

Report of the Board of Directors to General Assembly 2024



TABLE OF CONTENTS

- Board of Directors of The Alliance Canada 3
- Introduction 4
- 1 Report on Matters Arising from General Assembly 2022 and Previous Assemblies 5
 - 1.1 Licensing and Ordination 5
 - 1.2 Application to Change Date of Annual Meeting of Members/General Assembly 5
 - 1.3 Constitution for Developing Churches 6
 - 1.4 Review of Statement on Family and Marriage 6
 - 1.5 Abuse Prevention 7
 - 1.6 Legislation on Unincorporated Bodies 7
 - 1.7 Core Values 7
 - 1.8 Licensing Policy Amendment 8
 - 1.9 President’s Strategic Plan 9
 - 1.10 Reporting of Official Schools 9
 - 1.11 Truth and Reconciliation Commission 10
 - 1.12 Statements on Sexuality and Gender 10
 - 1.13 Whistleblower Policy 10
 - 1.14 Diversity 11
- 2 Report on Decisions Made by the Board of Directors 12
 - 2.1 Annual Meeting of Members 2023 12
 - 2.2 Board Appointments and Standing Committees 12
 - 2.3 Board Enacted Policy Changes Subject to Ratification by General Assembly 13
 - 2.4 The Christian and Missionary Alliance in Canada Policy Manual Approvals and Amendments 13
 - 2.5 Board Policy Revisions 15
 - 2.6 Financial Matters 16
 - 2.7 General Assembly 2024 19
 - 2.8 General Assembly 2026 19
 - 2.9 International Worker Affirmations 19
 - 2.10 Official Schools 19
 - 2.11 National Cultural Associations 19
 - 2.12 The Strategic Plan 19
 - 2.13 Vice President of Operations and Strategy Execution 19

Board of Directors Report to General Assembly 2024

- 3 Matters Referred to General Assembly 2024 by the Board of Directors..... 21
 - 3.1 Appointment of Auditors..... 21
 - 3.2 Audited Financial Statements..... 21
- 4 Matters Enacted by the Board of Directors Subject to Ratification by General Assembly 2024 22
 - 4.1 Policy on General Assembly 22
 - 4.2 Policy on District Organization 23
 - 4.3 Policy on Process for Electing the District Superintendent 24
- Appendix 1 – C&MA Annual Meeting Minutes May 7, 2023 25
- Appendix 2 – Global Advance Fund Income 2000 to 2023 Actual 27
- Appendix 3 – Auditor’s Report – C&MA Combined Financial Statements 2023 28
- Appendix 4 – Auditor’s Report – C&MA Pension Plan Schedule of Contributions 2023 45
- Appendix 5 – C&MA Pension Plan Financial Statements 2023 49
- Appendix 6 – 2024 Global Advance Fund Budget Summary 52
- Appendix 7 – Alliance Retiral Fund Members Return on Investment 1991-2023 53
- Appendix 8 – Deployed International Workers 2022 – 2024 YTD 54
- Appendix 9 – Diversity 55

BOARD OF DIRECTORS OF THE ALLIANCE CANADA

Rev. Hérault Alphonse was elected to the Board in 2020. He is the associate pastor at Église évangélique haïtienne de l'ACM de Montréal in Quebec.

Mr. Jonathan Carlzon was elected to the Board in 2022. He is a member of Sherwood Alliance Church in Sherwood Park, Alberta.

Rev. Dr. Matthew Chiu was elected to the Board in 2020. He is the senior pastor at Scarborough Chinese Alliance Church in Toronto, Ontario.

Rev. Mardi Dolfo-Smith was elected to the Board in 2022. She is the executive pastor at Coquitlam Alliance Church in Coquitlam, British Columbia.

Rev. Darren Herbold serves as President of The Alliance Canada. He is a member at Southside Community Church in Milton, Ontario.

Rev. Stan Man was elected to the Board in 2020. He is the senior pastor at North Toronto Chinese Alliance Church in Toronto, Ontario.

Mr. John Quigg was elected to the Board in 2022 and is a member and board member at The Exchange in Calgary, Alberta.

Rev. Mandy Ralph was elected to the Board in 2022. She is member of Rosewood Park Alliance Church in Regina, Saskatchewan.

Rev. Tony Sammut was elected to the Board in 2020. He is the pastor of spiritual formation and the Bolton site of The Well church in Bolton, Ontario.

Rev. Jeff Sensenstein was elected to the Board in 2022 and serves as Chair. He is the interim pastor at Grace Church in Nova Scotia.

Mrs. Cheryl Smith-Debanné was elected to the Board in 2022. She is a Children's Ministry Coordinator at L'Oasis - Église ACM, Quebec.

Rev. Christopher Throness was elected to the Board in 2022. He is lead pastor at Kamloops Alliance Church in Kamloops, British Columbia.

INTRODUCTION

Greetings,

Since last I submitted a letter to Assembly, much has happened. Assembly 2024 will be my last as Chair of the C&MA Board of Directors. Our last few meetings have included planning for my successor. Recently, that individual successfully ran our board meeting with the patience and skill expected of a board chair. I strongly believe that succession plans should be normative.

This Assembly will see a significant change in the directors on the board. I encourage you to prayerfully support them and be a willing participant if asked to serve on various subcommittees. In light of that, I wish to say thank you to the many committees that have helped the board work on significant documents, processes, and policy. They have served on behalf of us all, requiring significant prayer, a heart attentive to the Spirit, and minds informed by the Word of God.

It has been a privilege to have served a few presidents in my tenure, and it is a delight to see our current President building staff, enhancing safe ministry, and the heavy lifting in developing a strategic plan. Some of those tasks are complicated, and President Herbold shows himself full of grace and compassion. Pray for him and his team.

I remember the words of a particular prophetic statement from within one of our Alliance churches: there is more ahead of us than there is behind us. I'm writing this as I look out the window at the Bay of Fundy, where I see ships passing, some with rumbling engines, some silently slipping by being pushed by the wind.

One ship sails east,
and another west,
by the self-same winds that blow,
'Tis the set of sails
and not the gales
that tells the way we go.
(Ella Wheeler Wilcox)

May the Spirit of God fill us and drive true to His will as our vision of being a Christ-centred, Spirit-empowered, Mission-focused movement becomes a focused reality in our day.

Sincerely,



Rev. Jeff Sensenstein
Board Chair, The Alliance Canada

1 REPORT ON MATTERS ARISING FROM GENERAL ASSEMBLY 2022 AND PREVIOUS ASSEMBLIES

1.1 Licensing and Ordination

General Assembly 2018 resolved that:

The Board of Directors fully implement a new, updated, and uniform ordination and licensing process by General Assembly 2020.

Update:

After General Assembly 2018 a National Licensing and Ordination Committee (NLOC) was formed. The committee reviewed the Licensing Policy first and policy changes were reported in the Board of Directors Report to the 2020 Meeting of Members. Updated licensing documents, including a study guide, interviewer guide, and marking rubric are now used across all districts so that each licensee goes through a similar process, bringing alignment to the national licensing process.

In fall 2023, the Board approved an updated Ordination Policy (see [Section 2.4.3](#)). In February 2024, the President, in collaboration with the NLOC and the district superintendents, published updated Ordination Requirements.

1.2 Application to Change Date of Annual Meeting of Members/General Assembly

General Assembly 2022 resolved that:

Application be made on behalf of the Members of The Christian and Missionary Alliance in Canada to the appropriate government authority to permit the 2024 annual Meeting of Members to be convened within eight months of the end of the 2023 financial year of the Corporation rather than the six months that is prescribed in the Canada Not-for-profit Corporations Act and that, in the event that permission is granted and the 2024 annual Meeting of Members is called later than six months after the 2023 financial year end, Members will receive the 2023 audited financial statements within six months of the 2023 financial year end as well as interim financial statements for the 2024 financial year.

Update:

Application was made, permission was granted, and the Members were notified of such permission on April 28, 2023. The planned dates for General Assembly 2024 fall outside of the prescribed six-month window for such meetings, and the permission granted will be exercised this year.

