



COCHRANE ALLIANCE CHURCH

2021.22 ANNUAL REPORT SUPPLEMENTAL

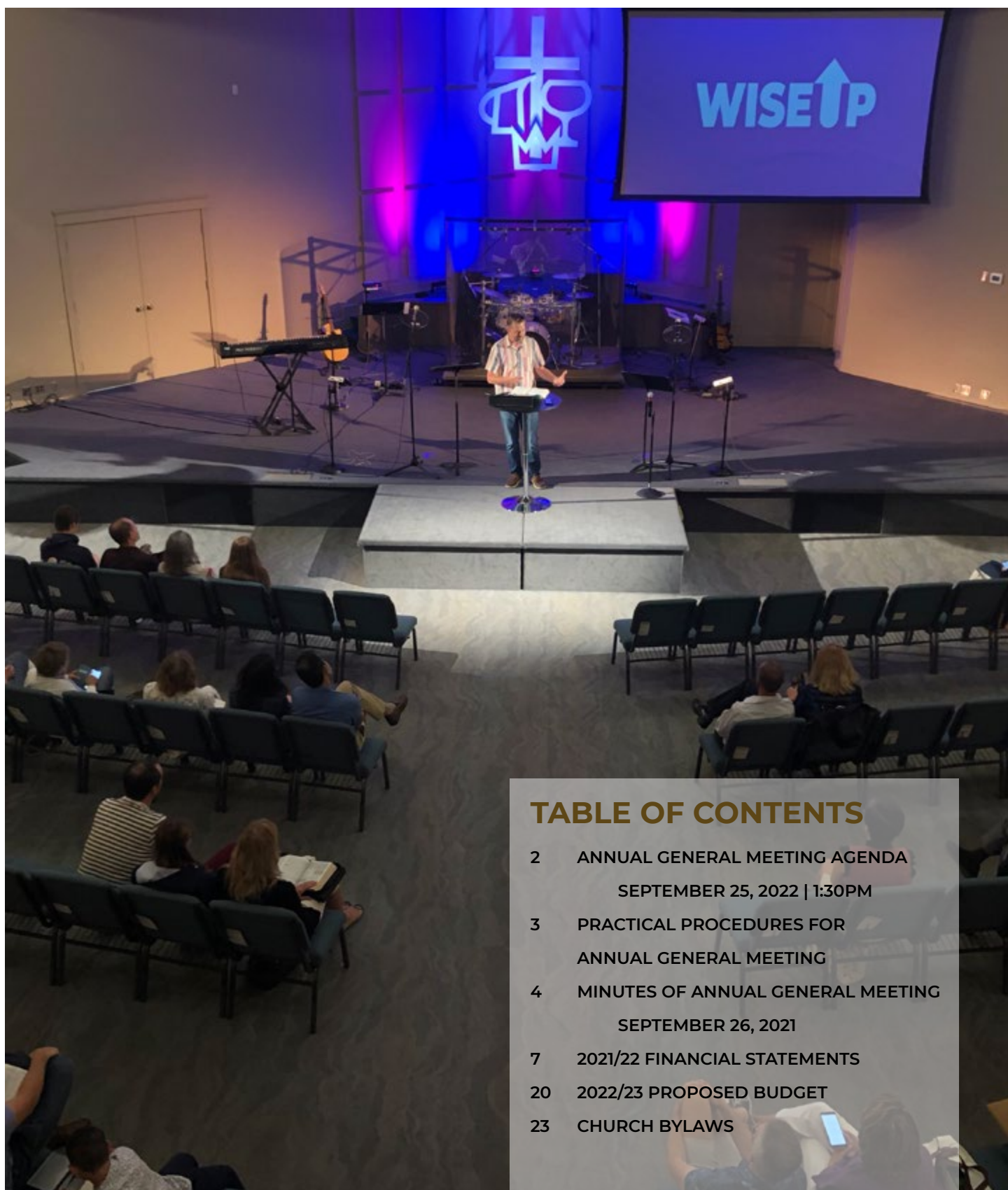


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ANNUAL GENERAL MEETING AGENDA

We exist to connect people with Jesus so the world thrives.

BELONG. GROW. SERVE.

Sunday September 25, 2022 | 1:30pm

- 1. Call to Order - Jon Schwab**
- 2. Adoption of Agenda**
- 3. Devotion and Opening Prayer - Brent Rushinka**
- 4. Adoption of the Minutes:**
 - a. Annual General Meeting of September 26, 2021**
- 5. Report of the Nominating Committee - Brent Rushinka**
- 6. Election of Elders**
- 7. Reports**
 - a. Lead Pastor - Brent Rushinka**
 - b. Board of Elders - Jon Schwab**
 - c. Treasurer - Simon Ongom**
- 8. 2021-2022 Financial Statements**
- 9. 2022-2023 Budget**
- 10. Destroy Ballots**
- 11. Closing Prayer - Dave Anger**
- 12. Adjournment - Jon Schwab**

**We will have a time of concentrated prayer
immediately following the official adjournment of the meeting.**



PRACTICAL PROCEDURES FOR ANNUAL GENERAL MEETING

The very words “parliamentary procedure” strike terror into the hearts of most men and women. And rightly so! Parliamentary procedure, when carried to extreme, can be a bore. It can be a nuisance, and a real pain. However, a little understanding of basic, practical parliamentary rules and procedures will avoid wasting time and ensure that business is accomplished. So this material is put together with the idea of providing every member with a minimum of details on correct business procedures. Correctly used, an understanding of parliamentary procedure will inform you in the efficient and smooth operation of a meeting ensuring that the majority rules, but that the minority is given a chance to speak.

AGENDA

Please ensure that you have adequately prepared for the business meeting by reading the Annual Report carefully and noting any questions for clarification. It is also considerate to submit well in advance any new items for discussion at the annual meeting to the Board Chairman. This greatly assists the chairman in preparing for the discussion.

There will be no formal reading of reports contained in the distributed Annual Report. It is expected that all reports have been read prior to the general meeting and, therefore, only questions pertinent to the report will be entertained.

Adjournment will be scheduled and publicized at a pre-determined time. It may only be extended by a majority vote on behalf of the membership, and then only for a maximum of one half hour.

