

# **BE IN CHRIST CHURCH OF CANADA**

**Financial Statements**

**Year ended December 31, 2021**

**BE IN CHRIST CHURCH OF CANADA**  
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**December 31, 2021**

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## INDEPENDENT AUDITOR'S REPORT

To the Members of  
Be In Christ Church of Canada

### *Qualified Opinion*

We have audited the financial statements of Be In Christ Church of Canada (the "Organization"), which comprise the statement of financial position as at December 31, 2021, and the statements of operations, changes in fund balances, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### *Basis for Qualified Opinion*

In common with many charitable organizations, the Organization derives revenues from contributions, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to revenues, excess (deficiency) of revenues over expenses, and cash flows from operations for the year ended December 31, 2021, current assets as at December 31, 2021, and fund balances as at January 1 and December 31, 2021. The predecessor auditor's opinion on the financial statements for the year ended December 31, 2020 was modified accordingly because of the possible effects of this limitation in scope. .

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### *Emphasis of Matter*

We draw attention to Note 3 to the financial statements, which explains that certain comparative information presented for the year ended December 31, 2020 has been restated. Our qualified opinion is not modified in respect of this matter.

### *Other Matter*

The financial statements of the Organization for the year ended December 31, 2020 were audited by another auditor who expressed a qualified opinion on those financial statements on March 25, 2021 for reasons described in the *Basis for Qualified Opinion* section.

## INDEPENDENT AUDITOR'S REPORT - cont'd

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ◆ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ◆ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

## **INDEPENDENT AUDITOR'S REPORT - cont'd**

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Adams & Miles LLP*

Chartered Professional Accountants  
Licensed Public Accountants

Toronto, Canada  
April 19, 2022

**BE IN CHRIST CHURCH OF CANADA****Statement of Financial Position****December 31, 2021**

	2021	2020 <i>(As restated - Note 3)</i>
<b>Assets</b>		
Current		
Cash	\$ 366,773	\$ 198,684
Accounts receivable	52,850	55,086
Harmonized Sales Tax recoverable	159,258	8,145
Prepaid expenses and advance payments	22,580	16,646
Due from related parties (Note 4)	-	7,294
	<b>601,461</b>	285,855
Investments (Note 5)	2,691,223	4,042,745
Church properties (Note 6)	2	2
	<b>\$ 3,292,686</b>	<b>\$ 4,328,602</b>
<b>Liabilities</b>		
Current		
Accounts payable and accrued liabilities	\$ 145,628	\$ 107,248
Due to related parties (Note 4)	2,400	-
Deferred revenues	-	5,000
	<b>148,028</b>	112,248
Canada Emergency Business Account loan payable (Note 7)	60,000	60,000
	<b>208,028</b>	172,248
<b>Fund Balances</b>		
Conference Fund	300,000	300,000
Internally Restricted Funds (Note 8)	1,976,606	3,081,564
Growth Fund	702,806	669,624
Endowment Funds	105,246	105,166
	<b>3,084,658</b>	4,156,354
	<b>\$ 3,292,686</b>	<b>\$ 4,328,602</b>

Approved on behalf of the Board:

Judy Maranta Director

Stephen Roy Director

**BE IN CHRIST CHURCH OF CANADA**

**Statement of Operations**

**Year ended December 31, 2021**

	Conference Fund	Internally Restricted Funds	Total 2021	Total 2020
<b>Revenues</b>				
Shared contributions	\$ 1,059,784	\$ -	\$ 1,059,784	\$ 1,029,414
Investment income	111,942	98,014	209,956	104,228
Contributions for Network Churches	-	197,314	197,314	393,148
Designated contributions	11,556	-	11,556	26,548
Event and registration fees	-	-	-	2,834
Other	29,541	-	29,541	148,602
	1,212,822	295,328	1,508,150	1,704,774
<b>Expenses</b>				
Disbursements to Network Churches (Note 9)	145,577	347,649	493,226	666,548
Conference oversight (Note 9)	346,790	-	346,790	453,029
Administration and office (Note 9)	321,304	-	321,304	317,537
Global Ministry (Notes 9 and 10)	99,826	-	99,826	133,633
Next Generation Ministries (Note 9)	63,968	-	63,968	38,018
Camp Kahquah support (Note 11)	60,229	-	60,229	61,441
Church and leadership support	35,421	-	35,421	43,000
	1,073,115	347,649	1,420,764	1,713,206
<b>Excess (deficiency) of revenues over expenses from operations</b>	139,707	(52,321)	87,386	(8,432)
<b>Other income (disbursements)</b>				
Proceeds from property sale (Note 6)	-	702,525	702,525	-
Purchase of property (Note 6)	-	(1,750,510)	(1,750,510)	-
Funds returned to churches	-	(111,098)	(111,098)	(105,472)
Proceeds from insurance claim	-	-	-	1,529,099
	-	(1,159,082)	(1,159,082)	1,423,627
<b>Excess (deficiency) of revenues over expenses</b>	\$ 139,707	\$ (1,211,403)	\$ (1,071,696)	\$ 1,415,195

