

**ONTARIO CONFERENCE OF M.B. CHURCHES  
FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024**

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Prepared by	Reviewed by	Partner	Corrections
MM 2/01/25		SJE 2/04/25	
2nd review			

**ONTARIO CONFERENCE OF M.B. CHURCHES  
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YEAR ENDED DECEMBER 31, 2024**

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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

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To the Members of Ontario Conference of M.B. Churches

We have reviewed the accompanying financial statements of Ontario Conference of M.B. Churches (the Conference) that comprise the statement of financial position as at December 31, 2024, and the statements of changes in net assets, revenues and expenditures and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations (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.

### *Practitioner's Responsibility*

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

### *Basis for Qualified Conclusion*

In common with many not-for-profit organizations, the Conference derives revenue from donations, the completeness of which is not susceptible to us obtaining evidence we considered necessary for the purpose of the review. Accordingly, the evidence obtained of these revenues was limited to the amounts recorded in the records of the Conference. Therefore, we were not able to determine whether any adjustments might be necessary to donations, excess of revenues over expenditures, and cash flows from operations for the year ended December 31, 2024, current assets and net assets as at December 31, 2024.

### *Qualified Conclusion*

Based on our review, except for the possible effects of the matter described in the *Basis for Qualified Conclusion* paragraph, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Ontario Conference of M.B. Churches as at December 31, 2024, 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)

Niagara-on-the-Lake, Ontario

**PROFESSIONAL CORPORATION**  
Authorized to practise public accounting by the  
Chartered Professional Accountants of Ontario

**ONTARIO CONFERENCE OF M.B. CHURCHES**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2024**

	2024	2023
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 65,006	\$ 59,562
Accounts receivable	1,950	-
Harmonized sales tax recoverable	1,499	1,540
Prepaid expenses	2,465	810
	70,920	61,912
<b>INVESTMENTS (Note 4)</b>	<b>140,420</b>	<b>182,833</b>
	<b>\$ 211,340</b>	<b>\$ 244,745</b>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 1,290	\$ 4,571
<b>NET ASSETS</b>		
<b>NET ASSETS</b>	<b>210,050</b>	<b>240,174</b>
<b>LIABILITIES AND NET ASSETS</b>	<b>\$ 211,340</b>	<b>\$ 244,745</b>

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**ON BEHALF OF THE BOARD**

\_\_\_\_\_ Director

\_\_\_\_\_ Director

Printed: February 15, 2025 9:45 AM

Prep \_\_\_\_\_ Added \_\_\_\_\_ Approved \_\_\_\_\_

**ONTARIO CONFERENCE OF M.B. CHURCHES**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**YEAR ENDED DECEMBER 31, 2024**

	2023 Balance	Surplus (deficiency)	Transfers	2024 Balance
General operating fund - current reserve	\$ 141,897	\$ (1,217)	\$ (20,000)	\$ <b>120,680</b>
General operating fund - fixed minimum	50,000	-	-	<b>50,000</b>
Emergency fund	24,489	(1,260)	-	<b>23,229</b>
Missional expressions fund	23,788	(27,647)	20,000	<b>16,141</b>
	<u>\$ 240,174</u>	<u>\$ (30,124)</u>	<u>\$ -</u>	<u>\$ <b>210,050</b></u>

	2022 Balance	Surplus (deficiency)	Transfers	2023 Balance
General operating fund - current reserve	\$ 106,668	\$ 35,229	\$ -	\$ 141,897
General operating fund - fixed minimum	50,000	-	-	50,000
Emergency fund	25,000	(511)	-	24,489
Missional expressions fund	24,738	(950)	-	23,788
	<u>\$ 206,406</u>	<u>\$ 33,768</u>	<u>\$ -</u>	<u>\$ 240,174</u>

See Note 3 for a description of funds.

**ONTARIO CONFERENCE OF M.B. CHURCHES**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**YEAR ENDED DECEMBER 31, 2024**

	2024	2023
<b>REVENUES</b>		
Church commitments	\$ 409,789	\$ 412,958
Individual contributions	16,145	12,475
Convention delegate fees	16,285	9,280
Pastoral and youth retreats	12,937	-
Interest from operating funds	7,587	10,332
Miscellaneous income	-	2,515
Leader's collective fees	-	240
	<b>462,743</b>	<b>447,800</b>
<b>EXPENDITURES</b>		
Salaries and benefits	280,278	175,082
Support to conference agencies	110,000	152,000
Ministry and program	39,770	22,776
Office management	12,739	10,532
Board and governance	12,045	14,171
Fees and professional services	8,147	14,058
Professional development	981	1,871
Church planting	-	22,081
	<b>463,960</b>	<b>412,571</b>
<b>NET SURPLUS (DEFICIENCY) - OPERATIONS</b>	<b>(1,217)</b>	<b>35,229</b>
<b>EMERGENCY FUND</b>		
Revenues	-	11,000
Expenditures	(1,260)	(11,511)
<b>NET DEFICIENCY - EMERGENCY FUND</b>	<b>(1,260)</b>	<b>(511)</b>
<b>MISSIONAL EXPRESSIONS FUND</b>		
Revenues	6,311	1,160
Expenditures	(33,958)	(2,110)
<b>NET DEFICIENCY - MISSIONAL EXPRESSIONS FUND</b>	<b>(27,647)</b>	<b>(950)</b>
<b>NET SURPLUS (DEFICIENCY)</b>	<b>\$ (30,124)</b>	<b>\$ 33,768</b>