1.3 Constitution for Developing Churches

General Assembly 2022 resolved that:

The Board of Directors review the Constitution for Developing Churches, Item 12.2 to ensure that it is substantively similar to the Local Church Constitution, Item 12.2 in accordance with the following wording:

“The official records of all officers of this church and all its departments are the property of the church. All financial records shall be prepared and maintained according to Accounting Standards for Not-For-Profit Organizations, and shall be subject to an independent audit, review, or compilation by a Chartered Professional Accountant annually. Only churches with an annual revenue not exceeding \$250,000, if permitted by federal, provincial, or territorial regulations, may with approval of the District Superintendent choose a compilation annually, on an accounting basis that is acceptable to their district that may be other than Accounting Standards for Not-For-Profit Organizations. To remain in effect until such time as annual revenue exceeds \$250,000 or is changed by the District Superintendent.”

Update:

The Constitution for Developing Churches, Item 12.2. was amended to read:

“The official records of all officers of this church and all its departments are the property of the church. All financial records shall be prepared and maintained according to Accounting Standards for Not-For-Profit Organizations, and shall be subject to an independent audit, review, or compilation by a Chartered Professional Accountant annually. Only churches with an annual revenue not exceeding \$250,000, if permitted by federal, provincial, or territorial regulations, may with approval of the District Superintendent choose a compilation annually, on an accounting basis that is acceptable to their district that may be other than Accounting Standards for Not-For-Profit Organizations. To remain in effect until such time as annual revenue exceeds \$250,000 or is changed by the District Superintendent.”

1.4 Review of Statement on Family and Marriage

General Assembly 2022 resolved that:

The Board of Directors refer the amended Statement on Family and Marriage to the Committee on Theological Issues to review and bring any recommendations to Assembly 2024.

Update:

The Committee on Theological Issues revised their terms of reference and is now the Alliance Canada Theological Commission. They are working on a “white paper” on theological anthropology to lay the groundwork for and inform their review of the Statement on Family and Marriage to be done by General Assembly 2026. This paper will be a significant development for The Alliance Canada and serve to strengthen us as a denomination; and provide foundational support for any further reflection. See [Section 2.2.3](#).

1.5 Abuse Prevention

General Assembly 2022 resolved that:

The Board of Directors provide training and resources for pastors, workers, and churches on preventing and responding to all types of abuse by Assembly 2024.

Update:

The Director of Safe Ministry (DoSM), Elke Carlson, was hired on March 27, 2023 playing a pivotal role in equipping the C&MA and its affiliated entities (churches, congregations, districts, institutions, agencies, organizations, or other bodies that operate under its name) with the necessary tools and knowledge for effective abuse and harassment awareness, prevention, response and resolution. Responsible for overseeing the Policy and Procedures on Sexual Misconduct for Official Workers and Churches and the Whistleblower Policy, the DoSM provides coaching, resources and training on safe church principles and safe management. This ensures the fulfillment of the C&MA's commitment to fostering safe environments so that people can meet and experience Jesus as Savior, King, Sanctifier, and Healer.

Over the past year, the DoSM has diligently handled more than 55 complaints under the two policies, highlighting the unfortunate reality of power misuse and abuse within the C&MA. This underscores the growing need for trauma-informed leadership, coupled with a focus on policy alignment and accountability in complaint handling. Moving forward, safe ministry aims to address this demand by providing trauma-friendly principles, enhancing policy and procedural alignment, and developing training and resources to better serve our community and uphold our commitment to safe environments. Training and resources will be a priority for the DoSM over the next 2 years.

1.6 Legislation on Unincorporated Bodies

General Assembly 2022 resolved that:

Whereas, the Board of Directors has recommended that unincorporated churches abide by provincial or territorial regulations, it was resolved that the Board of Directors study the application of provincial and territorial legislation to unincorporated bodies and report its findings back to General Assembly 2024 with any related recommendations.

Update:

The Board had a team of district representatives review this resolution. It was determined that this is not one question, but 14 questions, one for each province and territory of Canada along with federally. This is a provincial jurisdiction and the responsibility of the districts, there is no value in providing a national response to this resolution.

1.7 Core Values

General Assembly 2022 resolved that the following resolution from the Report of the Committee on General Legislation be referred to the Board of Directors:

WHEREAS the committee on General Legislation agrees that the language in C&MA core values section 6. Missions “We give priority in our missionary activity to evangelizing those people who have had the least opportunity to hear the Gospel...” could be perceived as proselytizing,

WHEREAS proselytizing may be considered culturally inappropriate,

WHEREAS we affirm the value of world evangelization,

Be it resolved that language in C&MA core values section 6. Missions be amended to read “We give priority to world evangelization and to reaching people who have had the least opportunity to hear the Gospel.”

Update:

The Board approved the resolution and it has been updated in the Core Values in the Manual of The Christian and Missionary Alliance in Canada.

1.8 Licensing Policy Amendment

General Assembly 2022 resolved that the following resolution from the Report of the Committee on General Legislation be referred to the Board of Directors:

Resolved that the Board of Directors amend sections 4.3, 5.1.5, and 5.2.4 of The Licensing Policy to read *“commitment to the fulfillment of other licensing conditions established from time to time by the appropriate District Executive Committee or the Board of Directors after consultation with the licensing authorities in other jurisdictions.”*

Update:

The Board of Directors asked the National Lead Team (NLT), composed of the President, Vice Presidents, and District Superintendents, to review the resolution. The NLT made the following recommendation which the Board approved:

WHEREAS the licensing policy and its requirements will be agreed upon by all licensing authorities,

WHEREAS there is core alignment on licensing requirements across all licensing authorities and, therefore, portability for licensed workers,

WHEREAS GA Recommendation #24 regarding the licensing policy may restrain district autonomy and contextualization,

It is recommended that the Board of Directors reject GA Recommendation #24 and instead add the following to the Licensing Policy:

The licensing requirements in this policy are agreed to by all C&MA licensing authorities, and as such, each licensing authority must adhere to the licensing requirements in this policy in its entirety.

1.9 President's Strategic Plan

General Assembly 2022 resolved that:

The development of a new strategic plan be prioritized as the key deliverable of the President's first year in office, and that:

1. Whereas regional cultures and local church cultures vary; and, Whereas God gifts believers in local churches to serve as a body in their particular mission fields; and, Whereas each community has its own identifiable needs, and spiritual dynamic, listening circles of constituents, national and international, be part of the President's development of a strategic plan.
2. The Board of Directors request the President's Office to produce a monitoring report of the strategic plan each year, which will include initiatives undertaken and planned, progress towards goals, and the matrix by which progress or lack thereof can be measured.
3. The new strategic plan takes into consideration the critical shortage of new leaders, the necessity of exploring new paradigms for ministry practice and training in light of global crises we are experiencing, with special attention to the use of technology and its implications for our work.

Update:

The development of the President's Strategic Plan has been a priority since his election. Despite this, it has taken longer than anticipated to produce the strategy, based primarily on two factors.

Firstly, the **Circles of Dialogue** exercise was a robust listening exercise which engaged with Official Workers across our denomination; however, it took almost 10 months from the start of term to complete. This key aspect of strategy development was critical to do well before moving to the next phase.

Secondly, it was determined that it was vital for the District Superintendents to engage and contribute to the strategy development. Essentially, while it would take longer than originally hoped, the likelihood of a successful execution of the strategy would be much higher.

The Board of Directors has been fully apprised of these choices and its implications on the schedule.

So, rather than having a strategy to respond to after one year in office, the strategy is coming to General Assembly before the second year in office is complete.

The strategy is available in the President's Report to General Assembly 2024.

1.10 Reporting of Official Schools

General Assembly 2022 resolved that:

Ambrose and ETEQ report to General Assembly in 2024 on how they are contributing specifically to the strategic plan in developing leaders for a wide variety of contexts (i.e. National/International, Church/Market Place, Rural/Urban).

Update:

The Board of Directors, acting on behalf of General Assembly, has made the Presidents of Ambrose University and ETEQ aware of this resolution.

1.11 Truth and Reconciliation Commission

General Assembly 2022 resolved that:

The Board of Directors continue to develop, with the Indigenous people that are a part of the Alliance Church family, a strategic initiative that will guide us in concrete ways to respond to the calls to action from the Truth and Reconciliation Commission.

