

## Pre-Read Information | MCC Toronto 2020 ACBM

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# **2020 Annual Congregational Business Meeting**

## **AGENDA**

**September 27, 2020 | 12:00PM**

- ❖ Call to Order
- ❖ Opening Prayer – Rev. Deana Dudley
- ❖ Approval of ACBM Agenda
- ❖ Approval of 2019 ACBM Minutes
- ❖ Senior Pastor's Report 2020 *(received for information)*
- ❖ Annual Ministry Goals 2020
- ❖ Motion to receive Audited Financial Statements for 2019
- ❖ Motion to appoint Hilborn LLC as the Auditor for 2020
- ❖ Election of Members to the Board of Directors
- ❖ Re-election of Members to the Board of Directors
- ❖ Budget 2020 *(received for information)*
- ❖ Call for Adjournment
- ❖ Closing Prayer – Rev. Jeff Rock

## Minutes of the 2019 Annual Congregational Business Meeting

June 16<sup>th</sup>, 2019

**Chair:** Rev. Jeff Rock, Moderator of the Board of Directors

**Minutes:** JJ Viviers, Office Manager

	Item/Description
1.	<b>Call to Order</b> - The Annual Congregational Business Meeting was called to order at 12:15pm, at the conclusion of the 11:00AM worship service. Voting members were identified and a quorum was established. The ACBM was recessed to allow congregants an opportunity to get a coffee and a snack. The meeting reconvened at 12:45PM
2.	<b>Establishment of Quorum</b> <b>Moved by: Marilyn Byers, Seconded by: Brian Strem</b>
3.	<b>Opening Prayer</b> – Rev. Jeff Rock
4.	<b>Approval of ACBM 2019 Agenda</b> <b>Moved by: Brian Brenie, Seconded by: Marylin Byers Motion: Carried</b>
5.	<b>Approval of 2018 ACBM Minutes</b> Correction to item 11. Correct spelling of Patti Gray's last name <b>Moved by: Henry Wright, Seconded by: Teresa Harvey Motion: Carried</b>
6.	<b>Senior Pastor's Report - Rev. Jeff Rock</b> <ol style="list-style-type: none"> <li>1. Highlights on Senior Pastor's Transition <ol style="list-style-type: none"> <li>a. Jeff completed courses with the Denomination</li> <li>b. To be ordained at Conference</li> </ol> </li> <li>2. Engage 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> time visitors <ol style="list-style-type: none"> <li>a. Newcomer nook was not successful</li> </ol> </li> <li>3. Congregational Care Ministry <ol style="list-style-type: none"> <li>a. This is a bigger focus item</li> <li>b. Deacons were named Beloved Disciples for 2018</li> <li>c. Launch date: July 7, 2019</li> <li>d. Rev. Andrew Holmes interim Coordinator</li> </ol> </li> <li>4. Policies and Community Framework <ol style="list-style-type: none"> <li>a. 2018 fall did a lot of work on worship teams</li> </ol> </li> </ol>

	<p>b. Developed policies as part of Congregational Care ministry</p> <p>5. Major Gift Initiative</p> <p>a. Still in quiet phase</p> <p>b. Looking at launch in fall</p> <p>6. Social Events</p> <p>a. Congregants attended a football game</p> <p>b. Pastor's Pub instituted for 3<sup>rd</sup> Monday of the month</p> <p>c. Movie sermon series movie screenings</p> <p>Comment from Terry McCullum: Praise and thanks for Jeff's leadership. Jeff continued the excellent tradition Brent started</p> <p><b>Motion to approve Senior Pastor's Report:</b>  <b>Moved by: Terry McCullum, Seconded by: Jennifer Alexander</b> <b>Motion: Carried</b></p>
7.	<p><b>Audited Financial Statements 2018</b></p> <p>Highlights:</p> <ul style="list-style-type: none"> <li>• Auditors verify and can only verify what's been recorded.</li> <li>• Board &amp; staff have controls in place to ensure money makes it to the bank.</li> <li>• Auditors report is 2 pages long (new standard).</li> <li>• Balance sheet: \$3.3m net assets available, total (\$2.2m relate to building)</li> <li>• We run our organization in funds: operating, mission, restricted.</li> <li>• Operations: operating loss \$251k (much of it planned for)</li> <li>• \$48k operating surplus</li> <li>• Deficit \$125k in place (loan against the building).</li> <li>• (Turn to page 15) Brian Brenie \$50k loss. restricted funds are long term in nature. sit with investment fund. Investments go up and down and recovered already.</li> </ul> <p><b>Motion to receive Audited Financial Statements for 2018:</b>  <b>Moved by: Brian Brenie    Seconded by: Marylin Byers</b> <b>Motion: Carried</b></p>
8.	<p><b>Motion to Appoint Hilborn LLP as 2019 Auditors</b>  <b>Moved by: Brian Strem    Seconded by: Marylin Byers</b> <b>Motion: Carried</b></p>
9.	<p><b>Election of members to Board of Directors</b></p> <ul style="list-style-type: none"> <li>• Board Members can serve twice for a 3-year term.</li> </ul>

	<ul style="list-style-type: none"> <li>• 2 retirees this year: Obim Okongwu and Bev Wybrow. Leaving 2 openings.</li> <li>• Question from Duncan Broom: what barriers were considered looking at nominees? Answer: the Board put out notice to apply in Sunday News and e-news. From received applications, 2 candidates were identified: Lisa Chinnery and Kevin Willcock</li> <li>• Traditionally we went with a skills board, but we are looking to have more representation. Alex is from the young adults.</li> <li>• A commercial placed for next year: if you have any financial strengths, or know someone, please let us know.</li> <li>• We are conscious about gender representation.</li> </ul> <p><b>Motion to appoint Shelly Morris as scrutineer:</b>  <b>Moved by: Jeff Schmidt, Seconded by: Brian Strem</b> <b>Motion: Carried</b></p> <ul style="list-style-type: none"> <li>• Ballots were collected and Shelly Morris acted as scrutineer.</li> </ul>
10.	<p><b>Election of Lay Delegates to MCC General Conference in Orlando Florida July 2019.</b>  Thank you to Lay Delegates from 2016-2019</p> <p>Proposed slate of Lay Delegates for 2019-2022</p> <ul style="list-style-type: none"> <li>• Andrew Fleming</li> <li>• Catherine Meade</li> <li>• James Brown</li> <li>• Janet Fitzsimmons</li> <li>• Sandra Millar</li> </ul> <p>Also attending: Rev. Jeff Rock – Senior Pastor, Rev. Deana Dudley – Assistant Pastor, Rev. Andrew Holmes – Pastor of Programs, Rev. Dr. Brent Hawkes – Senior Pastor Emeritus</p> <p>Catherine Meade asked for correction in spelling of her name.</p> <p><b>Moved by: Mary Dayton    Seconded by: John Vigna</b> <b>Motion: Carried</b></p>
11.	<p><b>Motion to destroy ballots from Board Election</b>  <b>Moved by: Debbie Brown    Seconded by: Mike Dodds</b> <b>Motion: Carried</b></p>
12.	<b>Closing Prayer – Rev. Jeff Rock</b>
13.	<b>Motion to Adjourn:   Moved by: Duncan Broom                      Motion: Carried</b>

## Senior Pastor's Report 2020 ACBM

Believe it or not 2019 was my first full year as Senior Pastor having officially taken on the role February 1<sup>st</sup>, 2018. On a personal level, 2019 was also the year Toronto started to finally feel like home after some renovations on my condo and finding a sense of home.