**BE IN CHRIST CHURCH OF CANADA**

**Statement of Changes in Fund Balances**

**Year ended December 31, 2021**

	Conference Fund	Internally Restricted Funds	Growth Fund	Endowment Funds	Total 2021	Total 2020
<b>Balance, beginning of year</b>	\$ 300,000	\$ 2,999,619	\$ 669,624	\$ 105,166	\$ <b>4,074,409</b>	\$ 2,659,214
Accounting changes (Note 3)	-	81,945	-	-	<b>81,945</b>	81,945
As restated	300,000	3,081,564	669,624	105,166	<b>4,156,354</b>	2,741,159
Excess (deficiency) of revenues over expenses	139,707	(1,211,403)	-	-	<b>(1,071,696)</b>	1,415,195
Interfund transfers (Note 8)	(139,707)	106,445	33,182	80	-	-
<b>Balance, end of year</b>	\$ 300,000	\$ 1,976,606	\$ 702,806	\$ 105,246	\$ <b>3,084,658</b>	\$ 4,156,354



**BE IN CHRIST CHURCH OF CANADA****Statement of Cash Flows****December 31, 2021**

	<b>Total 2021</b>	Total 2020 <i>(As restated - Note 3)</i>
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Excess (deficiency) of revenues over expenses	\$ (1,071,696)	\$ 1,415,195
Realized and unrealized gains (losses) on investments	(103,245)	(25,216)
Changes in		
Accounts receivable	2,236	9,052
Harmonized Sales Tax recoverable	(151,113)	32,545
Prepaid expenses and advance payments	(5,934)	14,523
Accounts payable and accrued liabilities	38,380	18,233
Deferred revenues	(5,000)	-
	<b>(1,296,372)</b>	<b>1,464,332</b>
<b>Investing activity</b>		
Change in investments (net)	<b>1,454,767</b>	<b>(1,499,871)</b>
<b>Financing activities</b>		
Advances from (to) related parties (net)	<b>9,694</b>	<b>(18,106)</b>
Proceeds from Canada Emergency Business Account loan payable	<b>-</b>	<b>60,000</b>
	<b>9,694</b>	<b>41,894</b>
<b>Increase in cash</b>	<b>168,089</b>	<b>6,355</b>
<b>Cash, beginning of year</b>	<b>198,684</b>	<b>192,329</b>
<b>Cash, end of year</b>	<b>\$ 366,773</b>	<b>\$ 198,684</b>

# BE IN CHRIST CHURCH OF CANADA

## Notes to Financial Statements

Year ended December 31, 2021

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### 1. Nature and purpose of operations

Be In Christ Church of Canada (the "Organization") was federally incorporated without share capital under the Canada Not-for-profit Corporations Act and is a registered charity, exempt from income taxes under Section 149(1) for the Income Tax Act (Canada).

The Organization serves as the denominational headquarters for the Be In Christ Churches in Canada, providing oversight and assistance to them. The continued operations of the Organization is dependent on the continued support of its members.

#### BIC Canada-Global

The Organization and BIC Canada-Global (formerly Brethren in Christ World Missions) are commonly controlled by the same Board of Directors. BIC Canada-Global is an unincorporated registered charity. Its purpose is to support and extend its ministry by partnering and labouring cross-culturally with other Christian believers to share faith, disciple, teach, train, serve, minister to humanity's needs, and plant churches. Summary financial information is disclosed in Note 10.

#### Camp Kahquah

The Organization is the beneficial owner of Camp Kahquah Corporation Limited (the "Camp"), which was incorporated under the Ontario Business Corporations Act on May 31, 1963, and operates a camp located on the shores of Ahmic Lake, near Magnetawan, Ontario. The Camp is a registered charity. Summary financial information is included in Note 11.

#### Impact of COVID-19

The duration and impact of COVID-19 are unknown at this time. It is not possible to reliably estimate the impact that the length and severity these developments will have on the financial results and conditions of the Organization in future periods. The Organization continues to closely monitor and assess the impact on its operations. It is management's opinion that the Organization will have sufficient resources to mitigate uncertainty due to COVID-19 in 2022.