Update:

The Board of Directors continues to support and promote, with the Indigenous people that are a part of the Alliance church family, a multiple local strategic initiative that will guide us in concrete ways to respond to the calls to action from the Truth and Reconciliation Commission. Local church leaders are working closely with the Executive Director of Indigenous Alliance Churches of Canada (IACC) to explore initiatives that can be implemented and engaged in at a grassroots level that can facilitate long-lasting impact and systemic change in The Alliance Canada.

1.12 Statements on Sexuality and Gender

General Assembly 2022 resolved that:

The Statements on Sexuality and Gender be legally reviewed in light of the recent legislation prohibiting conversion therapy.

Update:

The Statement on Family and Marriage and the Statement on Human Sexuality were sent for legal review with Bill C-4 in mind to advise if these statements are within the law and/or leave us vulnerable in any way. The legal opinion was that these statements do not violate the Criminal Code prohibitions on conversion therapy as they are statements on theological views. It is engaging in or advertising conversion therapy that poses the risk of criminal charges.

1.13 Whistleblower Policy

General Assembly 2022 resolved that:

Whereas abuse reports in the worldwide Church, ministry agencies, and associations is happening too frequently, it is, therefore, recommended that the Board of Directors develop a robust Whistleblower Policy which is comprehensive enough to address abuse of power incidents and patterns.

Update:

The Board of Directors approved a Whistleblower Policy in November 2022 which is now part of the Manual of The Christian and Missionary Alliance in Canada. At the same time a reporting option for

whistleblowers was placed on The Alliance Canada website, alongside the report sexual abuse option: <https://thealliancecanada.ca/report-misconduct/>. This policy serves as a mechanism for promoting transparency and accountability within the C&MA by providing a safe and accessible platform to voice concerns and report any instances of misconduct and wrongdoing. (See [Section 2.4.7](#) for further policy revisions)

1.14 Diversity

General Assembly 2022 resolved that:

That the Board of Directors look to the current levels of diversity in Alliance structures and determine what next steps should be taken to address any concerns that are identified.

Update:

The Board of Directors has been monitoring diversity in senior levels of leadership of the Alliance since 2018. Diversity was defined as age (under 45), gender and ethnicity. Senior leadership levels were defined as C&MA Board, Executive Officers of the Corporation, District Superintendents (National Lead Team), International Strategy Directors (International Lead Team), and District Executive Committees (DEXCOMs). See [Appendix 9](#) for details and statistical information.

When it comes to measuring diversity at deeper levels of the denomination, there are constraints, such as the fact that ethnicity data is not collected for official workers and some workers may not wish to declare their ethnicity if asked. In addition, the date of birth of Alliance workers is not consistently collected by each district, so it is difficult to determine a full picture of the age ranges of our workers.

The National Ministry Centre is working to create a better system for tracking diversity through the implementation of a central database system.

2 REPORT ON DECISIONS MADE BY THE BOARD OF DIRECTORS

The following is a report on all key decisions made by the Board of Directors from June 2022 to April 2024.

2.1 Annual Meeting of Members 2023

The Board of Directors convened the annual Meeting of Members of the Corporation on May 7, 2023 in accordance with General Operating By-law No.2, article 5.8 (See [Appendix 1 – C&MA Annual Meeting Minutes, May 7, 2023](#)).

2.2 Board Appointments and Standing Committees

2.2.1 Appointments

- 2.2.1.1. The Board of Directors appointed officers of the corporation and of the Board, including the Chair, Vice Chair, Treasurer, and Secretary, and established the Order of Succession.
- 2.2.1.2. Elaine Lu was appointed as the international worker guest to the Board of Directors meetings for a 4-year term coterminous with that of the current President.
- 2.2.1.3. Chris Throness was appointed as a director to fulfill the remainder of the term (2020-2024) left by the resignation of Karla Babcock-Rockwell on June 5, 2022.

2.2.2 Standing Committees

The Board regularly appoints its members and others to the following standing committees according to policy: Audit Review Committee, Committee on Nominations, Emergent Situation Committee, Finance Committee, Human Resources and Presidential Evaluation Committee, Investment Advisory Committee, and the Alliance Canada Theological Commission.

2.2.3 Alliance Canada Theological Commission

In fall 2022, the Board asked the Committee on Theological Issues to revise their terms of reference and purpose to focus on theological reflection for the denomination. In February 2023, the Board approved a revised terms of reference and a new name: the Alliance Canada Theological Commission (ACTC). The committee is working on developing a “white paper” on theological anthropology that will address questions such as: What does it mean to be human? What does it mean to be made in God’s image? What does it mean for humanity to be embodied? What are the implications for pastoral praxis? The time invested in theological reflection and writing this paper would serve as the groundwork for the committee to then review the Statement on Family and Marriage and other statements as requested by the Board or Assembly from time to time. (See [Section 1.4](#))

2.2.4 Clergy Abuse Response Team

Due to the hiring of the Director of Safe Ministry, the Clergy Abuse Response Team (CART) was no longer needed; the Board rescinded the terms of reference and dissolved the committee. The Board of Directors thanks the CART members for their years of service and dedication to supporting the prevention of clergy sexual abuse through policy review, training, consultation, and supporting the complainant and respondent in reported cases.

2.3 Board Enacted Policy Changes Subject to Ratification by General Assembly

General Operating Bylaw No.3, Article 12 – Effective Date, Section 12.1 – Bylaws and Effective Date, states: *“Subject to the General Operating Bylaw, the Board may, by a resolution that is passed unanimously by the Board, make, amend, or repeal any bylaw that regulates the activities or affairs of the Corporation. Any such bylaw, amendment, or repeal shall be effective from the date of the resolution of the Board until the next Meeting of Members, which is a biennial meeting of the General Assembly, called for the purpose of considering the bylaw where it may be confirmed, rejected, or amended by the Members by special resolution of the voting delegates of the Members. If the bylaw, amendment, or repeal is confirmed or confirmed as amended by the Members, it remains effective in the form in which it was confirmed. The bylaw, amendment, or repeal ceases to have effect if it is not submitted to the Members at the next Meeting of Members, which is a biennial meeting of the General Assembly or if it is rejected by the Members at the meeting. In the event a resolution to make, amend, or repeal a bylaw is not unanimously passed by the Board, any such proposed revision to the by-law shall be presented to the Members at the next annual Meeting of Members, which is a biennial meeting of the General Assembly, and if the proposed revision is approved or amended by special resolution of the voting delegates of the Members, such bylaw, as approved, shall have effect as of the date it is so approved.”*

General Operating Bylaw No.3, Article 9 – Policies, Regulations, Official Statements, and Guidelines, Section 9.2. – Effective Date, states: *“Any Policy, Regulation, Official Statement or Guideline adopted by the Board shall continue to have force and effect until amended, repealed, or replaced by a subsequent Resolution of the Board or the Members, which Members’ Resolution, if applicable, shall take priority over any conflicting Resolution of the Board.”*

In compliance with the policies noted above, the Board approved policy changes that would be in effect until General Assembly 2024 where they may then be confirmed, rejected, or amended by the Members. These policy amendments have been tracked in the Manual of The Christian and Missionary Alliance using underlined additions or struck-through deletions and are proposed to General Assembly 2024 in [Section 4 - Matters Enacted by the Board of Directors Subject to Ratification by General Assembly 2024](#).

2.4 The Christian and Missionary Alliance in Canada Policy Manual Approvals and Amendments

The following policy approvals and amendments were made to policies in the Manual of The Christian and Missionary Alliance in Canada (the “Manual”) in which the amending policy allows for amendments to be made by majority vote of the Board of Directors.

2.4.1 A Call to Excellence

Due to receiving requests to define and clarify the term “abide by” as the term was being defined and interpreted differently by Alliance workers, the Board approved a footnote in February 2023 that defined the term “abide by” to be inserted into A Call to Excellence, Section 7, Submission to Authority Principle. The footnote stated: *“To “abide by” is to accept, endorse, teach, and counsel in accordance with the policies, regulations, official statements, and guidelines of The Christian and Missionary Alliance in Canada through both direct and indirect communication and action. To*

not “abide by” is to accept, endorse, teach, and counsel behaviours or beliefs that are not in accordance with the policies, regulations, official statements, and guidelines of the C&MA.”

