



COCHRANE ALLIANCE CHURCH

2022.23 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 24, 2023 | 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 25, 2022
5. Presentation: Women Serving as Elders - Jon Schwab
 - a. Pastoral Encouragement
 - b. Motion
6. Vote: Women Serving as Elders at Cochrane Alliance Church
7. Reports
 - a. Lead Pastor - Brent Rushinka
 - b. Board of Elders - Jon Schwab
 - c. Treasurer - Don Neufeld
8. Result of Vote: Women Serving as Elders
 - a. Destroy Ballots
9. Report of the Nominating Committee - Brent Rushinka
10. Election of Elders
11. Report of the Treasurer - Don Neufeld
 - a. 2022-2023 Financial Statements
 - b. 2023-2024 Budget
12. Results of Vote: Election of Elders
 - a. Destroy Ballots
13. Closing Prayer - Tim Heavenor
14. 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 25, 2022

1. Call to Order - Jon Schwab

Board of Elders Chair, Jon Schwab called the meeting to order at 1:35pm.

2. Adoption of Agenda

MOVED by Lorraine Vlietstra & SECONDED by Blaine Ellerby to accept the agenda.

CARRIED

3. Devotion and Opening Prayer - Brent Rushinka

Pastor Brent shared verses from Philippians 1 and a prayer from Pray the Word for your Church book.

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

MOVED by Stacey Morris & SECONDED by Loretta Arkell to accept the minutes of the September 26, 2021 Annual General Meeting.

CARRIED

5. Report of the Nominating Committee - Brent Rushinka

MOVED by Franc Godri & SECONDED by Heather Ann Braun to accept the report of the Nominating Committee.

CARRIED

6. Election of Elders

Elections for a 3-year term for Dave Anger, Adam Braun, Don Neufeld and Simon Ongom (second term), and Tim Heavenor for a 1-year term on the Board of Elders, was held by secret paper ballot.

7a. Lead Pastor Report - Brent Rushinka

MOVED by Adam Braun & SECONDED by Brad Smith to accept the Lead Pastor's report.

CARRIED

7b. Board of Elders Report – Jon Schwab

The chair was passed to Franc Godri while Jon Schwab presented the report from the Board of Elders. The Board of Elders' report focused on the Lead Pastor transition process and the welcoming of Brent Rushinka as the congregation's new Lead Pastor. John Schwab extended thanks to the staff for maintaining "the good fight" during the transition time.

Jon Schwab also shared that the Joy McKinnon estate financial gift (\$96,000) was used toward the Capital Fund.

Jon Schwab also thanked the financial committee for the work on crafting the 2022-2023 budget.

MOVED by Mike Poettcker & SECONDED by Wendy Ellerby to accept the Board of Elders' report.

CARRIED

The chair was passed back to Jon Schwab.



ANNUAL GENERAL MEETING MINUTES

SEPTEMBER 25, 2022

7c. Treasurer's Report - Mike Poettcker

Mike Poettcker presented the Treasurer's report. Cochrane Alliance Church ended the 2021-2022 fiscal year with income exceeding expenses.

Mike also spent time presenting the current balance of the building project. An \$80,000 gift was given toward the building project balance; however, current giving is roughly half of the congregation's current obligation. Daniel Souza was present to respond to interest rates projections. It is generally believed that the mortgage will be paid by 2033. Staff and Board made attempts (Evergreen) during the fiscal year to make the congregation aware of the financial need to pay down the mortgage.

8. 2021-2022 Financial Statements - Mike Poettcker

MOVED by Franc Godri & SECONDED by Heather Ann Braun to accept the Treasurer's report and the 2021-2022 Financial Statements.

CARRIED

9. 2022-2023 Budget - Mike Poettcker

The budget for 2022-2023 is projected to be \$967,000 (+5.2% from 2021-2022).

MOVED by Mike Poettcker & SECONDED by Franc Godri to accept the 2022-2023 Budget as presented.

CARRIED

10. Destroy Ballots

Dave Anger, Adam Braun, Don Neufeld and Simon Ongom (second term) were elected for a 3-year term, and Tim Heavenor was elected for a 1-year term.