**Visioning:** Throughout the year, the learning curve continued as I settled into the role and the primary work was to articulate a vision for the future of MCC Toronto. Early in 2019 the MCC Toronto staff took a day-long retreat to find our focus; prioritizing staff transitions, communications with the congregation, and getting programs right. Likewise, MCC Toronto's Board had a visioning retreat to recast our vision statement which now reads "MCC Toronto's vision is to be a growing, inclusive, spiritual community that creates a just, kind and loving world for all." The task now is to make that vision a reality.

**Special Events:** 2019 was the first time in many years we held our Pride Celebration Service indoors at a new location of the Ryerson Theatre. The rental rate was very reasonable and after being rained out three years in a row, it was a welcome reprieve. It is our intention to continue with this new tradition into the future. Our annual fundraiser in 2019 took the form of Diane Leah's Swan Song as we celebrated 20 years of her music ministry in our midst. The organizing committee did a stellar job and truly knocked it out of the park. The Christmas Eve service at Roy Thomson Hall saw an uptick in attendance and MCC Toronto at its best.

**Staff Transitions:** At the beginning of 2019, John Farrell was made a permanent employee of MCC Toronto as our Director of Development and Communications rather than a contractor for a major gift initiative as he had been in 2018. We also hired a Full Time Manager of Communications and Development in Charmaine Kong on June 2019 after a lengthy search. The biggest news though was the hiring of a new Music Director in Jason Jestadt who seamlessly integrated into the awesome Choir at MCC Toronto. After reducing her hours to half time and then quarter time, Shelly Morris, our long time Executive Director, followed her passion for teaching and took on a Full-Time role at Seneca College. Due to budgetary restrictions and a desire to restructure our staffing complement, the ED role has not been refilled. We also said goodbye to Rev. Andrew Holmes who continued to follow his passion for counselling at Sheridan College and in private practice. Our Refugee Program has expanded with the addition of Martha Singh-Jennings as the Manager of the Refugee Program and the promotion of Aleks Dughman-Manzur to Director of the Refugee Program. I'm also grateful for our four Investing In Neighbourhood staff provided by the city of Toronto in Martina, Jessie, Shiva, and Peggy.

**Communications:** You have spoken and we have heard your desire for better communication. 2019 began a project to redo our website and streamline the way we communicate with you. We've improved our electronic newsletter and re-named it "The Query" and better integrate our print newsletter "Sunday News" to save on staff time.

**Programs:** This continues to be an important area for development at MCC Toronto. In 2019 a substantial amount of energy went into developing our Congregational Care Program, however with a vacant Pastor of Programs and Congregational Care position, we are in a maintain status rather than the desired growth status in Congregational Care and all our Programs. There continues to be a desire to reboot Seniors Programing, Youth Programing, Life Long Learning that will remain a strategic priority into the future.

Building: Unfortunately 2019 was also a year where many emergency building repairs were needed including work to the north wall foundation at an expense of \$139,026.16 after a breach in foundation of the electrical room (never a good thing when your electrical room is flooding!) and a leak from the steeple requiring cranes and the shutdown of Howland Avenue cost 30,332,33. Mark Asseline has been our rock star Facilities Manager since Fall 2018 and continues to care for our beautiful old building. Emergency repairs were funded out of a major gift initiative and did not affect our annual operational finances.

Finances: This year one of the goals was to learn to live within our means to address a multiyear structural deficit. Had it not been for a major estate gift of \$150,000 at the end of 2018 we would have had a \$135,000 deficit. Thusly in 2019 our Operating Expenses were reduced by \$167,342. There will be a more thorough presentation on Finances as part of the ACBM.



# Metropolitan Community Church of Toronto

115 Simpson Avenue  
Toronto, ON M4K 1A1  
416.406.6228 | mcctoronto.com  
*Vibrant. Inclusive. Progressive.*

## STRATEGIC PRIORITIES AND GOALS JUNE 2019 – JUNE 2020

**MCC Toronto's MISSION** is to build bridges with a vibrant spirituality that transforms lives and transforms the world.

**MCC Toronto's VISION** is to be a growing, inclusive, spiritual community that creates a just, kind, and loving world for all.

### Strategic Priorities:

<b>A) VISIONING</b>
1) Listen to voices within the congregation and potential new members
2) Create a vision statement and five-year strategic plan
<b>B) GETTING THINGS RIGHT</b>
3) Worship: maintain excellence through Music Director transition
4) Pastoral Care: train Lay Ministers, launch Congregational Care Program, evaluate, and improve.
5) Human Rights, and Social Justice: find our focus, relaunch committee to support.
6) Fundraising: improve donor recognition, mount donor wall, continue and launch major campaign
7) Policy: writing and publish for transparency
8) Communications: find our voice and message, launch new website, improve communications channels
9) Technology: complete transfer to Sharepoint and implement Salesforce
<b>C) STAFFING</b>
10) Create a full staff complement: Music Director, Manager of Comms/Development, Pastoral Care, 4 IIN
11) Do team building
<b>D) NEW PROGRAMS/FOCUSES/ENGAGEMENT</b>
12) Evaluate need for and create a Seniors Program if needed
13) Evaluate need for and create a Young Adult Program if needed
14) Evaluate need for and create a Female Identified Retreat or Program if needed



PRIVATE & CONFIDENTIAL

April 27, 2020

Members of the Finance Committee  
Metropolitan Community Church of Toronto  
c/o Rev. Jeffrey Rock, Senior Pastor  
115 Simpson Avenue  
Toronto, Ontario  
M4K 1A1

re: Metropolitan Community Church of Toronto (the "Organization")

Dear Finance Committee Members:

Further to the recent completion of our audit of Metropolitan Community Church of Toronto for the year ended December 31, 2019 we wish to communicate with you certain matters that may be of interest to you.

The objective of an audit is to obtain reasonable assurance whether the financial statements are free of material misstatement and it is not designed to identify matters that may be of specific interest to you. Accordingly an audit would not usually identify all such matters.