In April 2024, as a response to feedback the Board received from official workers, the Board approved an amendment which removed the footnote and removed the term “abide by” from Section 7 of A Call to Excellence.

The updated section reads, *“Submission to authority principle – Submission to those in authority over believers is a clear biblical mandate. (Hebrews 13:17). Workers are to walk with humility and willingly submit to those in authority over them. In addition, licensed workers possess authority, influence, and duty of care for the church, and her members. From time to time, workers may disagree with policies, official statements, and guidelines of the CMA. In the event of disagreement, concern shall be expressed within the fellowship of peers and through established district and national processes, while upholding existing policies, official statements, and guidelines of the C&MA.”*

Bullet point 2 was amended to read, *“I will endorse, teach, and advise, both in word and deed, in accordance with the policies, official statements, and guidelines of the C&MA in the manner prescribed by these categories.”*

2.4.2 Licensing Policy

Amendments were made to the Licensing Policy, Article 4 – Categories of License, to align policy with practice regarding who may oversee the administration of ordinances and the solemnization of marriages in local churches, which may vary due to the size and circumstances of the church or the province or territory in which it resides.

2.4.3 Ordination Policy

The National Licensing and Ordination Committee completed its work on reviewing and amending the Ordination Policy (see [Section 1.1](#)). The recommended changes were agreed upon by the district superintendents and approved by the Board in November 2023. The changes bring clarity around who enters ordination and where freedom exists for flexibility around the time to complete the pathway.

2.4.4 Policy on Discipline, Restoration, and Appeal for Official Workers

In the Policy on Discipline, Restoration, and Appeal for Official Workers, Article 7 – Appeal Process, Item 7.5, the word “annulled” was replaced with the word “altered” so that it reads: *“When an appeal is granted and results in a decision being altered, and where both parties were licensed workers, the discipline case of the other licensed worker will be reviewed automatically.”*

2.4.5 Policy on Local Churches

The following changes were made to the Policy on Local Churches:

- Item 2.5. was added for member churches which brings them into congruence with affiliated churches:

In addition to abiding by the governing documents of the C&MA, member churches shall contribute to the Alliance Retiral Fund on behalf of the pastors and staff in accordance with its guidelines.

- Article 3 – Church Closure was added, which was a policy that existed in the Board Policy Manual; adding it to the Manual of the C&MA makes it more visible. This policy addresses the rare and unfortunate situation where it may be appropriate to close a church that has been struggling to be viable for a number of years.

2.4.6 Policy and Procedures on Sexual Misconduct for Official Workers and Churches

The following changes were made to the Policy and Procedures on Sexual Misconduct for Official Workers and Churches:

- Item 3.1.1. removed the condition that a national advisor be nominated and appointed to a four-year term as this role is filled by the Director of Safe Ministry in a permanent, full-time position.
- An amendment was added to Item 3.4 – Timeline for Resolution of Complaints, that complaints will be resolved within 120 days of being reported, instead of 90 days. And a sentence was added stating, *“Complainants will be made aware that resolution can exceed 120 days depending on the nature of the allegations.”*
- Item 4.1.3.2. – Notification of Respondent had a fourth bullet point added: *“In cases where the Respondent is unwilling to participate with the notification or investigation, it is not deemed as an omission or confession of guilt, however, the investigation will proceed without the Respondent’s cooperation.”*
- Item 5.2.5 – Review Process for an External Investigation was amended to state: *“The national advisor shall present the report of the review committee to the appropriate ecclesiastical authority or employer for implementation no sooner than fifteen (15) days after it has been presented to the complainant and the respondent, ~~and only if an appeal is not being pursued.~~”*
- The underlined words were added to Appendix B, B.2. Process, B.2.2. The Investigator shall:
B.2.2.1. Receive the “Complaint/Suspicion” of the complainant as recorded by the national advisor and, when applicable, interview the complainant.

2.4.7 Whistleblower Policy

In November 2022, the Board approved the Whistleblower Policy as a new policy for The Christian and Missionary Alliance in Canada (see [Section 1.13](#)). Recognizing the evolving landscape of workplace complaints and abuse, the Board approved amendments to the Whistleblower Policy in February 2024. These amendments included clear definitions of gross misconduct, wrongdoing, reprisals, and procedural alignment. The Director of Safe Ministry, acting as National Advisor pursuant to the policy, oversees and ensures that the designated ecclesiastical authority is attentive to instances of power misuse and/or abuse and reports patterns to the Board of Directors.

2.5 Board Policy Revisions

The Board of Directors made the following revisions to the Board Policy and Procedures Manual:

- Removed the term “Lead Team” for Executive Officers of the corporation who assist the President in implementing the vision, mission, and day-to-day management of the denomination, instead just calling them Executive Officers.

- Rescinded the Policy on Church Closure and approved moving this policy into the Policy on Local Churches in the Manual of The Christian and Missionary Alliance in Canada.
- Added a Board-President Executive Linkage Policy that the National Advisor (filled by the Director of Safe Ministry) shall assist the President in the management of safe-ministry related responsibilities at arms length to the organization and of reporting on case activity to the Board on a biannual basis.

2.6 Financial Matters

2.6.1 Financial Monitoring

The Finance Committee of the Board of Directors serves the Board regarding oversight and fiduciary responsibilities. In general, the Committee reviewed financial reports, annual budget submissions and recommendations which were presented to the Board and provided input to the Board regarding such reports, recommendations, and other financial matters.

The Board received monthly financial statements and carefully discussed the current financial situation at every meeting. The 2023 and 2024 budgets were set with the intention of being neither overly conservative nor overly optimistic and were based on actual financial results for previous years.

[Appendix 2](#) provides a graph of Global Advance Fund (GAF) income from 2000 through 2023.

2.6.2 Audited Financial Statements

The Board approved the 2022 and 2023 audited financial statements and the respective Independent Auditor's Report of The Christian and Missionary Alliance in Canada. The Board approved the independently audited Schedules of Contributions received by the Pension Plan for Workers of The Christian and Missionary Alliance in Canada for 2022 and 2023. The 2022 and 2023 financial statements prepared by management for the Pension Plan for Workers of The Christian and Missionary Alliance in Canada were also approved. (See [Appendix 3 – Auditor's Report – C&MA Combined Financial Statements 2023](#); [Appendix 4 – Auditor's Report – C&MA Pension Plan Schedule of Contributions 2023](#); [Appendix 5 – C&MA Pension Plan Financial Statements 2023](#))

2.6.3 Audit Review Committee

The Audit Review Committee reviewed all annual financial statements and evaluated and reported on the fiscal controls for The Alliance Canada national funds including the Global Advance Fund and the Pension Plan for the Workers of The Christian and Missionary Alliance in Canada in order to assist the financial officers and the Board of Directors with the discharge of their fiduciary responsibilities. The audit committee also meets with the external auditors prior to the start of and at the end of each year's audit to discuss the audit plan and the audit results respectively.

2.6.4 Global Advance Fund Budgets 2023 and 2024

[Appendix 6](#) includes a 2024 Global Advance Fund budget summary page as approved by the Board of Directors. Additional GAF budget details will be provided to the General Assembly Committee on Finance.

The 2024 budget calls for total GAF income of \$15,714,000 (not including budgeted 2024 General Assembly registration income of \$370,000) which is a 2.4% increase as compared to actual 2023 budgeted GAF income. The 2024 GAF budget is seen as a faith stretch; partly because 2024 budgeted income includes increased Jaffray donations to reflect the improvement in the actual 2023 Jaffray donations.

Total 2024 budgeted income is \$20,584,000, which includes the \$370,000 for 2024 General Assembly registration income and \$4,500,000 of designated income.

Total budgeted expenses are \$16,874,000 including expenditures budgeted to cover all the costs of General Assembly. There is a GAF operating deficit of \$790,000 prior to approved fund transfers. There is a variety of fund transfers totaling \$890,000, including the \$50,000 transfer from the 2023 internally restricted General Assembly Reserve fund. The 2024 budgeted GAF operating surplus is \$100,000 after transfers.