MOVED by Blaine Ellerby and SECONDED by Scott Vlietstra to destroy the ballots.

CARRIED

11. Closing Prayer - Dave Anger

12. Adjournment

Jon Schwab adjourned the meeting at 2:27pm.

There was a time of concentrated prayer immediately following the official adjournment of the meeting.



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 (the organization) that comprise the statement of financial position as at June 30, 2023, 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 (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.

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, 2023, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

Chartered Professional Accountants

August 21, 2023



FINANCIAL STATEMENTS

COCHRANE ALLIANCE CHURCH OF THE CHRISTIAN AND MISSIONARY ALLIANCE
Statement of Financial Position
June 30, 2023

	Restricted Capital 2023	Restricted Missions 2023	Restricted Other 2023	Unrestricted General 2023	Total 2023	Total 2022
ASSETS						
CURRENT						
Cash and cash equivalents	\$ -	\$ -	\$ 42,003	\$ 152,998	\$ 195,001	\$ 228,527
Goods and services tax recoverable	-	-	-	3,577	3,577	2,895
Staff loans (Note 3)	-	-	-	-	-	3,125
Prepaid expenses	-	-	-	9,121	9,121	8,177
	-	-	42,003	165,696	207,699	242,724
PROPERTY AND EQUIPMENT (Note 4)	-	-	-	4,487,074	4,487,074	4,617,239
	\$ -	\$ -	\$ 42,003	\$ 4,652,770	\$ 4,694,773	\$ 4,859,963

	Restricted Capital 2023	Restricted Missions 2023	Restricted Other 2023	Unrestricted General 2023	Total 2023	Total 2022
LIABILITIES AND NET ASSETS						
CURRENT						
Accounts payable	\$ -	\$ -	\$ -	\$ 37,458	\$ 37,458	\$ 34,725
CEBA LOAN (Note 7)	-	-	-	40,000	40,000	-
Employee deductions payable	-	-	-	9,406	9,406	-
Callable debt (Note 6)	-	-	-	1,921,204	1,921,204	2,037,741
	-	-	-	2,008,068	2,008,068	2,072,466
CEBA LOAN (Note 7)	-	-	-	-	-	40,000
	-	-	-	2,008,068	2,008,068	2,112,466
FUND BALANCES						
Externally restricted	-	-	42,003	-	42,003	96,700
Unrestricted	-	-	-	78,832	78,832	71,299
Internally restricted - invested in Capital Assets	-	-	-	2,565,870	2,565,870	2,579,498
	-	-	42,003	2,644,702	2,686,705	2,747,497
	\$ -	\$ -	\$ 42,003	\$ 4,652,770	\$ 4,694,773	\$ 4,859,963

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, 2023

	Restricted Capital 2023	Restricted Missions 2023	Restricted Other 2023	Unrestricted General 2023	Total 2023	Total 2022
REVENUE						
Offerings - General	\$ 138,585	\$ 31,973	\$ -	\$ 1,035,858	\$ 1,206,416	\$ 1,160,760
Offerings - Designated	-	19,065	87,371	-	106,436	131,268
Rent	-	-	-	37,909	37,909	27,804
	138,585	51,038	87,371	1,073,767	1,350,761	1,319,832
EXPENSES						
Ministries (Schedule 1)	-	-	-	561,420	561,420	530,679
General and office (Schedule 1)	-	-	-	198,405	198,405	182,140
Facilities (Schedule 1)	-	-	-	136,117	136,117	111,830
Missions (Schedule 2)	-	51,758	-	-	51,758	84,844
Short term missions (Schedule 2)	-	-	-	-	-	-
Benevolence and local church projects (Schedule 2)	-	-	113,354	-	113,354	134,290
Local programs and outreach (Schedule 2)	-	-	-	67,078	67,078	60,505
Amortization	-	-	-	155,355	155,355	154,048
Interest on debt (Note 6)	128,066	-	-	-	128,066	72,149
	128,066	51,758	113,354	1,118,375	1,411,553	1,330,485
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 10,519	\$ (720)	\$ (25,983)	\$ (44,608)	\$ (60,792)	\$ (10,653)