MOTIONS

The Main Motion

This is the most common motion used at any business meeting. A “motion” is the method used to introduce a new subject for discussion at the business session. While it is called the “main motion”, it is of the lowest rank or priority. Therefore, a “main motion” can be introduced *only when there is no other business before the meeting.*

Without making a motion sound complicated, it is important to know (and understand) the eight individual steps in the proper presentation of *any* motion:

1. A member rises and addresses the chair.
2. The chair recognizes the member.
3. The member states his/her motion (“I move that ...”)
4. Another member seconds the motion (without rising or addressing the chair).

THE CHAIR STATES THE MOTION (ensuring all members know wording).

1. Members discuss the merits of motion. (Each member receives recognition from the chair first. See item #1 and #2 above.)
2. Members vote on motion. (Chair says, “Those in favor, say Aye”, etc.)
3. THE CHAIR ANNOUNCES THE RESULTS OF THE VOTE.

The Amendment

Although amendments seem designed solely to challenge the ability of the chairman and confuse the membership, that isn’t their purpose - honest!

An amendment is designed to change or modify a main motion that has already been introduced to the meeting and is currently under discussion by the membership. An amendment may be introduced at any time during the discussion period.

An amendment is introduced by a member when he/she is basically in agreement with the main motion, but feels that a slight change or alteration to the wording of the main motion might make it even better.

Therefore, all amendments should indicate clearly what **changes** the member wants to make to the wording of the main motion.

Possible wordings can be divided into four sets:

I move that we amend the motion by **adding** the words ...
I move that we amend the motion by **striking out (deleting)** the words ...
I move that we amend the motion by **inserting** the words ...
I move that we amend the motion by **striking out** the words ... and **inserting** the words ...

If another change is required, simply vote first on the amendment that has been proposed - either accepting or rejecting it - then go ahead and propose another amendment to the main motion if desired. It is important to know that you **must** vote on the amendment first, then you **must** vote on the main motion (main motion as amended).



ANNUAL GENERAL MEETING MINUTES

SEPTEMBER 26, 2021

1. Call to Order

Board of Elders Chair, Jon Schwab called the meeting to order at 13:30.

2. Adoption of Agenda

MOVED by Steve Gross & SECONDED by Kent Liang to accept the agenda.

CARRIED

3. Devotion and Opening Prayer

Randall Heier shared a devotional from Colossians 1 about the preeminence of Christ, with a challenge to continually look to Jesus as our source and leader.

4. Adoption of the Minutes: Annual General Meeting of September 20, 2020

MOVED by Rebecca Capeling & SECONDED by Stacey Morris to accept the minutes of the September 20, 2020 Annual General Meeting.

CARRIED

5. Suspension of Bylaw Article 4.2 (Elders Term Limit)

The chair was passed to Doyle Peterson while Jon Schwab presented background information for the reason for the proposal to suspend the Elders Term Limit bylaw for one year. There is a provision from the Western Canadian District (WCD) for article bylaw 4.2 to be suspended for one year to provide the ability needed by the church to maintain a smooth transition securing a new lead pastor. This would extend by one year the terms of three elders (Blaine Ellerby, Brad Smith, John Wicker). The WCD approved this request but recommended that approval be acquired from CAC membership. The bylaw suspension is only for this next term, is predicated upon our time of pastoral transition, and is not a precedent to go beyond that.

MOVED by Jon Schwab & SECONDED by Mike Poettcker to temporarily suspend Article 4.2 of CAC bylaws for one year, ending at the 2022 AGM.

CARRIED

The chair was passed back to Jon Schwab.

6. Report of the Nominating Committee - Mike Poettcker

MOVED by Mike Poettcker & SECONDED by Geoffrey Anacker to accept the report of the nominating committee.

MOVED by Mike Poettcker & SECONDED by Simon Ongom to extend the appointment of Gwynn Butler and Rini Penner to serve as congregational representatives on the nominating committee for 2021-2022.

CARRIED

7. Election of Elders

Election for Doyle Peterson for a term on the Board of Elders was held by secret paper ballot. **Doyle Peterson** was elected for another three year term.



ANNUAL GENERAL MEETING MINUTES

SEPTEMBER 26, 2021

8a. Interim Lead Pastor Report - Mike Poettcker

Mike read a few verses from Psalm 146 after which he showed a video report.

MOVED by Mike Poettcker & SECONDED by Kent Liang to accept the Interim Lead Pastor's report.
CARRIED

8b. Board of Elders Report – Jon Schwab

The chair was passed to Doyle Peterson while Jon Schwab shared a report from the Board of Elders. Jon gave a brief overview of the activities of the BOE over the past year. A big event of the past year was the resignation of former lead pastor Jason Koleba, starting a time of transition as we search for a new lead pastor. Mike Poettcker is leading us well as Interim Lead Pastor. Jon thanked the Elders for serving the congregation faithfully. On behalf of the Board of Elders, Jon thanked the staff for their faithful service in a difficult year. Jon ended his report by reading the words of the Apostle Paul in Galatians 6:9, "Let us not grow weary in doing good, for at the proper time we will reap a harvest if we do not give up."

MOVED by Jon Schwab & SECONDED by Randall Heier to accept the Board of Elders' report.
CARRIED

The chair was passed back to Jon Schwab.

8c. Search Team Report - Blaine Ellerby

Blaine thanked the congregation for their prayer support. Blaine gave an overview of the process and work of the search committee. The District Office has been involved all throughout the whole process.

MOVED by Blaine Ellerby & SECONDED by Stacey Morris to accept the Search Team's report.
CARRIED

8d. Treasurer's Report - Simon Ongom

Simon thanked God for his goodness and the congregation for their continued faithful and generous giving. Cochrane Alliance Church ended the 2020-2021 fiscal year with income exceeding expenses.

MOVED by Simon Ongom & SECONDED by Daniel Souza to accept the Treasurer's Report.
CARRIED

9. 2020-2021 Financial Statements

MOVED by Simon Ongom & SECONDED by Daniel Souza to accept the 2020-2021 Financial Statements.

CARRIED

10. 2021-2022 Budget

Mike Poettcker presented the budget for 2021-2022.