2.6.5 Investment Advisory Committee – Alliance Retiral Fund (Pension Plan)

The Board received reports from the Investment Advisory Committee (IAC) and noted that pension plan members generally received favourable above-market rates of return. Since General Assembly 2022, the average Default Investment Option plan member earned -8.5% in calendar 2022 and 10.5% in calendar 2023. These Return on Investment (ROI) results exceeded market benchmark results. Below are the average compound annual ROI of Default plan members from 1-year results to 33-year results, as of December 31, 2023:

	1 year	3 Years	5 Years	10 Years
Average ROI:	10.5%	4.7%	7.6%	7.1%

[Appendix 7](#) provides a chart showing annual ROI results from 1991 through 2023.

The Alliance Retiral Fund (“ARF”) defined contribution pension plan reached its 33rd year during 2023; during that time Manulife Financial has served as pension plan administrator. Thirty-three years ago, pension plan members had total pension investments of \$15,000,000. By December 31, 2023, plan members had total investments of \$178,000,000. The IAC is grateful to God for His favour on retirement provisions for Alliance workers over this last quarter-century plus.

The demographics of pension plan members is such that many members are reaching retirement, and many more will reach retirement in the next 5 to 10 years. During 2023, total plan member refunds/withdrawals reached \$20.5 million. This level of refunds/withdrawals was greater than total 2023 contributions of \$10.5 million (including \$424,000 of voluntary contributions). Notwithstanding the high levels of 2022 and 2023 refunds/withdrawals, total plan member investments grew from \$170 million at the end of 2022 to \$178 million at the end of 2023 because of favourable net investment returns in 2023.

Pension plan members choose to invest their pension funds in a default investment option or in an active investment option. At the end of 2023, 54% of plan members invested in the default option and 46% in the active option.

The Alliance Canada regularly reviews the investments and structure of the Alliance Retiral Fund, and industry trends within the Canadian pension universe. We have been pleased to provide

members with effective investment options for those electing to invest in an asset mix based on the direction of the Investment Advisory Committee (default members) and for those electing to invest using a personally chosen asset mix (active members). An emerging trend in recent years, has been the adoption of “age based” or Target Date Funds (“TDFs”). TDFs are suites of investment funds created in 5-year age bands that become more conservative over time as investors age. They now represent the most popular default direction for Group Retirement Plans throughout North America. With the support of Reuter Benefits, The Alliance Canada, as approved by the Board, implemented a Target Date approach as the default investment for pension plan members, effective August 1, 2022.

All the fund managers will remain engaged as investors of member assets, however, their participation in each fund will be adjusted to meet the mandates of each TDF. In addition, we have enhanced the diversification of the fixed income component of the Retirement, 2025 and 2030 funds to control risk and add potential return over time.

All TDFs will be rebalanced annually to their strategic portfolio approaches. New Investment Funds were offered to ARF members, designed to enhance diversification within the new TDFs, and as independent options for Active Investors.

New funds under the ARF include:

- **Manulife MIM Strategic Fixed Income Fund (4136)**
The Fund employs tactical asset allocation across multiple fixed income sectors including global government bonds, investment grade corporate and emerging markets bonds. In addition, a dynamic currency management strategy is being implemented to help the Fund benefit from, and to mitigate currency fluctuations. By expanding the investment universe to include multiple sectors and currencies, management believes it can increase its potential to add value while reducing risk.
- **Manulife MIM Canadian Bond Index (4191)**
The Fund is a passive fixed income mandate designed to match the performance of the FTSE Canada Universe Bond Index. Rather than investing in every bond within the Index, it uses a sampling approach which involves selecting bonds that grant representative exposure. This allows the Fund to match the duration, convexity, and sector exposure characteristics of the FTSE Canada Universe Bond Index. The portfolio is constantly monitored and rebalanced to account for new entrants and deletions from the Index, as well as for net cash flows.
- **Manulife Canadian Real Estate Fund (9575)**
The Fund is invested 75-85% in direct real estate exposure through the Manulife Canadian Property Portfolio (MCP). MCP is diversified across geographical regions within Canada, as well as by property type. The remaining 15-25% of the portfolio invests in real estate securities and fixed income investments to meet the liquidity needs of investors. Long-term leases associated with direct real estate typically provide investors a high level of income and built-in inflation protection. Real estate returns have historically had lower volatility and shown lower correlations with traditional asset classes, providing investors diversification benefits.

The three new funds were available to all ARF plan members effective March 1st, 2022.

2.7 General Assembly 2024

The Board appointed the moderator, assistant moderator, international worker committee members, members-at-large, and committee executive leadership for General Assembly 2024.

2.8 General Assembly 2026

The Board approved the dates and location of General Assembly 2026 to be June 9-12, 2026 at First Alliance Church in Calgary, Alberta.

2.9 International Worker Affirmations

The Board affirmed fully-funded international workers appointed by the International Vice President and received reports from administration regarding the appointment of partially-funded and self-funded workers. (See [Appendix 8 – Deployed International Workers 2022-2024 YTD](#))

2.10 Official Schools

The official schools of The Alliance Canada (those with a relationship set out according to the Policy on Official Schools (Post-secondary) in a memorandum of understanding (MOU)) are Ambrose University and L'École de Théologie Évangélique du Québec (ETEQ). The Board of Directors received verbal and written reports annually from the presidents of these schools. The President is working on the renewal of the MOUs with Ambrose and ETEQ for 2024.

In response to the recommendations from the Ambrose University Board of Governors Nominating Committee and the President of The Alliance Canada, the Board of Directors appointed Janet Kirby to the Ambrose Board of Governors which has six Alliance appointees.

As of May 6, 2024, Rev. Dr. Bryce Ashlin-Mayo will become the new President of Ambrose University. He is currently the Dean of Theology and Associate Professor of Pastoral Theology. The Board of The Alliance Canada thanks Rev. Dr. Gordon Smith for his commitment and passion as President of Ambrose University over the past twelve years.

2.11 National Cultural Associations

The Board received and approved amendments to the Association of Vietnamese Alliance Churches in Canada (AVAC) regulations, as approved at the AVAC XVI Conference held on June 24-25, 2022.

The Board received and approved amendments to the First Nations Alliance Churches of Canada (FNACC) regulations, as adopted by the FNACC Conference on July 29, 2023 and approved that the name of the association be changed to Indigenous Alliance Churches of Canada (IACC).

2.12 The Strategic Plan

The strategy for The Alliance Canada, as presented in the President's Report, has been shaped by the Board of Directors and the National Lead Team (made up of the President, Vice Presidents, and District

Superintendents). It will now be reviewed by the Committee on Strategic Plan and finally be presented to Assembly for consideration.

The implication for the Strategic Plan is that the prayer, discernment, and decisions reflected in the plan are broadly based across our denomination. While it took longer than hoped, we believe the current version of the plan brings alignment as an Alliance. *"It seemed good to the Holy Spirit and to us ..."* Acts 15:28

2.13 Vice President of Operations and Strategy Execution

The Board affirmed the President's decision to hire Wayne Regehr, Vice President of Operations and Strategy Execution. Wayne started Jan.1, 2024 as a remote worker with the National Ministry Centre of The Alliance Canada.

3 MATTERS REFERRED TO GENERAL ASSEMBLY 2024 BY THE BOARD OF DIRECTORS

3.1 Appointment of Auditors

The annual Meeting of Members is responsible to appoint the auditor for the upcoming year according to General Operating Bylaw No.3, Item 5.7 (b).

Recommendation #1:

The Board of Directors recommends that Grant Thornton LLP be appointed as independent auditors for 2024 for The Christian and Missionary Alliance in Canada at a fee approved by the Board.

Recommendation #2:

The Board of Directors recommends that Grant Thornton LLP be appointed as independent auditors for the 2024 Schedule of Contributions received by the Pension Plan for Workers of The Christian and Missionary Alliance in Canada and the summary of significant accounting policies and other explanatory information, at a fee approved by the Board.