**ONTARIO CONFERENCE OF M.B. CHURCHES**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2024**

	2024	2023
<b>OPERATING ACTIVITIES</b>		
Net surplus (deficiency)	\$ (30,124)	\$ 33,768
Item not affecting cash:		
Interest from operating funds	(7,587)	(10,332)
	<b>(37,711)</b>	23,436
 Changes in non-cash working capital:		
Accounts receivable	(1,950)	-
Harmonized sales tax recoverable	41	754
Prepaid expenses	(1,655)	(360)
Accounts payable and accrued liabilities	(3,281)	(108,929)
	<b>(6,845)</b>	(108,535)
	<b>(44,556)</b>	(85,099)
 <b>INVESTING ACTIVITY</b>		
Transfer from investments	<b>50,000</b>	75,000
 <b>INCREASE (DECREASE) IN CASH</b>	<b>5,444</b>	(10,099)
Cash - beginning of year	<b>59,562</b>	69,661
 <b>CASH - END OF YEAR</b>	<b>\$ 65,006</b>	\$ 59,562

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**ONTARIO CONFERENCE OF M.B. CHURCHES**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**

**1. DESCRIPTION OF ORGANIZATION**

Ontario Conference of M.B. Churches (the "Conference") serves a constituency of member churches in the Province of Ontario. It provides general denominational oversight and facilitates the operation of joint initiatives and gives guidance to the separately incorporated agencies of the denomination which are operating in the province. The Conference received its Letters Patent as a non-share capital corporation from the Province of Ontario in 1932. As a registered charity under the Income Tax Act, the Conference is exempt from tax on its income.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Net assets

- a) Internally restricted net assets are funds which have been designated for a specific purpose by the organization's Board of Directors.
- b) Unrestricted net assets comprise the excess of revenue over expenses accumulated by the organization each year, net of transfers, and are available for general purposes.

Designated fund exclusions

The Conference is sometimes the conduit for certain designated funds to flow through its accounts to the designated recipient. These flow through amounts are not disclosed in these financial statements, but are recorded in the ultimate recipients' financial statements.

Fund accounting

Ontario Conference of M.B. Churches follows the deferral method of accounting for contributions.

Revenues and expenses related to program delivery and administrative activities are reported in the General Operating Fund.

Restricted contributions for operations are deferred and recognized as income in the related fund once they are disbursed.

Cash and cash equivalents

The Conference's policy is to present bank balances net of outstanding cheques and deposits under cash and cash equivalents.

*(continues)*



**ONTARIO CONFERENCE OF M.B. CHURCHES**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Capital assets

The cost of additions are charged to expenses at the time of purchase. Management has decided to not recognize capital assets and to record the expense in the statements of revenues and expenditures in accordance with ASNPO. Changing the presentation to capitalize expenditures from operations may reduce useful information to the primary readers of these financial statements as they would now appear on the separate statement of financial position, and not against the budget.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements. Certain larger material contributions are recognized at their fair market value.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

**3. DESCRIPTION OF FUNDS**

The General Operating Fund accounts for the Conference's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants. \$50,000 is allocated to a separate General Operating Fixed Minimum Fund.

An Emergency Fund of \$25,000 was created out of the General Operating Fund on December 31, 2005 to support any church's pastor (or family) in the case of sudden financial curtailment. As of December 31, 2024, \$1,711 of the fund has been used.

The Missional Expressions Fund was established to segregate any special projects outside the normal course of operations.

**4. INVESTMENTS - CANADIAN CONFERENCE**

The investment is with the Canadian Conference of Mennonite Brethren Churches earning interest at a base rate of 3.5% at year end. See note 6 for interest rate risk.

**5. RELATED PARTIES TRANSACTIONS**

The Conference has transactions with numerous related parties (member churches) or organizations that are funded by the Conference. These financial statements do not determine, disclose or verify external affiliate activities.

**ONTARIO CONFERENCE OF M.B. CHURCHES**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**

**6. FINANCIAL INSTRUMENTS**

The Conference is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Conference's risk exposure and concentration as of December 31, 2024. Unless otherwise noted, the risks and management thereof have not changed in the past year.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Conference manages exposure through its normal operating and financing activities. The Conference is exposed to interest rate risk through its investment savings account balance.

Constituency dependency risk

As the Conference serves the member churches, it is dependent on these member churches for financial support.

**7. COMPARATIVE FIGURES**

Some of the comparative figures have been reclassified to conform to the current year's presentation.

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