its usage.

The Meeting House Church Family

Notes to the Financial Statements

June 30, 2021

3. Objectives, policies and processes for managing capital (continued)

Internally restricted funds – Property Fund – Invested in property and equipment

The Organization invests in property and equipment in order to provide worship and devotional programming that enhances the personal experience of all participants.

The Finance and Senior Pastors teams are responsible for this investment and define the policies to be followed to ensure the smooth functioning of the building and equipment and their maintenance.

Staff develop the annual capital budget. The Overseers authorize the funds for the budget, with revisions throughout the year as required. The budget is executed by the Senior Pastors and monthly reports are submitted to the Overseers.

Where cash funds are not required in the short-term, the Finance Manager invests their balances in short-term, low risk and highly liquid financial instruments for both internally and externally restricted funds.

Externally restricted funds - Go Fund

The objective of the Go Fund is to provide for church growth, and other programs as established by the Overseers. The Senior Pastors team is responsible for carrying out the objectives of this fund as set out in the plan. The Treasurer monitors the status of the fund and reports to the Overseers on its usage.

Externally restricted funds - Compassion Fund

The objective of the Compassion Fund is to provide for compassionate ministries and other programs as established by the Overseers. The Senior Pastors team is responsible for carrying out the objectives of this fund as set out in the plan. The Treasurer monitors the status of the fund and reports to the Overseers on its usage.

Other restrictions

The Organization is subject to the disbursement requirements set by the Canada Revenue Agency for Canadian charities and as at the end of fiscal 2021, was in compliance with these requirements.

The Organization is not subject to any external capital requirements other than those outlined above.

The Meeting House Church Family

Notes to the Financial Statements

June 30, 2021

4. Cash and cash equivalents

	2021	2020
General Fund		
Cash	\$ 3,733,860	\$ 1,436,846
Guaranteed investment certificate, matured August 2020 with interest rate of 0.93% per annum	-	750,000
	<u>3,733,860</u>	<u>2,186,846</u>
Restricted Funds		
Go Fund – Cash	768,888	537,062
Go Fund – Guaranteed investment certificate, matured August 2020 with an interest rate of 0.93% per annum	-	250,000
Compassion Fund – Cash	952,143	307,327
Compassion Fund – Guaranteed investment certificate, matured August 2020 with an interest rate of 0.93% per annum	-	250,000
	<u>1,721,031</u>	<u>1,344,389</u>
Property Fund		
Cash	<u>820,898</u>	<u>460,316</u>
	<u><u>\$ 6,275,789</u></u>	<u><u>\$ 3,991,551</u></u>

5. Property and equipment

	Cost	Accumulated Amortization	2021 Net	2020 Net
Land	\$ 2,070,000	\$ -	\$ 2,070,000	\$ 2,070,000
Building	12,219,449	4,702,844	7,516,605	7,829,797
Sound and video equipment	2,511,119	2,231,807	279,312	349,140
Furniture and equipment	1,024,590	877,503	147,087	164,645
Computer hardware and software	537,469	521,092	16,377	23,396
Vehicles and trailers	375,680	316,117	59,563	92,009
Paving	147,871	7,394	140,477	-
Leasehold improvements	<u>55,614</u>	<u>41,591</u>	<u>14,023</u>	<u>25,146</u>
	<u><u>\$ 18,941,792</u></u>	<u><u>\$ 8,698,348</u></u>	<u><u>\$ 10,243,444</u></u>	<u><u>\$ 10,554,133</u></u>

Additions to property and equipment were as follows:

	2021	2020
Sound and video equipment	\$ -	\$ 47,393
Furniture and equipment	17,078	18,631
Vehicles and trailers	-	59,086
Paving	147,871	-
Leasehold improvements	-	5,614
	<u><u>\$ 164,949</u></u>	<u><u>\$ 130,724</u></u>

The Meeting House Church Family Notes to the Financial Statements

June 30, 2021

6. Long-term debt

	2021	2020
Mortgage with the Royal Bank of Canada, bearing interest at 3.79%, due June 24, 2024, payable by monthly instalments of principal plus interest of \$35,271 and secured by the Bristol Circle property and a general security agreement	<u>\$ 3,803,130</u>	\$ 4,076,562
Current portion	<u>284,019</u>	273,474
	<u><u>\$ 3,519,111</u></u>	<u><u>\$ 3,803,088</u></u>

Interest incurred on the above loan in the amount of \$149,826 (2020 - \$160,845) was expensed in the statement of General Fund activity and changes in fund balance.