3.2 Audited Financial Statements

Audited financial statements are reviewed by the Audit Review Committee, comprised of three Board members and two external individuals with financial background. The Board has approved these audited financial statements on the recommendation of the Audit Review Committee. ([Appendix 3 – Auditor’s Report – C&MA Combined Financial Statements 2023](#); [Appendix 4 – Auditor’s Report – C&MA Pension Plan Schedule of Contributions 2023](#); and [Appendix 5 – C&MA Pension Plan Financial Statements 2023](#))

Recommendation #3:

The Board of Directors recommends that the 2023 Audited Financial Statements and the auditor’s report for The Christian and Missionary Alliance in Canada be received.

Recommendation #4:

The Board of Directors recommends that the 2023 audited schedule of contributions received by the Pension Plan for Workers of The Christian and Missionary Alliance in Canada and the summary of significant accounting policies and other explanatory information be received.

Recommendation #5:

The Board of Directors recommends that the 2023 financial statements prepared by management for the Pension Plan of the Workers of The Christian and Missionary Alliance in Canada be received.

4 MATTERS ENACTED BY THE BOARD OF DIRECTORS SUBJECT TO RATIFICATION BY GENERAL ASSEMBLY 2024

The following policy changes were put into effect by the Board of Directors until General Assembly 2024 where they may then be confirmed, rejected, or amended by the Members (see [Section 2.3 – Board Enacted Policy Changes](#) for more information). The policy changes are displayed in the current version of the Manual of The Christian and Missionary Alliance as underlined or struck through until ratified by General Assembly.

4.1 Policy on General Assembly

The Policy on General Assembly has a number of changes being recommended by the Board:

4.1.1 District Executive Committee Lay Members

That lay members of District Executive Committees be included as voting delegates to General Assembly. Given their leadership roles in the district, this would allow them to attend General Assembly as voting delegates without having to be appointed by their church.

Recommendation #6:

The Board of Directors recommends that the following be added to the Policy on General Assembly, Item 3.1.1. Voting Delegates Include:

e) Lay members of District Executive Committees

4.1.2 Composition and Appointment of General Assembly Committees

The Policy on General Assembly charges the Board of Directors with naming executive leadership for all General Assembly committees, with the exception on the Committee on Nominations. It charges the Committee on Committees with appointing the members to the General Assembly committees on Finance, General Legislation, and Strategic Plan, as far as possible, three persons from each district, three international workers, and three representatives at large. In recent years, the Committee on Committees has been unable to fill all the available positions.

The Board of Directors approved a change to the Policy on General Assembly early in 2023 which dissolved the Committee on Committees and instead charged District Conferences with electing representatives to these three committees. These elections happened for the first time in 2023 and it was a success – district nominating committees have a greater awareness of suitable and available persons to fill the needed positions. After this occurred, it became clear that the Board could appoint the executive leadership for the committees out of the elected committee members, rather than appointing an additional three members. It was also determined that the three additional representatives at large are no longer necessary and removing these members and the need for three additional executives reduces the size of these committees by six people, from 27 down to 21 members.

Recommendation #7:

The Board of Directors recommends the following changes to the Policy on General Assembly, Article 4 – General Assembly Committees:

1. That Item 4.1. be deleted:
 - 4.1. The Committee on General Assembly Committees
This committee shall be composed as follows:
 - a) One member appointed by the Board of Directors, who shall be the Chair,
 - b) One international worker on regular home assignment, appointed by the Board of Directors,
 - c) One member from each district of the C&MA, appointed by the respective District Executive Committee.
2. That Item 4.3. be deleted:
 - 4.3. Executive Leadership of General Assembly Committees
 - 4.3.1. The chair, vice chair, and secretary of each General Assembly committee, other than the Committee on Nominations, shall be appointed by the Board of Directors prior to General Assembly.
3. That Item 4.4. be amended to state:
 - 4.4. Composition and Appointment of General Assembly Committees
 - 4.4.2. The Committee on Rules is a three-member committee composed of the chair, vice chair, and secretary only, appointed by the Board of Directors.
 - 4.4.3. Other committees shall include:
 - a) The chair, vice chair, and secretary, as appointed by the Board of Directors out of the committee membership elected by District Conference.
 - b) As far as possible, three persons elected by each District Conference.
 - c) Three international workers appointed by the Board of Directors.
 - d) ~~Three representatives-at-large appointed by the Board of Directors.~~

4.2 Policy on District Organization

In an effort to clarify in policy that a district superintendent is both elected by District Conference and appointed by the President, the Board of Directors is recommending an addition to Item 2.4.2. A district superintendent has a constitutional connection to the President by virtue of being appointed to the office and being licensed by the President.

Recommendation #8:

The Board of Directors recommends that the Policy on District Organization, Article 2 – Organization and Government, Section 2.4. Elections/Appointments, Item 2.4.2. District Superintendent, be amended to read:

The district superintendent shall be elected by District Conference and appointed by the President.

4.3 Policy on Process for Electing the District Superintendent

In an effort to clarify in policy that a district superintendent is both elected by District Conference and appointed by the President, the Board of Directors is recommending an addition to Item 2.4.2 of the Policy on District Organization. To remove any potential conflict with this change, they recommend the removal of Item 4.8. of the Policy on Process for Electing the District Superintendent, to clarify that appointment is made by the President after election.

Recommendation #9:

The Board of Directors recommends that in the Policy on Process for Electing the District Superintendent, Item 4.8 be deleted:

4.8. The elected candidate shall be declared the district superintendent for the next term.

APPENDIX 1 – C&MA ANNUAL MEETING MINUTES MAY 7, 2023

The Christian and Missionary Alliance Annual Meeting

Minutes of Meeting

National Ministry Centre, Mississauga, Ontario

May 7, 2023

Present:

Board Members:

Present:

Jon Carlzon

Matthew Chiu (absent May 6 afternoon only)

Darren Herbold

Stan Man

Cheryl Smith-Debanné

Chris Throness

Mandy Ralph (Secretary)

Tony Sammut

Jeff Sensenstein (Chair)

John Quigg (Treasurer)

Mardi Dolfo-Smith (Vice-Chair)

Regrets:

Hérault Alphonse

Staff:

Elaine Lu

Ryan Graham

Damien Lee

Ken Pelissero

Jill Youngberg

Note Taker: Jacqueline Jones

The meeting was called to order at 2:16 pm. It was noted that a quorum of members was present.

It was moved and seconded that the agenda be approved. CARRIED

1. Notice of Meeting

Resolution #1 It was moved and seconded

THAT

Any irregularities in the notice of meeting be waived and that the annual Meeting of Members be convened in accordance with General Operating By-law No. 3, Section 5.7.

CARRIED

3. Financial Statements and Report of the Auditors

Resolution #3 It was moved and seconded

THAT

The 2022 Audited Combined Financial Statements and Auditor's Report for The Christian and Missionary Alliance in Canada be received.

CARRIED

Resolution #4 It was moved and seconded

THAT

The 2022 Audited Schedule of Contributions received by the Pension Plan for Workers of The Christian and Missionary Alliance in Canada and the summary of significant accounting policies and other explanatory information be received.

CARRIED

Resolution #5 It was moved and seconded

THAT

The 2022 financial statements prepared by management for the Pension Plan for Workers of The Christian and Missionary Alliance in Canada be received.

CARRIED

Resolution #6 It was moved and seconded

THAT

Grant Thornton LLP be appointed as auditors for 2023 for The Christian and Missionary Alliance in Canada, at a fee established by the Board of Directors upon recommendation from the Audit Review Committee.