MOVED by Mike Poettcker & SECONDED by Doyle Peterson to accept the 2021-2022 Budget as presented.

CARRIED



ANNUAL GENERAL MEETING MINUTES

SEPTEMBER 26, 2021

11. Article 5.5 - Doyle Peterson

Doyle Peterson brought attention to the minutes of the 2019-2020 AGM, highlighting the portion of the section under the heading 2020 Bylaw Change 2 saying “that we amend the motion to exclude the bylaw change to Article 5.5 and send this bylaw back to the BOE for further consideration. The BOE will get back to the membership on or prior to the next Annual General Meeting.” A factor in the discussion is what would happen to funds in bank accounts should CAC cease to exist. The BOE has been in discussions with the District on this matter and has determined that discussions regarding changing our legal standing as a church would best be postponed during this time of transition. No motion was brought forward at this time.

12. Destroy Ballots

MOVED by Blaine Ellerby and SECONDED by Steve Gross to destroy all ballots.

CARRIED

13. Closing Prayer

Steve Gross closed the meeting with prayer.

14. Adjournment

Jon Schwab adjourned the meeting at 14:46.



FINANCIAL STATEMENTS



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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Cochrane Alliance Church of the Christian and Missionary Alliance

We have reviewed the accompanying financial statements of Cochrane Alliance Church of the Christian and Missionary Alliance, which comprise the statement of financial position as at June 30, 2022, and the statements of revenues and expenses, changes in net assets 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, 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.

Conclusion

Based on our review, 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 Cochrane Alliance Church of the Christian and Missionary Alliance as at June 30, 2022, 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.

Calgary, Alberta
August 30, 2022

Chartered Professional Accountants



FINANCIAL STATEMENTS

COCHRANE ALLIANCE CHURCH OF THE CHRISTIAN AND MISSIONARY ALLIANCE

Statement of Financial Position

June 30, 2022

	Restricted Capital 2022	Restricted Missions 2022	Restricted Other 2022	Unrestricted General 2022	Total 2022	Total 2021
ASSETS						
CURRENT						
Cash	\$ -	\$ 721	\$ 92,854	\$ 134,952	\$ 228,527	\$ 271,269
Goods and services tax recoverable	-	-	-	2,895	2,895	2,424
Staff loans (Note 3)	-	-	3,125	-	3,125	4,625
Accounts receivable	-	-	-	-	-	3,179
Prepaid expenses	-	-	-	8,177	8,177	1,210
	-	721	95,979	146,024	242,724	282,707
PROPERTY AND EQUIPMENT (Note 4)	-	-	-	4,617,239	4,617,239	4,771,286
	\$ -	\$ 721	\$ 95,979	\$ 4,763,263	\$ 4,859,963	\$ 5,053,993
LIABILITIES AND NET ASSETS						
CURRENT						
Accounts payable	\$ -	\$ -	\$ -	\$ 34,725	\$ 34,725	\$ 43,479
Callable debt (Note 6)	-	-	-	2,037,741	2,037,741	2,212,363
	-	-	-	2,072,466	2,072,466	2,255,842
LONG TERM DEBT (Note 7)	-	-	-	40,000	40,000	40,000
	-	-	-	2,112,466	2,112,466	2,295,842
FUND BALANCES						
Externally restricted	-	721	95,979	-	96,700	125,985
Unrestricted	-	-	-	71,299	71,299	73,243
Internally restricted - invested in Capital Assets	-	-	-	2,579,498	2,579,498	2,558,923
	-	721	95,979	2,650,797	2,747,497	2,758,151
	\$ -	\$ 721	\$ 95,979	\$ 4,763,263	\$ 4,859,963	\$ 5,053,993

ON BEHALF OF THE BOARD

Chairman

Treasurer



FINANCIAL STATEMENTS

COCHRANE ALLIANCE CHURCH OF THE CHRISTIAN AND MISSIONARY ALLIANCE

Statement of Revenues and Expenses

Year Ended June 30, 2022

	Restricted Capital 2022	Restricted Missions 2022	Restricted Other 2022	Unrestricted General 2022	Total 2022	Total 2021
REVENUE						
Offerings - General	\$ 219,383	\$ 58,581	\$ -	\$ 882,796	\$ 1,160,760	\$ 1,102,673
Offerings - Designated	-	26,263	105,005	-	131,268	160,842
Rent	-	-	-	27,804	27,804	17,625
	219,383	84,844	105,005	910,600	1,319,832	1,281,140
EXPENSES						
Ministries (Schedule 1)	-	-	-	530,679	530,679	482,849
General and office (Schedule 1)	-	-	-	182,140	182,140	180,170
Facilities (Schedule 1)	-	-	-	111,830	111,830	138,791
Missions (Schedule 2)	-	84,844	-	-	84,844	104,934
Short term missions (Schedule 2)	-	-	-	-	-	-
Benevolence and local church projects (Schedule 2)	-	-	134,290	-	134,290	51,090
Local programs and outreach (Schedule 2)	-	-	-	60,505	60,505	62,852
Amortization	-	-	-	154,048	154,048	158,328
Interest on debt (Note 6)	72,150	-	-	-	72,150	68,059
	72,150	84,844	134,290	1,039,202	1,330,486	1,247,073
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 147,233	\$ -	\$ (29,285)	\$ (128,602)	\$ (10,654)	\$ 34,067

COCHRANE ALLIANCE CHURCH OF THE CHRISTIAN AND MISSIONARY ALLIANCE

Statement of Changes in Net Assets

Year Ended June 30, 2022

	Restricted Capital	Restricted Missions	Restricted Other	Unrestricted General	Unrestricted Net Investment in Property and Equipment	2022
NET ASSETS - BEGINNING OF YEAR	\$ -	\$ 721	\$ 125,264	\$ 73,243	\$ 2,558,923	\$ 2,758,151
Excess (deficiency) of revenue over expenses	147,233	-	(29,285)	(128,602)	-	(10,654)
Principal repayment	(174,623)	-	-	-	174,623	-
Amortization	-	-	-	154,048	(154,048)	-
Internal transfer	27,390	-	-	(27,390)	-	-
NET ASSETS - END OF YEAR	\$ -	\$ 721	\$ 95,979	\$ 71,299	\$ 2,579,498	\$ 2,747,497