# BE IN CHRIST CHURCH OF CANADA

## Notes to Financial Statements

Year ended December 31, 2021

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### 2. Summary of significant accounting policies

#### **Basis of presentation**

The financial statements are the representation of management and have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") in Part III of the CPA Canada Handbook and include the following significant accounting policies.

#### **Fund accounting**

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

#### *Conference Fund*

The Conference Fund consists of unrestricted contributions and other revenue and related expenses for the program delivery, administrative activities, and working capital requirements of the Organization.

#### *Internally Restricted Funds and Growth Fund*

The Organization has a number of internally restricted funds, as well as the Growth Fund, held for various projects and initiatives (Note 8). The use of these funds is at the discretion of the Board of Directors.

#### *Endowment Funds*

The Endowment Funds report funds donated by individuals to be held in perpetuity, as well as accumulated investment income awaiting designation by the donors.

#### **Interfund transfers**

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

## BE IN CHRIST CHURCH OF CANADA

### Notes to Financial Statements

Year ended December 31, 2021

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#### 2. Summary of significant accounting policies - cont'd

##### **Revenue recognition**

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

Externally restricted revenues are recognized as revenues of the appropriate restricted fund in the year received. Externally restricted revenues to the Conference Fund are recorded as deferred revenues and subsequently recognized as revenues as the related expenses are incurred. If a project or mission for which funds had been contributed is overfunded or ceases, the funds are utilized at the discretion of the Organization.

Unrestricted contributions are recognized as revenues in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Endowment contributions are recognized as revenues of an Endowment Fund in the year received.

Event and registration fees are recognized as revenues in the year in which the event takes place.

Investment and other income is recognized as earned.

##### **Allocation of expenses**

The Organization allocates personnel expenses to programs based on the estimated time spent working on each activity (Note 9).

##### **Financial instruments**

The Organization's financial instruments are comprised of cash, accounts receivable, due from (to) related parties, investments, accounts payable, and the Canada Emergency Business Account loan payable.

Financial instruments are initially recorded at their fair value. The Organization subsequently measures its financial instruments at their amortized cost, except for marketable securities, which are measured at their fair value.

# BE IN CHRIST CHURCH OF CANADA

## Notes to Financial Statements

Year ended December 31, 2021

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### 2. Summary of significant accounting policies - cont'd

#### Impairment of long-lived assets

The Organization tests for impairment whenever events or changes in circumstances indicate that the carrying amount of long-lived assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected undiscounted 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 carrying value exceeds its fair value.

#### Measurement uncertainty

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Specifically, significant assumptions have been made in the allocation of personnel expenses to their respective programs. Such estimates are periodically reviewed and any adjustments necessary are reported in the year in which they become known. Actual results could differ from these estimates.

### 3. Accounting changes

During 2021, management identified two investments held for internally restricted funds, as well as a bank account held for pension contributions collected for remittance (Note 11), which were not recorded in the Statement of Financial Position in the prior year.

Accordingly, these errors were corrected by management by restating the comparative amounts in the Statement of Financial Position as at December 31, 2020, as follows:

	As previously stated	Adjustment	As restated
Cash	\$ 143,669	\$ 55,015	\$ 198,684
Investments	3,960,800	81,945	4,042,745
Accounts payable and accrued liabilities	52,233	55,015	107,248
Internally Restricted Funds	2,999,619	81,945	3,081,564

## BE IN CHRIST CHURCH OF CANADA

### Notes to Financial Statements

Year ended December 31, 2021

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#### 4. Due from (to) related parties

The Be In Christ community includes a number of entities that have common objectives but that are governed by independent boards of directors.

Included in the due from (to) related parties balance is (\$2,400) (2020 - \$27,294) due from (to) BIC Canada-Global and \$Nil (2020 - \$20,000) due to Welland BIC Church.

Related party balances are non-interest bearing and have no fixed terms of repayment.

#### 5. Investments

Investments consists of funds for internally restricted funds and the Conference Fund, and are invested with the BIC Fund. The BIC Fund (formerly The Brethren in Christ Fund) is a separately incorporated entity, governed by an independent board, and is a loan fund that manages invested funds and provides lending to Be In Christ churches and ministries.

Investments consist of deposits which earn interest of 3% (2020 - 3%) per annum and have no maturity dates, as well as a portfolio of marketable securities invested in the stock market.