CARRIED

Resolution #7 It was moved and seconded

THAT

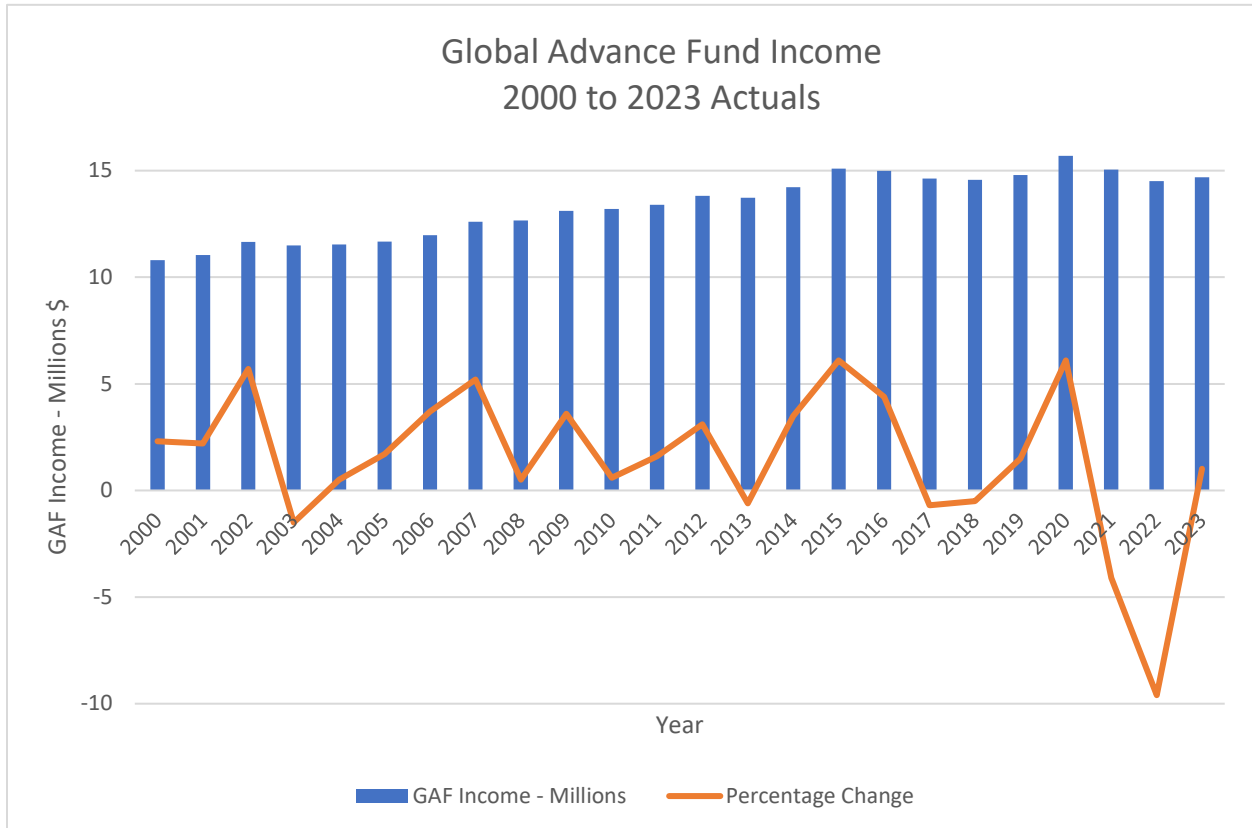
Grant Thornton LLP be appointed as auditors for the 2023 audit of the schedule of contributions received by the Pension Plan for Workers of The Christian and Missionary Alliance in Canada and the summary of significant accounting policies and other explanatory information, at a fee established by the Board of Directors upon recommendation from the Audit Review Committee.

CARRIED

4. Adjournment

The meeting adjourned at 2:20 pm.

APPENDIX 2 – GLOBAL ADVANCE FUND INCOME 2000 TO 2023 ACTUAL



APPENDIX 3 – AUDITOR’S REPORT – C&MA COMBINED FINANCIAL STATEMENTS 2023



Combined Financial Statements

The Christian and Missionary Alliance in Canada
(operating as The Alliance Canada)

December 31, 2023

The Christian and Missionary Alliance in Canada
(operating as The Alliance Canada)

Contents

	Page
Independent Auditor's Report	1 - 2
Combined Statement of Financial Position	3
Combined Statement of Global Advance Fund Activities	4
Combined Statement of Property Fund Activities	5
Combined Statement of Restricted Fund Activities	5
Combined Statement of Cash Flows	6
Notes to the Combined Financial Statements	7 - 15



Independent Auditor's Report

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To the Directors of
The Christian and Missionary Alliance in Canada
(operating as The Alliance Canada)

Opinion

We have audited the combined financial statements of The Christian and Missionary Alliance in Canada (operating as The Alliance Canada) (the "Alliance"), which comprise the combined statement of financial position as at December 31, 2023, and the combined statements of activities and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the combined financial position of the Alliance as at December 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO").

Basis for Opinion

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 Alliance in accordance with the ethical requirements that are relevant to our audit of the combined 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 opinion.

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

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of combined financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Combined 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 combined 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 combined 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 Alliance'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 Alliance'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 combined 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 Alliance to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the combined financial statements, including the disclosures, and whether the combined 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.

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script.

Mississauga, Canada
April 9, 2024

Chartered Professional Accountants
Licensed Public Accountants

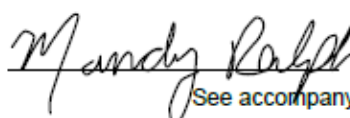
**The Christian and Missionary Alliance in Canada
(operating as The Alliance Canada)
Combined Statement of Financial Position**

December 31

	Global Advance Fund	Property Fund	Restricted Funds	2023 Total	2022 Total
Assets					
Current					
Cash	\$ 1,129,441	\$ -	\$ 508,852	\$ 1,638,293	\$ 2,372,177
Accounts receivable	55,097	-	41,152	96,249	108,962
Other loans receivable (Note 5)	-	-	-	-	600,000
Prepaid expenses	396,219	-	-	396,219	291,100
	<u>1,580,757</u>	<u>-</u>	<u>550,004</u>	<u>2,130,761</u>	<u>3,372,239</u>
Investments (Note 3)	368,384	25,582	6,004,164	6,398,130	7,753,778
Housing loans receivable (Note 4)	600,000	-	-	600,000	469,998
Other loans receivable (Note 5)	300,000	-	-	300,000	300,000
Property and equipment (Note 6)	170,811	8,902,242	-	9,073,053	9,148,292
Intangible assets (Note 6)	20,415	-	-	20,415	33,260
	<u>1,459,610</u>	<u>8,927,824</u>	<u>6,004,164</u>	<u>16,391,598</u>	<u>17,705,328</u>
	<u>\$ 3,040,367</u>	<u>\$ 8,927,824</u>	<u>\$ 6,554,168</u>	<u>\$ 18,522,359</u>	<u>\$ 21,077,567</u>
Liabilities					
Current					
Accounts payable and accrued liabilities	\$ 998,306	\$ -	\$ -	\$ 998,306	\$ 946,434
Deferred revenue	-	25,582	-	25,582	-
Deferred contributions (Note 7)	25,000	-	-	25,000	25,000
	<u>1,023,306</u>	<u>25,582</u>	<u>-</u>	<u>1,048,888</u>	<u>971,434</u>
Deferred contributions (Note 7)	75,000	-	-	75,000	100,000
	<u>1,098,306</u>	<u>25,582</u>	<u>-</u>	<u>1,123,888</u>	<u>1,071,434</u>
Fund balances					
Internally restricted (Note 8)	1,150,835	-	-	1,150,835	1,812,231
Housing loan reserve (Note 4)	600,000	-	-	600,000	469,998
Invested in property and equipment and intangible assets	191,226	8,902,242	-	9,093,468	9,181,552
Externally restricted	-	-	6,554,168	6,554,168	8,542,352
	<u>1,942,061</u>	<u>8,902,242</u>	<u>6,554,168</u>	<u>17,398,471</u>	<u>20,006,133</u>
	<u>\$ 3,040,367</u>	<u>\$ 8,927,824</u>	<u>\$ 6,554,168</u>	<u>\$ 18,522,359</u>	<u>\$ 21,077,567</u>

Commitment (Note 15)

On behalf of the Board of Directors

 Director

 Director

See accompanying notes to the combined financial statements.