The following is a summary of matters we have communicated with you through our communication of February 12, 2020 and this correspondence:

Communication of February 12, 2020

- Auditor Independence
  - communicated through the Engagement letter issued for the December 31, 2019 year-end
- Auditors' Responsibility Under Generally Accepted Auditing Standards
  - communicated through the Engagement letter issued for the December 31, 2019 year-end
- Summary of Audit Approach, Materiality and Other Issues

Current Communication

- Auditor Independence
  - we are independent with respect to the Organization within the meaning of the Chartered Professional Accountants of Ontario Code of Professional Conduct as of April 27, 2020
- The Auditors Responsibility to Consider Fraud
  - we did not note any evidence of fraud during the course of the audit
- Misstatements - Illegal Acts
  - no misstatements of a material nature were identified
  - there were no uncorrected misstatements aggregated during the audit
  - we did not identify any illegal acts during the course of the audit

Metropolitan Community Church of Toronto  
 Toronto, Ontario  
 April 27, 2020

Current Communication (continued)

- Internal Control
  - an increased risk profile is inherent in an organization of this size relative to the lack of segregation of incompatible duties. Segregation of incompatible duties is a key internal control intended to minimize the occurrence of errors or fraud. The principle of segregating incompatible duties encompasses the division of responsibilities of a key process such that no one individual performs two or more of the functions related to custody, initiation, authorization, execution, recording or reporting.
- Related Party Transactions
  - we did not note any related party transactions during the course of the audit
- Matters Having a Significant Effect on the Qualitative Aspects of Accounting Principles used in the Organization's Financial Reporting
  - we did not note any significant qualitative aspects, including those detailed below that required communication with the Finance Committee, during the course of the audit:
    - initial selection of and changes in significant accounting policies, including the adoption of new accounting pronouncements
    - effect of significant accounting policies in controversial or emerging areas
    - existence of acceptable alternative policies and methods, and the acceptability of the particular policy or method used by management
    - effect on the financial statements of significant unusual transactions
    - issues involved, and related judgments made by management, in formulating particularly sensitive accounting estimates and disclosures (for example, disclosures related to going concern, subsequent events and contingency issues)
    - basis for the auditor's conclusions regarding the reasonableness of the estimates made by management in the context of the financial statements taken as a whole
    - factors affecting asset and liability carrying values, including the Organization's bases for determining useful lives assigned to tangible and intangible assets
    - timing of transactions that affect the recognition of revenues or avoid recognition of expenses
- Other Issues
  - we did not encounter any serious difficulties while performing the audit, including significant delays in management providing information required for the audit and an unnecessarily brief timetable in which to complete the audit
  - we did not discuss any major issues with management in connection with our re-appointment as the auditor, including, among other matters, discussions regarding the application of accounting principles and auditing standards, and fees
  - we did not note any instances of management consulting with other accountants about auditing and accounting matters
  - we did not note any disagreements with management about matters that individually or in the aggregate could be significant to the Organization's financial statements or the auditor's report, whether or not subsequently resolved
  - we did not note any other issues arising from the audit that would be important or relevant to the Finance Committee.
  - a representation letter is to be obtained from management upon finalization

Metropolitan Community Church of Toronto  
Toronto, Ontario  
April 27, 2020

This communication is prepared solely for the information of the Finance Committee and is not intended for any other purpose. We accept no responsibility to a third party who uses this communication.

We would be pleased to discuss further any of the matters noted above in more depth or to make further investigations of areas where you may believe there are problems we may assist you with.

Yours very truly,

P.D. Holt/dcc

Chartered Professional Accountants

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**METROPOLITAN COMMUNITY CHURCH OF TORONTO**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2019**

**METROPOLITAN COMMUNITY CHURCH OF TORONTO**

**DECEMBER 31, 2019**

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## **Independent Auditor's Report**

To the Members of Metropolitan Community Church of Toronto

### **Qualified Opinion**

We have audited the financial statements of Metropolitan Community Church of Toronto (the "Organization"), which comprise the statement of financial position as at December 31, 2019, and the statements of operations, changes in net assets 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 possible 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, 2019, 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.

### **Basis for Qualified Opinion**

In common with many non-for-profit organizations, the Organization derives revenues from fundraising activities and donations, 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 and we are not able to determine whether, as at and for the years ended December 31, 2019 and December 31, 2018, any adjustment might be necessary to revenues and excess of revenues over expense reported in the statements of operations, and assets and net assets reported in the statements of financial position. For the same reason, the audit opinion rendered for the year ended December 31, 2018 was also modified because of the possible effects of this limitation.

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.

### **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 ability of the Organization 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 financial reporting process of the Organization.

## Independent Auditor's Report (continued)

### 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 the 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 internal control of the Organization.
- 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 ability of the Organization 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 Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Toronto, Ontario  
June 3, 2020

Chartered Professional Accountants  
Licensed Public Accountants

# METROPOLITAN COMMUNITY CHURCH OF TORONTO

## STATEMENT OF FINANCIAL POSITION

DECEMBER 31

	Operating		Mission Teams		Restricted Fund		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
	\$	\$	\$	\$	\$	\$	\$	\$
<b>ASSETS</b>								
Current assets								
Cash (note 3)	220,552	229,112	58,142	66,114	1,011,576	319,454	1,290,270	614,680
Investments (note 4)	-	-	-	-	771,581	708,555	771,581	708,555
Accounts receivable	83,913	73,872	-	-	-	-	83,913	73,872
Due from Operating/Mission Teams	-	-	-	-	72,204	102,425	72,204	102,425
Prepaid expenses and deposits	24,101	4,416	-	-	-	-	24,101	4,416
	<b>328,566</b>	<b>307,400</b>	<b>58,142</b>	<b>66,114</b>	<b>1,855,361</b>	<b>1,130,434</b>	<b>2,242,069</b>	<b>1,503,948</b>
Capital assets (note 5)	2,313,656	2,201,053	-	-	-	-	2,313,656	2,201,053
	<b>2,642,222</b>	<b>2,508,453</b>	<b>58,142</b>	<b>66,114</b>	<b>1,855,361</b>	<b>1,130,434</b>	<b>4,555,725</b>	<b>3,705,001</b>
<b>LIABILITIES</b>								
Current liabilities								
Account payable and accrued liabilities	79,177	88,728	-	-	359	200	79,536	88,928
Due to Restricted Fund	69,886	100,684	2,318	1,741	-	-	72,204	102,425
Current portion of post-retirement benefit liability (note 11)	31,224	30,600	-	-	-	-	31,224	30,600
	<b>180,287</b>	<b>220,012</b>	<b>2,318</b>	<b>1,741</b>	<b>359</b>	<b>200</b>	<b>182,964</b>	<b>221,953</b>
Post-retirement benefit liability (note 11)	187,413	212,847	-	-	-	-	187,413	212,847
	<b>367,700</b>	<b>432,859</b>	<b>2,318</b>	<b>1,741</b>	<b>359</b>	<b>200</b>	<b>370,377</b>	<b>434,800</b>
<b>NET ASSETS (note 6)</b>	<b>2,274,522</b>	<b>2,075,594</b>	<b>55,824</b>	<b>64,373</b>	<b>1,855,002</b>	<b>1,130,234</b>	<b>4,185,348</b>	<b>3,270,201</b>
	<b>2,642,222</b>	<b>2,508,453</b>	<b>58,142</b>	<b>66,114</b>	<b>1,855,361</b>	<b>1,130,434</b>	<b>4,555,725</b>	<b>3,705,001</b>