	2021	2020 (As restated - Note 3)
Fixed-interest earning deposits	\$ 1,816,385	\$ 3,271,151
Marketable securities	874,838	771,594
	<u>\$ 2,691,223</u>	<u>\$ 4,042,745</u>

## BE IN CHRIST CHURCH OF CANADA

### Notes to Financial Statements

Year ended December 31, 2021

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#### 6. Church properties

The Organization has title to, but no beneficial interest in, church properties of its members. Accordingly, the value of these properties is recorded in the financial statements of the Organization at a nominal amount, even when the church property has been purchased by the Organization on a member church's behalf. When it is determined that a member church is not continuing operations, the beneficial ownership of the property will pass to the Organization.

The Organization has title to the following properties:

Boyle, St. Ann's, ON  
Camp Kahquah, Magnetawan, ON  
Clearview, Kindersley, SK  
Covenant Church, Penetang, ON  
Crossroads, Puslinch, ON  
Delisle BIC, Delisle, SK  
Fallsview, Niagara Falls, ON  
Fordwich BIC, Fordwich, ON  
Heise Hill, Gormley, ON  
Kirkland Lake, Kirkland Lake, ON  
Massey Place BIC, Saskatoon, SK  
New Hope, Belleville, ON  
New Life, Collingwood, ON  
New Life Christian Church, Toronto, ON  
Oak Ridges, Richmond Hill, ON  
Orchard Creek, Thorold, ON  
Pathway Community Church, Kitchener, ON  
Port Colborne BIC, Port Colborne, ON  
Riverside, Fort Erie, ON  
Rosebank, New Dundee, ON  
Sauble Christian Fellowship, Sauble Beach, ON  
Stayner BIC, Stayner, ON  
The Dwelling Place, Springvale, ON  
The Meeting House Sandbanks, Sandbanks, ON  
The Mission, Houghton, ON  
Trinitylife, Sherkston, ON  
Wainfleet BIC, Wainfleet, ON  
Westheights BIC, Kitchener, ON  
Welland BIC, Welland, ON

## **BE IN CHRIST CHURCH OF CANADA**

### **Notes to Financial Statements**

**Year ended December 31, 2021**

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#### **6. Church properties - cont'd**

On February 26, 2021, the Organization sold the property of Welland BIC Church for net proceeds of \$702,525. On November 24, 2021, the Organization purchased property for Welland BIC Church for a total of \$1,750,510.

Subsequent to year end, on January 26, 2022, the Organization sold the property of New Hope Church for net proceeds of \$869,500.

#### **7. Canada Emergency Business Account loan payable**

In 2020, the Organization received the Canada Emergency Business Account ("CEBA") loan, which is an interest-free loan of \$60,000 to assist with the operating cash flow needs of the Organization. The loan is interest-free for the initial term up to December 31, 2023. As part of the program, \$20,000 of the loan will be forgiven if \$40,000 is repaid in full on, or before, December 31, 2023. From the period commencing December 31, 2023 to the extended term date of December 31, 2025, the loan will bear an annual interest rate of 5%.



**BE IN CHRIST CHURCH OF CANADA**

**Notes to Financial Statements**

**Year ended December 31, 2021**

**8. Internally Restricted Funds**

	Balances, beginning of year <i>(As restated - Note 3)</i>	Excess (deficiency) of revenues over expenses	Transfers	Balances, end of year
Funds Held for Member Churches	\$ 2,395,212	\$(1,073,777)	\$ (18,537)	\$ 1,302,898
Group Health Contingency Fund	449,814	11,356	68,967	530,137
Bethel Cemetery Fund	14,340	-	-	14,340
Historical Society Fund	-	-	3,371	3,371
Ministers Pension Fund	67,605	1,362	(68,967)	-
Network Churches				
Belleville Fund	27,514	(23,116)	40,000	44,398
Hamilton Fund	39,945	(13,872)	3,334	29,407
Oakville Fund	22,910	(1,307)	-	21,603
Brockville Fund	9,786	(21,673)	25,000	13,113
Vancouver Fund	531	(14,395)	25,000	11,136
Kingston Fund	1,995	(25,792)	30,000	6,203
Bluewater Fund	39,732	(39,732)	-	-
Niagara Fund	9,620	(11,205)	1,585	-
St. John's Fund	2,560	748	(3,308)	-
	<b>\$ 3,081,564</b>	<b>\$(1,211,403)</b>	<b>\$ 106,445</b>	<b>\$ 1,976,606</b>

**BE IN CHRIST CHURCH OF CANADA****Notes to Financial Statements****Year ended December 31, 2021****9. Allocation of expenses**

Personnel expenses, including the pension expense (Note 12), are allocated based on the estimated time spent on each program.