FINANCIAL STATEMENTS

COCHRANE ALLIANCE CHURCH OF THE CHRISTIAN AND MISSIONARY ALLIANCE

Statement of Cash Flows

Year Ended June 30, 2022

	Restricted Capital 2022	Restricted Missions 2022	Restricted Other 2022	Unrestricted General 2022	Total 2022	Total 2021
OPERATING ACTIVITIES						
Contributions and other	\$ 219,383	\$ 84,844	\$ 105,005	\$ 913,779	\$ 1,323,011	\$ 1,275,961
Cash paid to suppliers and employees	-	(84,844)	(134,290)	(900,877)	(1,120,011)	(1,014,917)
Staff loan repayments	-	-	1,500	-	1,500	1,500
Interest on loan	(72,150)	-	-	-	(72,150)	(68,059)
Goods and services tax	-	-	-	(470)	(470)	(481)
Cash flow from operating activities	147,233	-	(27,785)	12,432	131,880	194,004
FINANCING ACTIVITIES						
Repayment of callable debt	(174,623)	-	-	-	(174,623)	(143,941)
Inter-fund transfers	27,390	-	-	(27,390)	-	-
Cash flow from (used by) financing activities	(147,233)	-	-	(27,390)	(174,623)	(143,941)
INCREASE (DECREASE) IN CASH FLOW	-	-	(27,785)	(14,958)	(42,743)	50,063
Cash - beginning of year	-	721	120,639	149,909	271,270	221,206
CASH - END OF YEAR	\$ -	\$ 721	\$ 92,854	\$ 134,952	\$ 228,527	\$ 271,269



FINANCIAL STATEMENTS

COCHRANE ALLIANCE CHURCH OF THE CHRISTIAN AND MISSIONARY ALLIANCE

Notes to Financial Statements

Year Ended June 30, 2022

(Unaudited)

1. NATURE OF OPERATIONS

Cochrane Alliance Church ("CAC" or the "Church") is a congregation located in Cochrane, Alberta. The church exists to connect people with Jesus so the world thrives. We envision a thriving town shaped by 1,000's of people experiencing the transforming love of God. Therefore our threefold mission is to bring people together, invest in their spiritual development, and launch them into service in the power of the Holy Spirit.

CAC is an unincorporated church which is a member of the Christian and Missionary Alliance in Canada, and is included in the Western District of the Christian and Missionary Alliance in Canada ("District"). CAC is exempt from income tax because it qualifies as a charitable organization, and is registered to issue charitable donation receipts for income tax purposes.

The continued operation of CAC is dependent on the ongoing donation support of those interested.

2. ACCOUNTING POLICIES

Basis of presentation

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

Going Concern

The preparation of financial statements in accordance with Canadian Accounting Standards for Not-for-Profit Organizations requires management to assess whether there are any events or conditions that may cast significant doubt upon the Church's ability to continue as a going concern. An entity is a going concern when it is able to convert its assets to cash and discharge its liabilities in the normal course of operations. Management is not aware of any such material uncertainties; accordingly these financial statements have been prepared using the going concern assumption.

The Church follows policies in line with the Canadian Accounting Standards for Not-for-Profit Organizations in the preparation of its financial statements, a summary of which are as follows:

Fund accounting

Cochrane Alliance Church of the Christian and Missionary Alliance follows the restricted fund method of accounting for contributions.

The **Capital Fund** receives contributions and reports activities for specific designated maintenance and renovation projects as determined from time to time, and retiring debt, if any.

The **Missions Fund** receives contributions and reports activities for missions projects undertaken by the Church, and provides support for domestic and foreign missions.

The **Other Restricted Fund** receives contributions and reports activities for benevolence, pastoral housing loans, local missions, and community outreach projects approved by the Elders.

The **General Fund** receives unrestricted contributions and accounts for the Church's program delivery and administrative activities.

(continues)



FINANCIAL STATEMENTS

COCHRANE ALLIANCE CHURCH OF THE CHRISTIAN AND MISSIONARY ALLIANCE

Notes to Financial Statements

Year Ended June 30, 2022

(Unaudited)

2. ACCOUNTING POLICIES (continued)

Financial instruments

Financial instruments reported in these financial statements include cash and cash equivalents, staff loans, accounts receivable, accounts payable, callable debt and long term debt are recorded at amortized cost.

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.

The Church 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 Church's risk exposure and concentration:

Liquidity risk - this is the risk that an entity will encounter difficulty in meeting its obligations associated with financial liabilities. The Church is exposed to this risk because of uncertainty in the amount and timing of contributions expected to be received from its members and adherents.

Interest rate risk - this 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, CAC manages exposure through its normal operating and financing activities. CAC is exposed to interest rate risk primarily through its callable debt and long term debt.

Unless otherwise noted, it is management's opinion that CAC is not exposed to significant currency or credit risks arising from these financial instruments.

Cash and cash equivalents

Cash and cash equivalents consist of cash in banks, balances outstanding on the line of credit, and short-term investments, if any, convertible to cash within 90 days. The carrying amounts approximate fair value because of the short term to maturity.

Property and equipment

Property and equipment are recorded at cost on acquisition. Property under construction is not amortized until placed in use. Contributed capital assets are recorded at fair value on the date of contribution. Property and equipment are amortized over their estimated useful lives at the following rates and methods:

Land improvements	5%	straight-line method
Buildings and improvements	2.5%	straight-line method
Computer equipment	20%	straight-line method
Furniture and fixtures	10% - 33%	straight-line method

The Church regularly reviews its property and equipment to eliminate obsolete items.

(continues)



FINANCIAL STATEMENTS

COCHRANE ALLIANCE CHURCH OF THE CHRISTIAN AND MISSIONARY ALLIANCE

Notes to Financial Statements

Year Ended June 30, 2022

(Unaudited)

2. ACCOUNTING POLICIES (continued)

Impairment of Long Lived Assets

The Company tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

Revenue Recognition

The Church follows the restricted fund method of accounting for contributions. Revenue from contributions is recognized when received.