APPROVED ON BEHALF OF THE BOARD:

\_\_\_\_\_  
Moderator

\_\_\_\_\_  
Vice-Moderator

*The accompanying notes are an integral part of these financial statements.*



# METROPOLITAN COMMUNITY CHURCH OF TORONTO

## STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31

	Operating		Mission Teams		Restricted Fund		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
	\$	\$	\$	\$	\$	\$	\$	\$
<b>REVENUES</b>								
Regular offerings	523,311	573,052	-	-	-	-	523,311	573,052
Outreach events & activities	314,385	279,426	2,770	8,098	162,748	84,451	479,903	371,975
Bequests	26,298	153,377	-	-	-	-	26,298	153,377
Regular programs & services	53,660	54,721	31,810	12,970	17,400	23,023	102,870	90,714
Special offerings	212,170	208,703	239	166	-	-	212,409	208,869
Donations to Elevation Campaign	-	-	-	-	910,857	355,208	910,857	355,208
Government grants	36,670	51,141	-	-	-	-	36,670	51,141
Investment income (loss) (note 8)	-	-	-	-	63,026	(14,412)	63,026	(14,412)
Total revenues	1,166,494	1,320,420	34,819	21,234	1,154,031	448,270	2,355,344	1,789,924
<b>EXPENSES</b>								
Worship & congregational life	314,895	358,387	-	-	-	-	314,895	358,387
Fundraising, general & administration	674,350	831,579	-	-	7	3,564	674,357	835,143
Other programs & services	-	-	8,500	11,989	8,266	33,222	16,766	45,211
Amortization of capital assets	102,504	93,476	-	-	-	-	102,504	93,476
Outreach events & activities	122,291	118,777	6,847	11,104	6,279	28,616	135,417	158,497
Facilities	143,782	112,221	-	-	-	-	143,782	112,221
Tithes To UFMCC (note 10)	52,476	57,409	-	-	-	-	52,476	57,409
Total expenses	1,410,298	1,571,849	15,347	23,093	14,552	65,402	1,440,197	1,660,344
<b>EXCESS (DEFICIENCY) OF REVENUES OVER</b>								
<b>EXPENSES</b>	(243,804)	(251,429)	19,472	(1,859)	1,139,479	382,868	915,147	129,580

The accompanying notes are an integral part of these financial statements.

# METROPOLITAN COMMUNITY CHURCH OF TORONTO

## STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED DECEMBER 31

	Operating (note 6)	Mission Teams (note 6)	Restricted Fund (note 6)	Total
	2019	2019	2019	2019
	2018	2018	2018	2018
	\$	\$	\$	\$
Balance, beginning of year	2,075,594	64,373	1,130,234	3,270,201
Excess (deficiency) of revenues over expenses	(243,804)	19,472	382,868	129,580
Inter-fund transfers (note 7)	442,732	(28,021)	(414,711)	-
Balance, end of year	2,274,522	55,824	1,855,002	4,185,348

The accompanying notes are an integral part of these financial statements.

# METROPOLITAN COMMUNITY CHURCH OF TORONTO

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31

	2019 \$	2018 \$
Cash flows from operating activities		
Excess of revenues over expenses for year	915,147	129,580
Items not affecting cash		
Amortization of capital assets	102,504	93,476
Unrealized (gain) loss on investments	(32,317)	50,495
Post-retirement benefit	5,790	6,391
	991,124	279,942
Changes in non-cash working capital		
Increase in accounts receivable	(10,041)	(48,806)
(Increase) decrease in prepaid expenses and deposits	(19,684)	457
(Decrease) increase in accounts payable and accrued liabilities	(9,392)	27,433
Decrease in Post-retirement benefit liability	(30,600)	(27,500)
	921,407	231,526
Cash flows from investing activities		
Purchase of capital assets	(215,108)	(106,459)
Net increase in investments	(30,709)	(96,892)
	(245,817)	(203,351)
Net change in cash during year	675,590	28,175
Cash, beginning of year	614,680	586,505
Cash, year ended	1,290,270	614,680

*The accompanying notes are an integral part of these financial statements.*

**Purpose of the organization**

Metropolitan Community Church of Toronto (the "Organization") is incorporated provincially as a not-for-profit corporation without share capital. The objects of the Organization are to bind together persons to share in the worship of God in the Congregational Christian tradition in an inclusive, affirmative and caring environment. The Organization is a member of the Universal Fellowship of Metropolitan Community Churches.

The Organization is a registered charity under the Income Tax Act, and accordingly, is exempt from income taxes, provided certain requirements of the Income Tax Act are met.

**1. Significant accounting policies**

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and are in accordance with Part III of the CPA Canada Handbook - Accounting, and in accordance with Canadian generally accepted accounting principles. The financial statements have been prepared within the framework of the significant accounting policies summarized below.

**a) Fund accounting**

The Organization uses the restricted fund method of accounting to separate its various project and program activities.

**Operating Fund**

General unrestricted programs and program activities are reflected in the operating fund. The operating fund is comprised of net assets invested in capital assets and unrestricted net assets (see note 6).

**Mission Teams**

Mission Teams comprise various self-directed groups at the Organization for which monies have been raised or donated in order to allow the Mission Teams to fulfil their mandates (see note 6).

**Restricted Fund**

The restricted fund includes contributions from external donors for which monies were provided to the Organization for specified purposes as well as reserves which have been internally restricted by the Board of Directors (see note 6).

**b) Revenue recognition**

The Organization follows the restricted fund method of accounting for contributions. Contributions made for restricted purposes are recognized as revenue of the restricted fund at the time they are made. Unrestricted contributions are recognized as revenue when received or, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income is comprised of interest, dividends, realized gains/(losses) and the net change in unrealized gains/(losses) for the year, less administrative and management fees. Revenue is recognized on an accrual basis.