COCHRANE ALLIANCE CHURCH OF THE CHRISTIAN AND MISSIONARY ALLIANCE Statement of Changes in Net Assets Year Ended June 30, 2023

	Restricted Capital	Restricted Missions	Restricted Other	Unrestricted General	Unrestricted Net Investment in Property and Equipment	2023
NET ASSETS - BEGINNING OF YEAR	\$ -	\$ 721	\$ 95,979	\$ 71,299	\$ 2,579,498	\$ 2,747,497
Excess (deficiency) of revenue over expenses	10,519	(720)	(25,983)	(44,608)	-	(60,792)
Fixed asset additions	(18,859)	-	-	(6,331)	25,190	-
Principal repayment	(116,537)	-	-	-	116,537	-
Amortization	-	-	-	155,355	(155,355)	-
Internal transfer	124,877	(1)	(27,993)	(96,883)	-	-
NET ASSETS - END OF YEAR	\$ -	\$ -	\$ 42,003	\$ 78,832	\$ 2,565,870	\$ 2,686,705



FINANCIAL STATEMENTS

COCHRANE ALLIANCE CHURCH OF THE CHRISTIAN AND MISSIONARY ALLIANCE
Statement of Cash Flows
Year Ended June 30, 2023

	Restricted Capital 2023	Restricted Missions 2023	Restricted Other 2023	Unrestricted General 2023	Total 2023	Total 2022
OPERATING ACTIVITIES						
Contributions and other	\$ 138,585	\$ 51,038	\$ 87,370	\$ 1,073,767	\$ 1,350,761	\$ 1,323,011
Cash paid to suppliers and employees	-	(51,758)	(113,353)	(951,827)	(1,116,937)	(1,120,011)
Staff loan repayments	-	-	3,125	-	3,125	1,500
Interest on loan	(128,066)	-	-	-	(128,066)	(72,150)
Goods and services tax	-	-	-	(682)	(682)	(470)
Cash flow from operating activities	10,519	(720)	(22,858)	121,258	108,201	131,880
INVESTING ACTIVITY						
Purchase of property and equipment	(18,859)	-	-	(6,331)	(25,190)	-
Cash flow from (used by) investing activity	(18,859)	-	-	(6,331)	(25,190)	-
FINANCING ACTIVITIES						
Repayment of callable debt	(116,537)	-	-	-	(116,537)	(174,623)
Inter-fund transfers	124,877	(1)	(27,993)	(96,883)	-	-
Cash flow from (used by) financing activities	8,340	(1)	(27,993)	(96,883)	(116,537)	(174,623)
INCREASE (DECREASE) IN CASH FLOW	-	(721)	(50,851)	18,044	(33,526)	(42,743)
Cash and cash equivalents - beginning of year	-	721	92,854	134,953	228,527	271,270
CASH AND CASH EQUIVALENTS - END OF YEAR	-	-	42,003	152,998	195,001	228,527
CASH CONSISTS OF:						
Cash	\$ -	\$ -	\$ 42,003	\$ 121,483	\$ 163,486	\$ 228,527
Guaranteed Investment Certificate	-	-	-	31,515	31,515	-
	\$ -	\$ -	\$ 42,003	\$ 152,998	\$ 195,001	\$ 228,527



FINANCIAL STATEMENTS

COCHRANE ALLIANCE CHURCH OF THE CHRISTIAN AND MISSIONARY ALLIANCE

Notes to Financial Statements

Year Ended June 30, 2023

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 (ASNPO).

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 organization's program delivery and administrative activities.



FINANCIAL STATEMENTS

COCHRANE ALLIANCE CHURCH OF THE CHRISTIAN AND MISSIONARY ALLIANCE

Notes to Financial Statements

Year Ended June 30, 2023

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 CEBA loan 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, with original maturities of 12 months or less. 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.