- a) Contributions restricted by donors for projects approved by the Elders Board are accounted for as restricted in the related fund, and spent according to their designation.
- b) Contributions related to general operations are recognized as revenue of the General Fund and are spent at the direction of the Elders Board.
- c) Contributions of gifts in kind are recorded at their fair market value, which is the amount for which a donation receipt is issued.

Contributed Services

During the year, volunteers are required to assist CAC in operating its programs. Because of the difficulty of determining the number of hours provided and their fair value, contributed services are not recognized in these financial statements.

Allocated expenses

CAC reports expenses on a functional basis in the statement of operations, including Ministries, Missions, Facilities, and General and Office. Expenses which are directly related to a particular function are charged to that function. Expenses not directly related to a specific function are included in General and Office expenses, and are not otherwise allocated to other functional areas.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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 include determining amounts payable and amortization and impairment of property and equipment. Actual results could differ from these estimates



FINANCIAL STATEMENTS

COCHRANE ALLIANCE CHURCH OF THE CHRISTIAN AND MISSIONARY ALLIANCE

Notes to Financial Statements

Year Ended June 30, 2022

(Unaudited)

3. STAFF LOANS

In 2014 the Elders approved the creation of an internally restricted pastoral housing fund for the purpose of extending interest-free loans to new staff members wanting to buy a house upon moving to Cochrane. The loans are for a maximum of \$15,000 per staff person, repayable over a period of 10 years in equal monthly payments. One loan for \$15,000 was provided during 2015. The balance remaining unpaid is \$3,125 (2021: \$4,625).

4. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Land	\$ 105,500	\$ -	\$ 105,500	\$ 105,500
Land improvements	89,761	89,761	-	-
Building	5,562,336	1,091,443	4,470,893	4,614,568
Computer equipment	193,709	192,156	1,553	4,067
Furniture and fixtures	322,997	283,704	39,293	47,151
	\$ 6,274,303	\$ 1,657,064	\$ 4,617,239	\$ 4,771,286

Consistent with the requirements of the Constitution of the District, title to the land and building bought and paid for by CAC is registered in the name of the District; however CAC retains the beneficial use, rights and responsibilities associated with ownership of the assets. While title of these assets rests with the District, their cost and related accumulated amortization have been recorded in these financial statements rather than the financial statements of the District, as CAC uses these assets in its operations and is responsible for their management and maintenance. This treatment is consistent with that adopted by the District and substantially all of the other congregations who are members of the District.

Management of CAC is of the opinion that this requirement does not preclude the recording of the land and building as assets of CAC, as CAC has exclusive use of the land and building for worship services and other activities.

The District has provided the land and building as collateral to secure advances outstanding from time to time, if any, on the Royal Bank Master Lending Agreement.

5. BANK LINE OF CREDIT

The Church has negotiated an operating line of credit with the Royal Bank. The line of credit is for a maximum of \$50,000 and bears interest at prime + .5%. As the line of credit has been negotiated under the Master Lending Agreement between the District and the Royal Bank, the Western Canadian District has guaranteed the repayment of any unpaid amounts. No advances had been received during the year and there was no balance owing at June 30, 2022 or 2021.



Notes to Financial Statements

(Unaudited)

2021

\$ 2,037,741 **\$ 2,212,363**

2023	\$ 157,422
2024	164,163
2025	171,192
2026	178,522
2027	186,166
Thereafter	<u>1,180,276</u>
	\$ 2,037,741

Interest of \$72,150 (2021: \$68,059), calculated at 2.95% to 3.70% during the year, has been included in the statement of operations for the Capital fund.

During fiscal 2021 the church applied for, and was approved for revolving loan assistance of \$40,000 under the Canada Emergency Business Account program of the federal government to assist organizations with working capital needs during the Covid 19 pandemic. By June 30, 2021 the full amount of the loan had been drawn down. The loan is non-interest bearing until December 31, 2023 with interest of 5% becoming payable on the outstanding balance after December 31, 2023. The loan matures on December 31, 2025; however if the loan is repaid by December 31, 2023, the government will provide a debt forgiveness equal to 25% (\$10,000) of the loan.



FINANCIAL STATEMENTS

COCHRANE ALLIANCE CHURCH OF THE CHRISTIAN AND MISSIONARY ALLIANCE

Notes to Financial Statements

Year Ended June 30, 2022

(Unaudited)

8. PROGRAM ACTIVITIES, NET OF RECOVERIES

Some activities of the Church are partially funded by contributions from those directly participating. The net expense funded by the Church is included in Ministries expense (Schedule 1) and General Fund missions expense (Schedule 2) as follows:

	Expense	Recoveries	2022	2021
Worship	\$ 18,695	\$ 306	\$ 18,389	\$ 13,237
Children	10,563	205	10,358	9,662
Youth	15,307	2,203	13,104	6,666
Adult	32,090	1,894	30,196	36,883
Hospitality	7,273	484	6,789	2,630
Local Outreach	19,896	6,194	13,702	15,396
	<u>\$ 103,824</u>	<u>\$ 11,286</u>	<u>\$ 92,538</u>	<u>\$ 84,474</u>



FINANCIAL STATEMENTS

COCHRANE ALLIANCE CHURCH OF THE CHRISTIAN AND MISSIONARY ALLIANCE

Notes to Financial Statements

Year Ended June 30, 2022

(Unaudited)

9. TRANSACTIONS WITH THE DENOMINATION

CAC is a member of the Western Canadian District of the Christian and Missionary Alliance. As a member, CAC works with both the District and the national organization of the Christian and Missionary Alliance, providing support funding to accomplish mutual objectives, including missions efforts in Canada and abroad. As CAC has its own independent Board managing its own affairs, it is not related to other members.

The following is a summary of the Church's transactions with the District. These transactions are in the normal course of operations and are measured at the amount of cash transferred.

	2022	2021
District Operating Budget - support for the District office	\$ 27,434	\$ 26,730
Canadian Ministries - support for Canadian missions	11,370	10,175
Global Advance - support for international missions	39,500	55,967
	<u>\$ 78,304</u>	<u>\$ 92,872</u>

10. PENSION COSTS

Certain employees of the church are members of a defined contribution pension plan operated by the denomination. During the year ended June 30, 2022 CAC contributed \$18,573 (2021 - \$17,506) to the plan, as included in total staff remuneration and benefits expense. As the plan is a defined contribution plan there is no potential for a contingent liability arising from underfunded contributions.