**c) Financial instruments****i) Measurement of financial instruments**

The Organization initially measures its financial assets and financial liabilities at fair value adjusted by transaction costs in the case where a financial asset or financial liability is subsequently measured at amortized cost. The Organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments which are carried at fair value.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

**1. Significant accounting policies (continued)**

**c) Financial instruments (continued)**

**ii) Impairment**

Financial assets measured at amortized cost are tested for impairment annually for indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a writedown is recognized in the statement of operations. The write down reflects the difference between the carrying amount and the higher of:

- the present value of the cash flows expected to be generated by the asset or group of assets;
- the amount that could be realized by selling the assets or group of assets.

When the events occurring after the impairment confirm that a reversal is necessary, the reversal is recognized in net income up to the amount of the previously recognized impairment.

**d) Investments**

Portfolio investments are initially recorded at cost on the date of acquisition and subsequently re-measured at fair value at each reporting date. Unrealized gains and losses arising from the change in fair value of these investments are recognized in the statement of operations.

**e) Capital assets**

The costs of capital assets are capitalized upon meeting the criteria for recognition as a capital asset; otherwise, costs are expensed as incurred. The cost of a capital asset comprises its purchase price and any directly attributable cost of preparing the asset for its intended use. Contributed capital assets are recorded at their fair values at the respective donation date.

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

An impairment loss is not reversed if the fair value of the capital asset subsequently increases.

Capital assets are measured at cost less accumulated amortization and accumulated impairment losses.

Amortization is provided annually on a straight line basis to amortize the cost of the asset over their estimated useful lives as follows:

Building Improvements	20 - 24 years
Building	40 years
Equipment	5 years
Furniture and fixtures	20 years

**f) Contributed materials and services**

Volunteers contribute numerous hours each year to assist the Organization in carrying out its activities. The fair value of the contributed services cannot be reasonably estimated and is not recognized in the financial statements. Contributed materials are recognized at fair value when materials would normally be purchased by the Organization.

# METROPOLITAN COMMUNITY CHURCH OF TORONTO

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

### 1. Significant accounting policies (continued)

#### g) Allocation of expenses

Certain salary and benefit costs are allocated to functional areas based on an estimate of staff time related to each activity.

#### h) Management estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the current period. Actual results may differ from these estimates, the impact of which would be recorded in future periods. A significant estimate is the provision for the pension liability as this estimate includes rate of inflation, discount rate and mortality assumptions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

### 2. Financial instrument risk management

The Organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the Organization's risk exposure and concentrations at December 31, 2019.

The financial instruments of the Organization and the nature of the risks to which it may be subject are as follows:

Financial instrument	Risks				
	Credit	Liquidity	Market risk		
			Currency	Interest rate	Other price
Cash	X			X	
Investments	X		X	X	X
Accounts receivable	X				
Accounts payable and accrued liabilities		X			

#### Credit risk

The Organization is exposed to credit risk resulting from the possibility that parties may default on their financial obligations, or if there is a concentration of transactions carried out with the same party, or if there is a concentration of financial obligations which have similar economic characteristics that could be similarly affected by changes in economic conditions, such that the Organization could incur a financial loss. The Organization does not hold directly any collateral as security for financial obligations of counterparties.

# METROPOLITAN COMMUNITY CHURCH OF TORONTO

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

### 2. Financial instrument risk management (continued)

The maximum exposure of the Organization to credit risk is as follows:

	2019 \$	2018 \$
Cash	1,290,270	614,680
Investments	771,581	708,555
Accounts receivable	83,913	73,872
	<u>2,145,764</u>	<u>1,397,107</u>

#### Liquidity risk

Liquidity risk is the risk that the Organization will not be able to meet a demand for cash or fund its obligations as they come due. Liquidity risk also includes the risk of the Organization not being able to liquidate assets in a timely manner at a reasonable price.

The Organization meets its liquidity requirements by preparing and monitoring detailed forecasts of cash flows from operations and holds assets that can be readily converted into cash. The investments are held in pooled funds that are liquid. The maximum exposure to liquidity risk is represented by accounts payable and accrued liabilities amounting to \$79,536 (2018 - \$88,928).

#### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk and price risk.

#### Currency risk

Currency risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates. The Organization holds cash and investments in foreign currencies and is therefore exposed to currency risk. The investments are held in pooled funds managed by a third party organization who monitors investment performance. The Organization does not use any derivative financial instruments to manage foreign currency risk.

#### Interest rate risk

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates. The exposure of the Organization to interest rate risk arises from its interest bearing investments which are held in pooled funds managed by a third party organization and in its cash balances.

#### Price risk

Price risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all similar instruments traded in the market.

The Organization is exposed to price risk in its investments and those risks are monitored by the third party managing the invested pooled funds and by Board oversight.

#### Changes in risk

There have been no changes in the Organization's risk exposures from the prior year.

# METROPOLITAN COMMUNITY CHURCH OF TORONTO

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

### 3. Cash

Included in cash is foreign currency of \$1,956 U.S. - \$2,378 CDN (2018 - \$2,217 U.S. - \$2,942 CDN).

### 4. Investments

	2019 \$	2018 \$
Investments - pooling arrangement	771,581	708,555

The Organization has arranged to invest its investments under a pooling of investments arrangement. Under this agreement, the Organization's funds are commingled with other investors' funds and invested as a whole. The Organization has ownership of a prorated percentage of total investment portfolio. The investment under the pooling arrangement holds the following mix of asset class:

	2019 %	2018 %
Cash and fixed income	22	24
Canadian and global equities	49	46
Other strategies	29	30
	100	100

### 5. Capital assets

	2019		
	Cost \$	Accumulated Amortization \$	Net \$
Land	802,900	-	802,900
Building Improvements	1,679,674	459,300	1,220,374
Building	530,214	343,412	186,802
Equipment	344,717	301,714	43,003
Furniture and fixtures	152,153	91,576	60,577
	3,509,658	1,196,002	2,313,656



# METROPOLITAN COMMUNITY CHURCH OF TORONTO

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

### 5. Capital assets (continued)

	2018		
	Cost \$	Accumulated Amortization \$	Net \$
Land	802,900	-	802,900
Building Improvements	1,469,175	386,087	1,083,088
Building	530,214	330,156	200,058
Equipment	340,108	289,673	50,435
Furniture and fixtures	152,154	87,582	64,572
	3,294,551	1,093,498	2,201,053

### 6. Net Assets

Net assets of the operating fund are comprised of the following:

	2019 \$	2018 \$
Net assets invested in capital assets	2,313,656	2,201,053
Unrestricted net deficiency	(39,134)	(125,459)
	2,274,522	2,075,594

The components of the Mission Teams are as follows:

	2019 \$	2018 \$
Children's Ministry	19,758	22,104
Pride & Joy	7,997	10,577
Community Meal	6,250	4,129
Life Long Learning	5,283	5,283
Drag N' Angels	4,599	8,676
Men's Retreat	3,697	3,532
Emerging Ministries	3,127	3,127
Social Justice Network	-	1,430
Other	5,113	5,515
	55,824	64,373

# METROPOLITAN COMMUNITY CHURCH OF TORONTO

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

### 6. Net Assets (continued)

The components of the restricted fund are as follows:

	2019 \$	2018 \$
Elevation Campaign	905,203	305,748
General Reserve Fund	296,039	270,604
Internally Restricted Funds	223,434	197,501
Brent Hawkes Legacy Fund	141,082	153,430
Refugee Sponsorship Fund	89,979	19,802
Depression Initiative Fund	69,354	70,948
MCC Toronto Hope Fund	34,871	32,023
Music Fund	28,128	22,317
Refugee Program Administration and Discretionary Fund	16,821	7,589
Triangle Scholarship Fund	13,647	15,647
Health and Wellness	10,228	10,228
Community Outreach Partners	11,030	4,990
Benevolence	5,011	4,096
Triangle Impact Study	5,000	5,000
Community Care	2,568	4,869
Other	2,607	5,442
	<u>1,855,002</u>	<u>1,130,234</u>

# METROPOLITAN COMMUNITY CHURCH OF TORONTO

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

### 7. Inter-fund transfers

The following is a summary of inter-fund transfers during the year:

	<b>2019</b>		
	Operating \$	Mission Teams \$	Restricted Fund \$
Children's Ministry	27,366	(27,366)	-
Elevation Campaign	311,403	-	(311,403)
Refugee Program Administration	52,159	-	(52,159)
UNIFOR	25,000	-	(25,000)
Rainy Day Fund	(2,200)	-	2,200
General Reserve Fund	(2,200)	-	2,200
Brent Hawkes Legacy	30,550	-	(30,550)
Others	655	(655)	-
<b>Total</b>	<b>442,733</b>	<b>(28,021)</b>	<b>(414,712)</b>

	<b>2018</b>		
	Operating \$	Mission Teams \$	Restricted Fund \$
Children's Ministry	29,472	(29,472)	-
Elevation Campaign	237,668	-	(237,668)
Refugee Program Administration	48,733	-	(48,733)
UNIFOR	25,000	-	(25,000)
1.5% Fund	(12,154)	-	12,154
Rainy Day Fund	(14,405)	-	14,405
General Reserve Fund	(14,405)	-	14,405
Others	(34)	534	(500)
<b>Total</b>	<b>299,875</b>	<b>(28,938)</b>	<b>(270,937)</b>

Inter-fund transfers to the Operating Fund from the Mission Teams and/or Restricted Fund represent transfers to cover operating expenses or capital improvements meeting the requirements of the specific restricted fund and recorded in the Operating Fund. Inter-fund transfers from the Operating Fund to the Restricted Fund represent transfers of funds as determined by the Board. All inter-fund transfers are subject to the approval of the Board.

# METROPOLITAN COMMUNITY CHURCH OF TORONTO

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

### 8. Investment income (loss)

The components of investment income (loss) are as follows:

	2019 \$	2018 \$
Dividend and interest income	22,615	21,652
Realized capital gain	17,009	22,899
Unrealized capital gain (loss)	32,317	(50,495)
Administrative and investment management fee	(8,915)	(8,468)
Net investment income (loss)	63,026	(14,412)

### 9. Allocation of expenses

The Organization records direct expenses for worship, fundraising and administration to their respective activities; including salary and benefit costs for individuals dedicated to that function. In addition, salary and benefit costs for individuals involved in more than one functional area are allocated based on the estimated time related to each area of activity.

Salaries and benefit costs allocated:

	Operating Fund	
	2019 \$	2018 \$
Worship	139,471	158,232
Fundraising and administration	326,850	326,402
	466,321	484,634

### 10. Commitments

The Organization leases photocopying equipment. The annual payments for the lease obligation including applicable sales taxes are as follows:

	\$
2020	5,871
2021	5,871
2022	5,871
	17,613

As a member of the denomination of the Universal Fellowship of Metropolitan Community Churches, the Organization has committed to pay 10% of its regular offerings to Metropolitan Community Churches In Canada.

# METROPOLITAN COMMUNITY CHURCH OF TORONTO

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

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### 11. Post-retirement benefit liability

The board has approved a post-retirement benefit to the retiring pastor effective January 31, 2018. The retirement payment is subject to annual inflation. The estimated net present value of the post-retirement benefit liability is \$218,637 (2018 - \$243,447). The adjustment in the net present value includes estimates for interest, inflation, and mortality rate and therefore this amount is expected to change annually. This year's adjustment of \$5,790 (\$6,391 - 2018) was recorded in fundraising general & administration expense.

### 12. Subsequent events

Subsequent to year end, the global pandemic of the virus known as COVID-19 led the Canadian Federal government, as well as provincial and local governments, to impose measures, such as restricting foreign travel, mandating self-isolations and physical distancing and closing non-essential businesses. Because of the high level of uncertainty related to the outcome of this pandemic, it is difficult to estimate the financial effect on the Organization. No adjustments have been made in the financial statements as a result of these events.

# HILBORN

LISTENERS. THINKERS. DOERS.

## **Metropolitan Community Church of Toronto**

Hilborn LLP  
Chartered Professional Accountants  
401 Bay Street, Suite 3100  
P.O. Box 49  
Toronto, Ontario  
M5H 2Y4

Dear Sirs/Madams:

This representation letter is provided in connection with your audit of the financial statements of Metropolitan Community Church of Toronto (the "Organization") for the year ended December 31, 2019, for the purpose of expressing a conclusion as to whether the financial statements are presented fairly, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

We acknowledge that we are responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations and for the design, implementation and maintenance of internal controls to prevent and detect fraud and error. We understand that your audit was planned and conducted in accordance with Canadian generally accepted auditing standards so as to enable you to express an opinion on the financial statements. We understand that while your work includes an examination of the accounting system, internal control and related data to the extent you considered necessary in the circumstances, it is not designed to identify, nor can it necessarily be expected to detect fraud, shortages, errors or other irregularities, should any exist.

Certain representations in this letter are described as being limited to matters that are material. An item is considered material, regardless of its monetary value, if it is probable that its omission from or misstatement in the financial statements would influence the decision of a reasonable person relying on the financial statements.

We confirm, to the best of our knowledge and belief, having made such inquiries as we consider necessary for the purpose of informing ourselves as of June 3, 2020, the following representations made to you during your audit:

### **Financial Statements**

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated February 12, 2020.
2. The financial statements referred to above include the statement of financial position as at December 31, 2019 and the statements of operations, changes in net assets and cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies. These financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2019, 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.