FINANCIAL STATEMENTS

COCHRANE ALLIANCE CHURCH OF THE CHRISTIAN AND MISSIONARY ALLIANCE

Notes to Financial Statements

Year Ended June 30, 2023

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, 2023

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 remaining balance of this loan was forgiven in March 2023.

4. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Land	\$ 105,500	\$ -	\$ 105,500	\$ 105,500
Land improvements	89,761	89,761	-	-
Building	5,562,336	1,235,118	4,327,218	4,470,893
Other machinery and equipment	19,941	2,007	17,934	-
Computer equipment	193,709	193,709	-	1,553
Furniture and fixtures	328,246	291,824	36,422	39,293
	<u>\$ 6,299,493</u>	<u>\$ 1,812,419</u>	<u>\$ 4,487,074</u>	<u>\$ 4,617,239</u>

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 and has retained beneficial ownership.

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 .(see Note 6)

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, 2023 or 2022.



FINANCIAL STATEMENTS

COCHRANE ALLIANCE CHURCH OF THE CHRISTIAN AND MISSIONARY ALLIANCE

Notes to Financial Statements

Year Ended June 30, 2023

6. CALLABLE DEBT DUE TO DISTRICT

	<u>2023</u>	<u>2022</u>
Conventional mortgage bearing interest at Prime + .5% with monthly payments of \$20,000 including principal and interest during the period from March 1, 2019 to the projected date of retirement of debt on June 30, 2033. Additional principal repayments are allowed without penalty. The District has the right to call the loan on demand; consequently the full amount of the loan is reported as a current liability.	<u>\$ 1,921,204</u>	<u>\$ 2,037,741</u>

Assuming no changes in interest rates, principal repayment terms are approximately:

2024	\$ 100,247
2025	107,976
2026	116,301
2027	125,267
2028	134,925
Thereafter	<u>1,336,488</u>
	<u>\$ 1,921,204</u>

As title to the church property rests with the District (*Note 4*), the property is collateral for the financing provided.

Interest of \$128,066 (2022: \$72,150), calculated at 3.70% to 7.45% during the year, has been included in the statement of operations for the Capital fund.

7. CEBA LOAN

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, 2023

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	2023	2022
Worship	\$ 10,437	\$ 403	\$ 10,034	\$ 18,389
Children	17,728	3,319	14,409	10,358
Youth	16,521	4,823	11,698	13,104
Adult	43,469	5,678	37,791	30,196
Hospitality	11,054	100	10,954	6,790
Local Outreach	21,896	6,963	14,933	13,701
	<u>\$ 121,105</u>	<u>\$ 21,286</u>	<u>\$ 99,819</u>	<u>\$ 92,538</u>

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 organization's transactions with the District. These transactions are in the normal course of operations and are measured at the amount of cash transferred.

	2023	2022
District Operating Budget - support for the District office	\$ 32,049	\$ 27,434
Canadian Ministries - support for Canadian missions	4,831	11,370
Global Advance - support for international missions	25,831	39,500
	<u>\$ 62,711</u>	<u>\$ 78,304</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, 2023 CAC contributed \$19,703 (2022 - \$18,573) 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.



FINANCIAL STATEMENTS

COCHRANE ALLIANCE CHURCH OF THE CHRISTIAN AND MISSIONARY ALLIANCE
Schedule of Operating Expenses **(Schedule 1)**
Year Ended June 30, 2023
(Unaudited)

	2023	2022
MINISTRIES		
Staff remuneration and benefits	\$ 451,758	\$ 415,822
Worship resources, net of recoveries <i>(Note 8)</i>	10,034	18,389
Childrens' ministries, net of recoveries <i>(Note 8)</i>	14,409	10,358
Youth ministries, net of recoveries <i>(Note 8)</i>	11,698	13,104
Adult ministries, net of recoveries <i>(Note 8)</i>	37,791	30,196
Hospitality, net of recoveries <i>(Note 8)</i>	10,954	6,790
Meeting and travel	6,634	17,792
Professional development	16,918	17,173
Library	1,224	1,055
	\$ 561,420	\$ 530,679
GENERAL AND OFFICE		
Staff remuneration and benefits	\$ 102,471	\$ 82,500
District Operating Budget <i>(Note 9)</i>	32,049	27,434
Copier and printer	5,369	7,478
Communications	17,204	15,308
Office	32,380	33,018
Professional fees	8,932	16,402
	\$ 198,405	\$ 182,140
FACILITIES		
Repairs and maintenance	\$ 38,807	\$ 30,587
Cleaning	29,463	29,346
Utilities	55,742	48,315
Insurance	12,105	3,582
	\$ 136,117	\$ 111,830