11. HEALTH PANDEMIC

During 2020 the World Health Organization categorized the outbreak of a strain of the novel coronavirus (COVID-19) as a pandemic which has led to a number of public health and emergency measures which have been put in place by various levels of government to attempt to combat the spread of the virus. At this time, the duration and potential impact of COVID-19 is unknown and it is not possible to reliably estimate the impact these events may have on the financial results and condition of the Society in future periods. As at year end, the majority of public health measures were lifted in Alberta and management has implemented appropriate actions to return to more normal operations in fiscal 2023.

12. CURRENT YEAR ADJUSTMENT TO ACCRUAL - NON-RECURRING ITEM

During the current year, the Church accrued and recorded certain expenses previously recognized on a cash basis, resulting in an additional deficiency of revenue over expenses of \$6,695 in the Financial Statements. Such technical adjustments did not represent an additional financial burden to regular operations and are not expected to occur in the next year.



FINANCIAL STATEMENTS

COCHRANE ALLIANCE CHURCH OF THE CHRISTIAN AND MISSIONARY ALLIANCE

Schedule of Operating Expenses

(Schedule 1)

Year Ended June 30, 2022

(Unaudited)

	2022	2021
MINISTRIES		
Staff remuneration and benefits	\$ 415,822	\$ 389,933
Worship resources, net of recoveries (Note 8)	18,389	13,237
Childrens' ministries, net of recoveries (Note 8)	10,358	9,662
Youth ministries, net of recoveries (Note 8)	13,104	6,666
Adult ministries, net of recoveries (Note 8)	30,196	36,883
Hospitality, net of recoveries (Note 8)	6,790	2,630
Meeting and travel	17,792	5,872
Professional development	17,173	17,353
Library	1,055	613
	<u>\$ 530,679</u>	<u>\$ 482,849</u>
GENERAL AND OFFICE		
Staff remuneration and benefits	\$ 82,500	\$ 84,650
District Operating Budget (Note 9)	27,434	26,730
Copier and printer	7,478	10,135
Communications	15,308	13,605
Office	33,018	36,748
Professional fees (Note 12.)	16,402	8,302
	<u>\$ 182,140</u>	<u>\$ 180,170</u>
FACILITIES		
Repairs and maintenance	\$ 30,588	\$ 50,358
Cleaning	29,346	29,120
Utilities	48,315	48,781
Insurance (Note 12.)	3,581	10,532
	<u>\$ 111,830</u>	<u>\$ 138,791</u>



FINANCIAL STATEMENTS

COCHRANE ALLIANCE CHURCH OF THE CHRISTIAN AND MISSIONARY ALLIANCE
Schedule of Missions Support *(Schedule 2)*
Year Ended June 30, 2022
(Unaudited)

	2022	2021
MISSIONS FUND		
Global Advance <i>(Note 9)</i>	\$ 39,501	\$ 55,967
Canadian Ministries <i>(Note 9)</i>	11,370	10,175
Missionary support	<u>33,973</u>	<u>38,793</u>
	<u>\$ 84,844</u>	<u>\$ 104,935</u>
 OTHER RESTRICTED FUNDS		
Local church projects	\$ 120,586	\$ 38,884
Benevolence	<u>13,704</u>	<u>12,207</u>
	<u>\$ 134,290</u>	<u>\$ 51,091</u>
 GENERAL FUND		
Local missions	\$ 46,804	\$ 47,456
Local outreach, net of recoveries <i>(Note 8)</i>	<u>13,701</u>	<u>15,396</u>
	<u>\$ 60,505</u>	<u>\$ 62,852</u>



2022/2023 PROPOSED BUDGET

OVERALL BUDGET SUMMARY

	2019/20 ACTUAL \$	2020/21 ACTUAL \$	2021/22 BUDGET \$	2021/22 ACTUAL \$	2022/23 BUDGET \$
INCOME					
RESTRICTED FUNDS (designated) income:					
Capital Restricted Fund	3,287	4,100	30,000	3,200	25,000
Capital Restricted Fund - OTD/B2B/Evergreen	189,676	155,429	240,000	216,183	240,000
Missions: Global Advance	55,302	55,967	48,000	39,500	48,000
Missions: Canadian Ministries	8,356	10,175	8,400	11,370	8,400
Missions: Other (specific donor designations)	87,052	37,547	30,000	32,979	30,000
Missions: Ambrose University	921	1,245	600	995	600
Benevolent Fund	14,241	13,915	15,000	10,450	15,000
Other specific donor or grant designations	22,896	114,080	6,000	94,555	122,000
Total RESTRICTED FUNDS (designated) income	381,731	392,459	378,000	409,232	489,000
GENERAL FUND (incl. undesignated) Offerings	927,053	871,057	890,526	882,796	937,000
Other GENERAL FUND Revenue:					
Facility Rental Net Revenue	31,392	17,625	28,500	27,804	30,000
Investment Income	-	-	-	-	-
Miscellaneous Income	10,662	-	-	-	-
Total GENERAL FUND Gross Revenue	969,107	888,682	919,026	910,600	967,000
GROSS REVENUE (Restricted + General Funds)	1,350,838	1,281,140	1,297,026	1,319,832	1,456,000
EXPENDITURES					
RESTRICTED FUND Disbursements	391,165	389,818	378,000	465,907	489,000
Net RESTRICTED FUND Receipts/(Disbursements)	(9,434)	2,641	-	(56,675)	-
GENERAL FUND EXPENSES: (see schedule for details)					
Personnel	559,376	497,808	553,083	533,287	590,788
Building Repairs and Maintenance	106,559	106,463	109,344	108,249	114,484
Christian Education	37,080	53,824	54,052	54,713	59,904
Missions	52,456	47,456	47,004	46,804	52,144
Outreach	11,475	15,396	20,325	13,701	17,900
Financial and Miscellaneous	71,838	71,110	73,621	68,678	72,760
Office	37,004	34,941	39,242	34,543	34,900
Hospitality +Social Kitchen +Sunshine Convenor	9,333	2,630	6,200	6,790	7,500
Worship	12,831	13,237	16,155	18,389	16,620
Total OPERATING EXPENSES excl. Amortization	897,952	842,869	919,026	885,153	967,000
GENERAL FUND NET REVENUE / (LOSS) excl. Amortization	71,155	45,813	-	25,447	-
GROSS EXPENDITURES (Restricted + General Funds)	1,289,117	1,232,687	1,297,026	1,351,061	1,456,000
ADJUSTMENTS					
Amortization	(155,500)	(158,328)		(154,048)	
Loan Principal Repayments	101,894	143,941		174,623	
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	8,115	34,067	-	(10,653)	-