3. We acknowledge our responsibility for the design, implementation, and maintenance of internal controls to enable us to prepare financial statements that are free from material misstatement, whether due to fraud or error. We are not aware of any significant deficiencies in internal control of the Organization.
4. We have reviewed and approved the adjusting journal entries and trial balance.
5. The financial statements have been produced by you, and we have designated someone in management with the suitable skill, knowledge and financial expertise to accept responsibility for the preparation of the financial statements. We hereby approve the financial statements for issuance.

#### **Going Concern**

6. The financial statements have been prepared on a going concern basis, which we believe to be appropriate and consistent with our assessment of the Organization.

#### **Completeness of Information**

7. We have made available to you all financial records and related data and all minutes of the meetings of Members, Board of Directors and committees of directors through June 3, 2020.
8. All transactions have been recorded in the accounting records and are reflected in the financial statements.
9. We are unaware of any known or probable instances of non-compliance with the requirements of regulatory or governmental authorities, including their financial reporting requirements.
10. We are unaware of any violations or possible violations of laws or regulations, including illegal and possibly illegal acts, the effects of which should be considered for disclosure in the financial statements or as the basis of recording a contingent loss.
11. We are aware of the environmental laws and regulations that impact the Organization and we are in compliance. There are no known environmental liabilities that have not been accrued for or disclosed in the financial statements.
12. We have disclosed to you the identity of all known related parties and all related party relationships and transactions, including guarantees, non-monetary transactions and transactions for no consideration. We have appropriately accounted for and disclosed such relationships and transactions in the financial statements in accordance with Canadian accounting standards for not-for-profit organizations.
13. We have disclosed all material non-monetary transactions or transactions for no consideration undertaken by the Organization.

#### **Fraud and Error**

14. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.



15. We have no knowledge of fraud or suspected fraud affecting the Organization involving management; employees who have significant roles in internal control; or others, where the fraud could have a material effect on the financial statements.
16. We have no knowledge of any allegations of fraud or suspected fraud affecting the Organization's financial statements as communicated by employees, former employees, analysts, regulators or others.
17. There are no uncorrected financial statement misstatements or uncorrected presentation and disclosure departures


#### **Recognition, Measurement and Disclosure**

18. We believe that the significant assumptions used by us in making accounting estimates, including those relating to fair value measurements included and disclosed in the financial statements, are reasonable and appropriate in the circumstances.
19. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.
20. The nature of all material measurement uncertainties has been appropriately disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements.
21. We have informed you of all outstanding and possible claims, whether or not they have been discussed with legal counsel.
22. All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.
23. The Organization has satisfactory title to all assets, and there are no liens or encumbrances on the Organization's assets, nor has any asset been pledged except as disclosed in the financial statements.
24. We have disclosed to you, and the Organization has complied with, all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.

25. All events occurring subsequent to December 31, 2019 that require recognition and disclosure have been recorded in the financial statements and disclosed in the notes to the financial statements in accordance with Canadian accounting standards for not-for-profit organizations.

Yours very truly,

**Metropolitan Community Church of Toronto**

  
\_\_\_\_\_  
Rev. Jeffrey Rock, Senior Pastor

**Metropolitan Community Church of Toronto****DFC1**

Year End: December 31, 2019

**Adjusting Journal Entries**

Date: 1/1/2019 To 12/31/2019

Number	Date	Name	Account No	Debit	Credit
1	12/31/2019	Retirement Liab- Current	2116-000-01		12.00
1	12/31/2019	Long Term Employee Costs	2420-000-01		5,778.26
1	12/31/2019	Pension	8100-410-01	5,790.26	
		To adjust pension benefit liability to actual			
RCE1	12/31/2019	Accounts Receivable	1210-000-01		20,847.00
RCE1	12/31/2019	Vendor deposits	1310-000-04	20,847.00	
		CLIENT DO NOT POST - To reclassify Tree Protection Guarantee paid.			
RCE2	12/31/2019	Salaries - Worship	5601-410-01	97,452.95	
RCE2	12/31/2019	Salaries -Executive	6808-610-01		97,452.95
		CLIENT DO NOT POST - allocate a portion of executive salaries to Worship and Congregational Life			
PBC 1	12/31/2019	Building Improvements	1435-000-01	210,498.26	
PBC 1	12/31/2019	Equipment	1460-000-01		210,498.26
		To reallocate building improvement costs items to correct capital account.			
				334,588.47	334,588.47

**Net Income (Loss)****915,148.19**

We have reviewed, approved and recorded the proposed adjustments summarized in this schedule in our accounting records.

Signed

5/5/2020

3:47 PM

## **Reappointing Hilborn LLC as the Auditor for 2020**

The Board has accepted the Finance Committee's recommendation to reappoint Hilburn LLP as auditor for the 2020/2021 financial year.

## Board Member Candidates for Election



### Susan Leslie-Berkis

Susan grew up in Belleville, Ontario, received a B.A from the University of Guelph, started her career in Windsor, Ontario and has enjoyed living in Toronto for the last 42 years.

Susan was introduced to MCC Toronto in 2008 and became a member one year later. After attending her first service at MCC she knew she had found a safe spiritual place where she would feel peace, respect and acceptance. She knew she was home.

Wanting to give back to this amazing church, Susan volunteered for many years working the Information Desk after church and taking up collection during the service. She found volunteering was a wonderful way to meet amazing people.

Susan's entire career has centered around ensuring the emotional well being for children and youth. Her career started as a Front Line Youth Worker with emotionally challenged children and their families. Then for 26 years she was a Professor in the Child and Youth Worker Program at Humber College where the focus was on teaching students how to work with children and their families who were in need of emotional support. During this time Susan sat on three Boards where her experience with children was a great asset. For six years she was a Board Director for Kinark Child and Family Centre, Youth Without Shelter and Etobicoke Children's Centre. During her time on these Boards Susan actively participated in committees and was Chair of the Board for Youth Without Shelter.

After leaving the College in 2006, Susan spent several years as a consultant where she would work with agencies building and/or mending staff teams. She also developed and lead workshops designed for teachers and Principals within the Toronto, Halton, Northumberland and Renfrew Boards of Education with the theme of understanding and supporting children with emotional and behavioural challenges. This led her in 2008 to Canada's National Ballet School where she worked full time as the Residence Manager, taught Life Skills and when needed supported families and students with emotional support. In 2017 Susan retired from this full time position in order to spend more time with her ailing Mother who suffered from Alzheimer's. Currently, in addition to enjoying retired life Susan works part time with children who need a little extra emotional support



### Bradley Hickman

Brad Hickman is a seasoned frontline pre-hospital emergency health-care manager who supervises and manages frontline paramedics in a dynamic system. He is currently a Superintendent, Paramedic Operations for the Regional Municipality of York. Through a series of progressively more responsible senior positions within York Region Paramedic Services, Brad has been involved in strategic planning, project management, and committee work with other healthcare partners such as Hospitals.