Minimum principal repayments over the next three fiscal years are as follows:

2022	\$ 284,020
2023	294,974
2024	<u>3,224,136</u>
	<u><u>\$ 3,803,130</u></u>

The Church intends to refinance the mortgage upon maturity.

7. Line of credit

A line of credit is available up to a maximum of \$250,000 and bears interest at the bank prime rate plus 0.5%. The line is secured in the same manner as long-term debt as indicated in Note 6. At year end, there was no amount drawn on this line.

8. Commitments

The Organization is committed under operating leases for equipment and premises extending for various periods to January 2025. The future minimum annual payment required are as follows:

2022	\$ 77,541
2023	43,285
2024	44,151
2025	26,270

The Meeting House Church Family

Notes to the Financial Statements

June 30, 2021

9. Jesus Collective

A financial summary of JC as at June 30, 2021 and for the period from incorporation to June 30, 2021 is as follows:

	2021
Statement of financial position	
Total assets	\$ 89,445
Total liabilities	<u>86,746</u>
Total net assets	<u>\$ 2,699</u>
Statement of revenue and expenses	
Total revenue	\$ 298,936
Total expenses	<u>296,237</u>
Excess of revenue over expenses	<u>\$ 2,699</u>
Statement of cash flows	
Cash flows from operating activities	<u>\$ 74,776</u>

The Organization provides certain management and administration services on behalf of JC under the collective services agreement. Included in missions and partnership support is \$223,935 relating to services provided by the Organization in relation to the services agreement from JC that have been donated to JC.

Included in miscellaneous receivables is \$15,777 due from JC. The receivable is non-interest bearing and due on demand.

In the normal course of business, the Organization enters into transactions with JC. All transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the parties.

10. Financial instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of the financial statements in assessing the extent of risk related to financial instruments. It is management's opinion that the Organization is not exposed to significant risk arising from its financial instruments. There have been no changes in the nature of risks from prior year.

Credit risk

Credit risk is the risk of financial loss occurring as a result of a counter party to a financial instrument failing to discharge an obligation or commitment that it has entered into with the Organization. The Organization's main credit risks relate to its taxes recoverable and miscellaneous receivables.

The Organization provides for its exposure to credit risk by creating an allowance for doubtful accounts when appropriate. As at June 30, 2021, the allowance for doubtful accounts is \$Nil (2020 - \$Nil).

The Meeting House Church Family Notes to the Financial Statements

June 30, 2021

10. Financial instruments (continued)

Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty in raising funds to meet commitments associated to its financial liabilities. The Organization is exposed to liquidity risk mainly in respect to its accounts payable and long-term debt.

The Organization manages its liquidity risk by forecasting cash flows from operations, investing and financing activities, including a working capital reserve held in the General Fund, to ensure that it has sufficient funds available to meet current and foreseeable financial obligations.

The Organization's financing facilities include a requirement to maintain a minimum of \$500,000 of unrestricted funds at all times. The Organization is in compliance with this requirement as at June 30, 2021.

Interest rate risk

Interest rate price risk is the risk that the fair value of an interest bearing financial instrument will fluctuate due to changes in market interest rates. Interest rate cash flow risk is the risk that the cash flows of the Organization will fluctuate due to changes in market interest rates.

The Organization's exposure to interest rate price risk is limited to its fixed interest bearing debt. As the Organization does not have variable interest bearing debt or investments, the Organization is not exposed to interest rate cash flow risk.

11. COVID-19

The outbreak of a novel strain of coronavirus ("COVID-19") was declared a global pandemic by the World Health Organization in March 2020. COVID-19 has severely impacted many economies around the globe. In many countries, including Canada, businesses were forced to cease or limit operations for long periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

The duration and impact of the COVID-19 pandemic, as well as the effectiveness of Government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Organization for future periods. While overall revenue has slightly declined, the Organization has adjusted its expenditures significantly to mitigate the significance of its impact. At the board approval date, revenue continues to slightly decline although the Organization remains committed to adjusting its expenditures as necessary to ensure its long-term sustainability.

12. Comparative figures

Certain comparative amounts have been reclassified from those previously presented to conform to the presentation adopted in the current year.