2022/2023 PROPOSED BUDGET

GENERAL FUND EXPENSE DETAILS

	2019/20 ACTUAL \$	2020/21 ACTUAL \$	2021/22 BUDGET \$	2021/22 ACTUAL \$	2022/23 BUDGET \$
PERSONNEL EXPENSE:					
Salaries, Housing Allowances and Wages	467,313	411,858	445,000	427,431	486,600
Employer's Share of Payroll Benefits	69,654	62,725	75,400	70,891	80,250
Subscriptions and Memberships	5,113	11,955	10,800	14,570	13,200
Professional Development	3,284	5,399	2,500	2,602	2,100
Employees' Business Expense & Conferences	14,012	5,872	19,383	17,792	8,638
Total Personnel Expense	559,376	497,808	553,083	533,287	590,788

BUILDING REPAIRS AND MAINTENANCE:

Interior Building Repairs and Maintenance	23,349	19,082	21,344	22,443	23,244
Exterior Repairs and Maintenance	7,514	9,481	9,000	8,146	9,240
Contract Cleaning/Set up and lock up	28,255	29,120	31,800	29,346	33,000
Utilities	47,441	48,781	47,200	48,315	49,000
Total Building Repairs and Maintenance	106,559	106,463	109,344	108,249	114,484

CHRISTIAN EDUCATION EXPENSE:

Adult Education	13,844	36,883	28,523	30,196	31,054
Children's Ministries	11,412	9,662	11,685	10,358	14,400
Library	1,151	613	900	1,055	1,200
Youth Ministries	10,673	6,666	12,944	13,104	13,250
Total Christian Education Expense	37,080	53,824	54,052	54,713	59,904

MISSIONS:

Local Missions Partners & Conference	22,956	22,956	25,004	24,804	30,104
Partnership: Quebec Oasis	5,000	5,000	5,000	5,000	5,040
Seamless Link	12,000	12,000	12,000	12,000	12,000
Guatemala Project	12,500	7,500	5,000	5,000	5,000
Total Missions	52,456	47,456	47,004	46,804	52,144

OUTREACH:

Pancake Breakfast	2,214		3,000	2,442	3,000
Outreach Initiatives / Support Groups	300	2,708	1,000	-	1,200
Camp Chamisall	1,800	1,800	1,800	1,800	1,800
CPCC	4,500	4,800	4,800	4,800	4,800
Soccer Camps (net of recovery) / Backyard camps	861	92	3,325	2,260	3,700
Morley Food Bank	1,800	2,400	2,400	2,400	2,400
Alpha (net of recovery)	-	3,595	4,000	-	1,000
Total Evangelism and Outreach	11,475	15,396	20,325	13,701	17,900



2022/2023 PROPOSED BUDGET

GENERAL FUND EXPENSE DETAILS (cont'd)

	2019/20 ACTUAL \$	2020/21 ACTUAL \$	2021/22 BUDGET \$	2021/22 ACTUAL \$	2022/23 BUDGET \$
FINANCIAL and MISCELLANEOUS EXPENSE:					
Bank Charges	21,347	20,662	20,800	18,445	20,000
Accounting Fee (*see note 12 on Financial Statements)	10,009	8,303	10,500	16,403	9,000
District Op. Budget (3% of Gen. Fund Rcpts.)	28,777	26,730	27,571	27,434	29,010
Insurance: Liability (*see note 12 on Financial Statements)	1,946	4,885	2,750	1,408	2,750
Insurance: Property (*see note 12 on Financial Statements)	9,759	10,531	12,000	4,989	12,000
Total Financial and Miscellaneous Expense	71,838	71,110	73,621	68,678	72,760
OFFICE EXPENSE:					
Communications	11,328	10,422	11,400	11,515	11,400
Computer and Office Equipment Maintenance	8,746	8,335	8,550	8,290	8,700
Copier Lease and Photocopying Supplies	10,580	10,135	11,100	7,478	7,200
Office Supplies	3,666	2,866	3,900	3,467	4,200
Advertising	2,684	3,183	4,292	3,793	3,400
Total Office Expense	37,004	34,941	39,242	34,543	34,900
HOSPITALITY, SOCIAL KITCHEN, SUNSHINE CONVENOR:					
Hospitality	225	108	600	1,113	900
Social Kitchen	8,703	1,445	5,000	5,075	6,000
Sunshine Convenor	405	1,078	600	601	600
Total Hospitality, Social Kitchen, Sunshine Convenor:	9,333	2,630	6,200	6,790	7,500
WORSHIP EXPENSE:					
Audio Visual Maintenance	3,334	2,705	4,750	6,802	5,400
Décor (Stage)	2,799	1,010	950	805	1,000
Equipment Maintenance	2,380	3,424	5,225	6,008	6,000
Honoraria(Pulpit Supply, Guest Musicians, etc.)	900	2,770	2,375	934	600
Special Services + Music and Worship	1,628	2,158	1,430	2,623	1,620
Training/Seminars	1,790	1,170	1,425	1,217	2,000
Total Worship Expense	12,831	13,237	16,155	18,389	16,620

Mandatory Building Loan Payments (Fixed payments of \$20,000/month)

Item	Actuals 2021.2022	Projected 2022.2023	Notes
Principal Repayments	\$174,623.00	\$157,422.00	Estimated amount. Can change depending on interest rates.
Interest	\$72,150.00	\$82,578.00	Estimated amount. Can change depending on interest rates.
Total Building Loan Payments	\$246,773.00	\$240,000.00	Total mandatory Building Loan payments to the WCD.