Passionate about paramedic wellness Brad led the development of the first ever Paramedic Wellness Strategy and the introduction of mental health literacy and resiliency training for paramedics and their supervisors. He earned a certificate in Workplace Mental Health Leadership from Queens University.

Brad first attended MCC Toronto in early 2005 and became a member of the church several months later. In 2010 Brad became a dedicated volunteer with the Worship Coordinator Ministry and then the Anointer and Communion Server Ministry. He has been involved in all aspects of worship and has been the lead of the Worship Coordinator Ministry for several years. Brad joined the Men's Retreat planning committee in 2016 and has been the registration lead ever since. Also, in 2016 Brad represented MCC Toronto as a lay delegate at the General Conference of Metropolitan Community Churches.

# Board Member Candidates for Re-Election

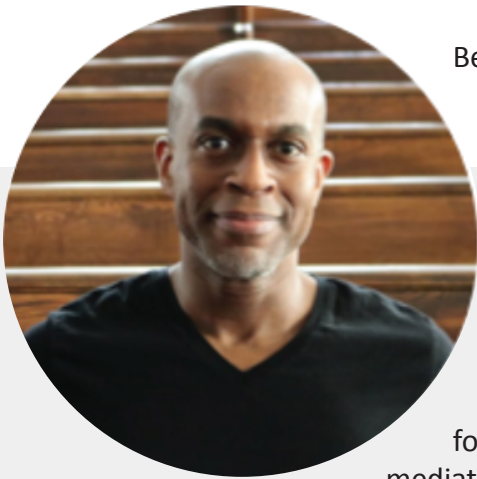


## Joe Jamison

In 2020, Joe retired as Deputy Registrar of the Ontario College of Teachers.

Certified to teach in Quebec in 1992, Joe began his career in education with the Halton Catholic District School Board where he served as a teacher and curriculum consultant. Since 2001 he has held various positions at the College including Director of the Standards of Practice and Accreditation department and Director of the Investigations and Hearings department. He holds a MEd from the University of Toronto, a BA from the University of Waterloo, and a Diploma in Secondary Education from McGill University.

From June 2013 – June 2019, Joe was a publicly appointed member on the Council of the College of Nurses of Ontario.



## Bentley Springer

Bentley Springer is a seasoned IT professional and certified PMP, managing projects, providing technology services, and leading teams for large national organizations for over two decades. He is currently a consultant technology Project Manager for Compass Digital Labs of Compass Group Canada.

Passionate about community capacity building, Bentley has also served as a leader in the black community for the past 2 decades. He was founder and President of Black Habits from 1998-2008, and performed leadership roles for the Lions Circle from 2005-2016, including President for 6 years and the Inaugural Board Chair for 3 years. Bentley is also a trained mediator, and leverages these skills in a volunteer capacity.

Bentley first attended MCC Toronto in February 2012. Five months later, he and his partner, Denise, became members and dedicated MCC volunteers, and were proudly married by Rev. Dr. Brent Hawkes, C.M. in July 2013, and are proud parents of twin boys. In 2016, Bentley was elected to the MCC Toronto board and has participated in various committees, including the Engagement Committee, as well as the hiring committees for our current Senior Pastor Rev. Jeff Rock and Music Director Jason Jestadt.

## Board of Directors



**Rev. Jeff Rock**  
Senior Pastor (He/Him)



**Andrew Fleming**  
Vice Moderator and Co-Chair  
(He/Him)



**Lisa Chinnery**  
Engagement Committee Co-chair  
(She/Her)



**Lori Boyce**  
Vice Moderator and Co-Chair  
(She/Her)



**Joe Jamieson**  
Treasurer (He/Him)



**Bentley Springer**  
Engagement Committee Co-chair  
(He/Him)



**Kevin Willcock**  
(He/Him)

Metropolitan Community Church of Toronto  
Operating Fund  
2020 Approved Budget and Forecasting

	Worst Case Scenario			Best Case Scenario		
	Approved Annual Budget	Forecast	Variance to Budget Favourable/ (Unfavourable)	Approved Annual Budget	Forecast	Variance to Budget Favourable/ (Unfavourable)
<b>Revenues</b>						
Automatic Giving	422,000	392,000	(30,000)	422,000	400,000	(22,000)
Regular Offerings	132,500	109,260	(23,240)	132,500	109,260	(23,240)
Year End Appeal	50,000	50,000	-	50,000	150,000	100,000
Major Gifts, Corporate & Grant Income	168,000	168,000	-	168,000	208,000	40,000
Ministry Income	71,948	35,110	(36,838)	71,948	35,110	(36,838)
Govt Wage Subsidy	-	10,000	10,000	-	45,000	45,000
<b>Event Income (Net):</b>						
Pride (net)	23,000	2,561	(20,439)	23,000	2,561	(20,439)
Christmas Eve (net)	36,500	-	(36,500)	36,500	20,500	(16,000)
Mid-Year (net)	25,000	-	(25,000)	25,000	-	(25,000)
Transfers from Restricted for Specific Programs	221,398	238,703	17,305	221,398	238,703	17,305
<b>Expenses</b>						
Essential Operating Expenses	308,760	306,768	1,992	308,760	307,568	1,192
Core Worship Related	198,192	198,862	(670)	198,192	198,862	(670)
Refugee Program	86,887	87,115	(228)	86,887	87,115	(228)
Community Engagement	19,400	10,118	9,282	19,400	10,118	9,282
Worship & Music	265,396	186,593	78,803	265,396	186,593	78,803
Fundraising and Communications	178,049	180,956	(2,907)	178,049	180,956	(2,907)
Finance, Facilities and Technology	149,376	149,442	(66)	149,376	149,442	(66)
Operating Budget Contingency	15,000	15,000	-	15,000	15,000	-
<b>EXCESS INCOME/EXPENSES before depreciation</b>	<b>(70,714)</b>	<b>(129,219)</b>	<b>(58,505)</b>	<b>(70,714)</b>	<b>73,481</b>	<b>144,195</b>
Depreciation	90,000	100,000	(10,000)	90,000	100,000	(10,000)
<b>EXCESS (DEFICIENCY) INCOME/EXPENSES</b>	<b>(160,714)</b>	<b>(229,219)</b>	<b>(68,505)</b>	<b>(160,714)</b>	<b>(26,519)</b>	<b>134,195</b>