	2021	2020
Conference oversight	\$ 193,555	\$ 254,668
Disbursements to Network Churches	133,660	156,582
Administration and office	120,481	104,204
Next Generation Ministries	40,779	33,397
Global Ministry	13,018	20,000
	<b>\$ 501,493</b>	<b>\$ 568,851</b>

**10. BIC Canada-Global**

Summary financial information for BIC Canada-Global's fiscal year ended December 31, 2021 is as follows:

	2021 <i>(Unaudited)</i>	2020 <i>(Unaudited)</i>
Financial position:		
Assets	\$ 277,094	\$ 278,431
Liabilities	(211,856)	(207,545)
Fund balances	<b>\$ 65,238</b>	<b>\$ 70,886</b>
Results of operations:		
Revenues	\$ 374,212	\$ 414,834
Expenses	(379,860)	(494,290)
Deficiency of revenues over expenses	<b>\$ (5,648)</b>	<b>\$ (79,456)</b>

## BE IN CHRIST CHURCH OF CANADA

### Notes to Financial Statements

Year ended December 31, 2021

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#### 10. BIC Canada-Global - cont'd

Cash flows:

Cash flows from (used in) operating activities	\$ 30,639	\$ (74,054)
Cash flows from investing activities	201,769	36,655
Cash flows from (used in) financing activities	(29,694)	78,106
<hr/>		
Net increase in cash	\$ 202,714	\$ 40,707

During the year, the Organization contributed \$99,826 (2020 - \$133,633) of shared funds to BIC Canada-Global.

Transactions with BIC Canada-Global are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to between the parties.

#### 11. Camp Kahquah

The following summary financial information for the Camp for the year ended December 31, 2021 has been prepared by the Camp's management, is presented for information purposes only, has not been audited, and is not covered by the independent auditor's report.

	2021 <i>(Unaudited)</i>	2020 <i>(Unaudited)</i>
<hr/>		
Financial position:		
Assets	\$ 1,184,866	\$ 1,019,367
Liabilities	(203,001)	(173,623)
<hr/>		
Fund balances	\$ 981,865	\$ 845,744
<hr/>		
Results of operations:		
Revenues	\$ 623,463	\$ 497,826
Expenses	(450,783)	(349,069)
Other	(36,559)	(33,785)
<hr/>		
Excess of revenues over expenses	\$ 136,121	\$ 114,972

## BE IN CHRIST CHURCH OF CANADA

### Notes to Financial Statements

Year ended December 31, 2021

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#### 11. Camp Kahquah - cont'd

Cash flows:

Cash flows from operating activities	\$ 274,955	\$ 28,315
Cash flows used in investing activities	(247,079)	(56,753)
Cash flows from financing activities	10,990	91,511
<hr/>		
Net increase in cash	\$ 38,866	\$ 63,073

During the year, the Organization contributed funds of \$49,229 (2020 - \$50,941) to the Camp and professional fees of \$11,000 (2020 - \$10,500).

Transactions with the Camp are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to between the parties.

#### 12. Pension

The Organization and its member churches participate in the Canadian Council of Christian Charities ("CCCC") Employees' Pension Plan. As a service to its churches, the Organization handles the collection of all pension contributions and remits them on their behalf to the CCCC. Included in cash and accounts payable and accrued liabilities is \$52,298 (2020 - \$55,015) in pension contributions collected.

The CCCC plan is a defined contribution plan under which the employer contributes 8% of the participant's gross pay and the participants contribute 5% of their gross pay. Participants are able to provide voluntary contributions in addition to the above-defined contributions.

The employees of the Organization also participate in the pension plan. The total pension expense for the year was \$59,688 (2020 - \$66,247).

## BE IN CHRIST CHURCH OF CANADA

### Notes to Financial Statements

Year ended December 31, 2021

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#### 13. Financial instrument risks

The Organization's main financial instrument risk exposure, which remains consistent with the prior year, is as follows:

##### *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 market interest rates. The Organization is exposed to interest rate risk with respect to its fixed income investments.

##### *Other price risk*

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Organization is exposed to other price risk with respect to its investments in marketable securities.

It is management's opinion that the Organization is not exposed to significant credit, liquidity, or currency risks arising from its financial instruments.

#### 14. Comparative amounts

Certain comparative amounts have been reclassified to conform to the current year's financial statement presentation.