FINANCIAL STATEMENTS

COCHRANE ALLIANCE CHURCH OF THE CHRISTIAN AND MISSIONARY ALLIANCE
Schedule of Missions Support **(Schedule 2)**
Year Ended June 30, 2023
(Unaudited)

	2023	2022
MISSIONS FUND		
Global Advance <i>(Note 9)</i>	\$ 25,830	\$ 39,500
Canadian Ministries <i>(Note 9)</i>	4,831	11,370
Missionary support	<u>21,097</u>	<u>33,975</u>
	<u>\$ 51,758</u>	<u>\$ 84,845</u>
OTHER RESTRICTED FUNDS		
Local church projects	\$ 103,684	\$ 120,586
Benevolence	<u>9,670</u>	<u>13,705</u>
	<u>\$ 113,354</u>	<u>\$ 134,291</u>
GENERAL FUND		
Local missions	\$ 52,145	\$ 46,804
Local outreach, net of recoveries <i>(Note 8)</i>	<u>14,933</u>	<u>13,701</u>
	<u>\$ 67,078</u>	<u>\$ 60,505</u>



2023/2024 PROPOSED BUDGET

<u>OVERALL BUDGET SUMMARY</u>	2022/23 BUDGET \$	2022/23 ACTUAL \$	2023/24 BUDGET \$
INFLOWS			
RESTRICTED FUNDS (designated) income:			
Capital Restricted Fund	25,000	17,125	12,000
Capital Restricted Fund - OTD/B2B/Evergreen	240,000	121,460	110,400
Missions: Global Advance	48,000	25,110	36,000
Missions: Canadian Ministries	8,400	4,831	6,000
Missions: Other specific donor designations	30,000	20,065	24,000
Missions: Ambrose University	600	1,032	600
Benevolent Fund	15,000	9,460	15,000
Other specific donor or grant designations	122,000	77,913	100,000
Total RESTRICTED FUNDS (designated) income	489,000	276,995	304,000
GENERAL FUND (incl.undesigated) Offerings	937,000	1,034,343	1,019,000
Other GENERAL FUND Revenue:			
Facility Rental Net Revenue	30,000	37,909	36,000
Investment Income	-	1,515	-
Miscellaneous Income	-	-	10,000
Total GENERAL FUND Gross Revenue	967,000	1,073,767	1,065,000
GROSS REVENUE (Restricted + General Funds)	1,456,000	1,350,762	1,369,000
OUTFLOWS			
RESTRICTED FUND Disbursements	489,000	428,574	433,600
Net RESTRICTED FUND Receipts/(Disbursements)	-	(151,579)	(129,600)
GENERAL FUND EXPENSES: (see schedule for details)			
Personnel	590,788	577,781	546,395
Building Repairs and Maintenance	114,484	124,012	124,480
Christian Education	59,904	65,123	62,525
Missions	52,144	52,144	51,960
Outreach	17,900	14,933	15,125
Financial and Miscellaneous	72,760	74,190	76,375
Office	34,900	33,850	34,600
Hospitality +Social Kitchen +Sunshine Convenor	7,500	10,954	10,100
Worship	16,620	16,366	13,840
Total OPERATING EXPENSES excl. Amortization	967,000	969,352	935,400
GENERAL FUND NET REVENUE / (LOSS) excl. Amortization	-	104,415	129,600
GROSS EXPENDITURES (Restricted + General Funds)	1,456,000	1,397,926	1,369,000
ADJUSTMENTS			
Amortization		(155,355)	
Loan Principal Repayments		116,537	
Fixed asset additions		25,190	
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-	(60,792)	-



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