* Extra interest was accrued in 2021/22. See note 12 on Financial Statements.

Proposed Capital Items Budget for 2022.23 (with approximate costs)

Item	Projected Cost	Notes
Projectors & Screens	\$15,500.00	- 2 new projectors \$5000x2 - 2 new screens \$2000x2 - Labour: move and mount - \$1500
Proposed and Approved Media Plan	\$9,500.00	- Remove Baptism tanks & install flooring - Continued sound treatment for sanctuary - Would like to do steps 2 and 3 of the media plan in 2022-2023 (details available upon request)
Total	\$25,000.00	



CHURCH BYLAWS

PREAMBLE

Cochrane Alliance Church (as hereinafter defined), an unincorporated association, is a member of The Christian and Missionary Alliance in Canada (hereinafter the "C&MA"), and is governed by the "Local Church Constitution", as amended from time to time, which has been adopted by the general assembly of the C&MA (hereinafter the "Local Church Constitution").

Cochrane Alliance Church may, in accordance with the provisions of the Local Church Constitution, adopt additional bylaws, provided that such additional bylaws do not conflict with the Local Church Constitution.

The policies and regulations of Cochrane Alliance Church shall be consistent with, and Cochrane Alliance Church shall operate in accordance with, the Manual of the Christian and Missionary Alliance in Canada as amended from time to time.

ARTICLE 1 - NAME

This church shall bear the corporate name of the Cochrane Alliance Church of the Christian and Missionary Alliance in Canada hereinafter the "Cochrane Alliance Church"

ARTICLE II - MEMBERSHIP

1. Active members of the church will be those members who have been approved for membership by the Board of Elders, attend regularly, participate in the activities of the church and promote the vision of the church. Active members will be asked to affirm their membership commitment annually. If a written response to the Board of Elders request for affirmation is not received, the Board will meet with the Active Member to determine their status.
2. Members who do not meet the standard of Active Membership shall be considered Inactive Members, and shall have no voting privileges until reinstatement. If inactive for twelve months, Inactive Members will be advised by written notice and removed from the membership list.
3. Active Members who are unable to participate in the work of the church due to involvement in Christian ministries in another locale, may

apply for Associate Membership, but shall not have voting privileges.

4. If, at any time, the Board of Elders deems that a member does not meet the qualifications for membership, they may, upon careful examination and exhortation of the person, withdraw the person's membership by a three-fourths majority vote.

ARTICLE III - GOVERNMENT

1. The Board of Elders is responsible for setting a date for the Annual General Meeting (AGM) to be held within the first four months of the fiscal year.
2. Notice of all congregational meetings shall be posted in normal church communication processes at least three consecutive weekends prior to the congregational meeting.
3. Special congregational meetings may be called by the Board of Elders. Notice of such meetings will be in accordance with Section 2 of this Article and shall advise the congregation as to the purpose of the special meeting.
4. Ten percent or more of the membership may request in writing of the Board of Elders that a special congregational meeting be called and held. Such a meeting will then be called in accordance with Section 3 of this Article.
5. At the Board's discretion any meeting of the membership can include participation by electronic or other communication means that permit participants to be seen, heard and vote with each other in the manner provided by the policies and procedures of Cochrane Alliance Church. A person participating in a meeting by such means is deemed to be present at the meeting.
6. A quorum of any duly called meeting consists of the membership present.
7. All questions of parliamentary procedure not covered by the constitution and bylaws shall be decided by Robert's Rules of Order.



CHURCH BYLAWS

ARTICLE IV - BOARD OF ELDERS

1. The Board of Elders shall consist of the Lead Pastor and a minimum of three elected elders. Additional elder(s) may be elected as the church congregation grows in number, number, as determined by the Board of Elders.
2. Elders shall be elected to a term not exceeding three years. A three year term is defined as beginning at the AGM when the elder is elected and ending at the AGM three years hence. An elder can serve on the board for a maximum of two consecutive terms after which they must step off the board for a minimum of one year.
3. A quorum of the Board of Elders shall consist of a simple majority of its members.
4. When the church is without a lead pastor, the elders will have oversight of the services of the church.

ARTICLE V - PROPERTY AND RECORDS

1. An independent professional accounting firm shall be appointed by the Board of Elders before the end of each fiscal year. It shall be the duty of the accounting firm to submit a written report to the annual meeting with regards to property and records for which a review engagement or audit has been conducted.
2. A member wishing to inspect the official records may make such a request in writing to the secretary of the Board of Elders. The request must specify the item the individual wishes to review.
3. The fiscal year shall be from July 1 to June 30.
4. The spending of funds is confined to board-approved programs and projects. Each restricted contribution designated towards a board-approved fund, program, or project will be used as designated with the understanding that when the need for such a fund, program, or project has been met, or cannot be completed for any reason determined by the Board of Elders, the remaining restricted contributions designated for such fund, program or project will be used where needed most.
5. Cochrane Alliance Church shall, in accordance with the provisions of the Local Church

Constitution, register all real property in the name of The Western Canadian District of the Christian and Missionary Alliance in Canada, and should Cochrane Alliance Church cease to exist or cease operations, then:

- (a) all of its real property, appurtenances and effects then owned or held by it shall inure to the benefit of and become the property of The Western Canadian District of the Christian and Missionary Alliance in Canada; and
- (b) all of its other property and assets shall be distributed to one or more qualified donees."

ARTICLE VI - NOMINATING COMMITTEE

The Nominating Committee shall consist of the Lead Pastor and two members from the Board of Elders, as well as two members elected by and from the congregation.

ARTICLE VII - BYLAW AMENDMENTS

1. The Bylaws may be amended from time to time following a two-thirds majority vote of the members present at an annual meeting or a special membership meeting called for such purpose.
2. The active members present constitute a quorum in order to amend the bylaws.
3. Proposed amendments to the Bylaws shall be posted for the membership at least three consecutive weekends prior to the date of the membership meeting called to consider approval of the same.

ARTICLE VIII - REVOCATION

All Cochrane Alliance Church versions of the bylaws which have changed or been deleted at this meeting are hereby revoked.

Amended and Adopted at the Annual General Meeting, September 20th, 2020