3

The Christian and Missionary Alliance in Canada		
(operating as The Alliance Canada)		
Combined Statement of Global Advance Fund Activities		
Year ended December 31	2023	2022
Revenue		
General contributions (Note 9)	\$ 12,293,825	\$ 12,948,646
Investment income (loss) (Note 3)	707,177	(340,791)
Estates and legacies	691,564	818,640
Support contributions	649,526	405,748
Districts contributions	285,431	281,622
Sundry	56,647	98,184
General assembly registration	-	290,597
	<u>14,684,170</u>	<u>14,502,646</u>
Expenditures		
International (Notes 10 and 11)	9,525,195	9,865,128
Central (Notes 10 and 11)	3,591,544	3,766,631
National (Notes 10 and 11)	2,249,690	2,516,117
General Assembly	-	495,394
	<u>15,366,429</u>	<u>16,643,270</u>
Deficiency of revenue over expenditures	(682,259)	(2,140,624)
Fund balances, beginning of year	2,545,348	4,447,817
Transfer (to) from Property fund (Note 2)	(201,028)	86,397
Transfer from Restricted funds (Note 2)	<u>280,000</u>	<u>151,758</u>
Fund balances, end of year	<u>\$ 1,942,061</u>	<u>\$ 2,545,348</u>

The Christian and Missionary Alliance in Canada		
(operating as The Alliance Canada)		
Combined Statement of Property Fund Activities		
Year ended December 31	2023	2022
Revenue		
Rent	\$ 218,329	\$ 132,900
Resource property income	<u>19,273</u>	<u>57,815</u>
	<u>237,602</u>	<u>190,715</u>
Expenditures		
Property expenses	266,904	82,476
Amortization	<u>187,917</u>	<u>183,500</u>
	<u>454,821</u>	<u>265,976</u>
Deficiency of revenue over expenditures	(217,219)	(75,261)
Fund balance, beginning of year	8,918,433	9,080,091
Transfer from (to) Global Advance fund (Note 2)	<u>201,028</u>	<u>(86,397)</u>
Fund balance, end of year	<u>\$ 8,902,242</u>	<u>\$ 8,918,433</u>

The Christian and Missionary Alliance in Canada		
(operating as The Alliance Canada)		
Combined Statement of Restricted Fund Activities		
Year ended December 31	2023	2022
Revenue		
Designated contributions	\$ 5,368,459	\$ 8,333,665
Expenditures		
Designated funds disbursed	<u>7,076,643</u>	<u>6,604,172</u>
(Deficiency) excess of revenue over expenditures	(1,708,184)	1,729,493
Fund balance, beginning of year	8,542,352	6,964,617
Transfer to Global Advance fund (Note 2)	<u>(280,000)</u>	<u>(151,758)</u>
Fund balance, end of year	<u>\$ 6,554,168</u>	<u>\$ 8,542,352</u>

See accompanying notes to the combined financial statements.

The Christian and Missionary Alliance in Canada		
(operating as The Alliance Canada)		
Combined Statement of Cash Flows		
Year ended December 31	2023	2022
Increase (decrease) in cash		
Operating		
(Deficiency) excess of revenue over expenditures		
Global Advance fund	\$ (682,259)	\$ (2,140,624)
Property fund	(217,219)	(75,261)
Restricted funds	(1,708,184)	1,729,493
Items not involving cash		
Amortization of property and equipment	291,448	283,157
Amortization of intangible assets	12,845	16,751
Realized gains on investments reinvested (Note 3)	(145,034)	(540)
Unrealized (gains) losses on investments (Note 3)	(349,047)	668,522
	<u>(2,797,450)</u>	<u>481,498</u>
Net change in non-cash working capital items		
Accounts receivable	12,713	(57,688)
Prepaid expenses	(105,119)	(55,800)
Accounts payable and accrued liabilities	51,872	(30,128)
Deferred revenue	25,582	-
Deferred contributions	(25,000)	(25,000)
	<u>(39,952)</u>	<u>(168,616)</u>
	<u>(2,837,402)</u>	<u>312,882</u>
Investing		
Purchase of investments	(2,226,812)	(4,377,964)
Proceeds on disposal of investments	4,076,541	2,689,911
Repayment (advance) of other loans receivable	600,000	(600,000)
(Advance) repayment of housing loans receivable (net)	(130,002)	23,000
Purchase of property and equipment and intangible assets	(216,209)	(93,705)
	<u>2,103,518</u>	<u>(2,358,758)</u>
Decrease in cash during the year	(733,884)	(2,045,876)
Cash, beginning of year	<u>2,372,177</u>	<u>4,418,053</u>
Cash, end of year	<u>\$ 1,638,293</u>	<u>\$ 2,372,177</u>
Cash is held as follows:		
Global Advance fund	\$ 1,129,441	\$ 1,259,211
Restricted funds	<u>508,852</u>	<u>1,112,966</u>
	<u>\$ 1,638,293</u>	<u>\$ 2,372,177</u>

See accompanying notes to the combined financial statements.

The Christian and Missionary Alliance in Canada (operating as The Alliance Canada) Notes to the Combined Financial Statements

December 31, 2023

1. Purpose and governing statutes

The Christian and Missionary Alliance in Canada (operating as The Alliance Canada) (the "Alliance") is a religious denomination which is committed to world evangelization, stressing the fullness of Christ in personal experience, building the Church, and preaching the gospel to the ends of the earth.

The Alliance is incorporated as a not-for-profit organization under the Canada Not-for-profit Corporations Act and also registered as a Canadian charity. As such, the Alliance is exempt from income taxes.

These combined financial statements include the financial statements of the Alliance and those of an incorporated, not-for-profit organization under common management. The not-for-profit organization operates with the same purpose of world evangelization.

2. Summary of significant accounting policies

The combined financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations, the more significant policies of which are outlined below.

Use of estimates

Management reviews the carrying amounts of items in the combined financial statements at each combined statement of financial position date to assess the need for revision or any possibility of impairment. Certain items in the preparation of these combined financial statements require management's best estimate. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action.

These estimates are reviewed periodically, and adjustments are made to the excess (deficiency) of revenue over expenditures as appropriate in the year they become known.

Fund accounting

Separate funds are maintained to account for and to report on the separate activities or objectives as determined by donors or by resolution of the Board of Directors (the "Board").

Global Advance fund

The Global Advance Fund (GAF) reflects all general programs and activities and missionary work of the Alliance.

Internally restricted funds (Note 8)

Legacy and Matured Gift Annuity Reserve

The Legacy and Matured Gift Annuity Reserve was established by the Board in 2010. This reserve provides further protection against unforeseen expenses or reductions in revenue, over and above the Emergency Reserve.

General Assembly Reserve

An internally restricted fund is budgeted in non-Assembly years, providing for one-half of the estimated net costs of the succeeding General Assembly. In 2023, the amount of \$50,000 was reserved and represented one-half of the total anticipated net cost of the 2024 General Assembly.

The Christian and Missionary Alliance in Canada (operating as The Alliance Canada) Notes to the Combined Financial Statements

December 31, 2023

2. Summary of significant accounting policies (continued)

Internally restricted funds (Note 8) (continued)

Venture Reserve

The Venture Reserve was established pursuant to a resolution by the Board in 2018. The repatriated funds from the unexpected sale of the Hong Kong property were approved to be allocated in 2018 designated to mission critical Venture Projects temporarily held in Operating Reserves.

Emergency Reserve

The Emergency Reserve was established in 1993 pursuant to a resolution by the Board to protect the Alliance against unforeseen expenses or reductions in revenue. In accordance with Board policy, this fund is to be built up and then to maintain as an emergency reserve an amount equivalent to one month of Global Advance Fund (GAF) expenditures.

Cash Flow Reserve

The Cash Flow Reserve was established by the Board in 2006. This reserve was established to have sufficient cash on hand to meet approved expenses, especially during the summer and fall months when cumulative expenditures often exceed cumulative revenue.

GAF Future Spending Reserve

The GAF Future Spending Reserve was established by the Board in 2015, as one means of furthering the goal of sustainable funding and sustainable spending. A portion of undesignated legacy gifts is transferred to this reserve account, to be provided back to GAF for spending in subsequent years.

Operating Reserve

The Operating Reserve was established pursuant to a resolution by the Board in addition to the emergency and cash flow reserve to build and maintain a reserve equal to one month of GAF expenditures. This reserve fund is intended to provide for unforeseen, unusual expenditures and to provide funding for emergent and/or time-sensitive ministry opportunities.

Property fund

The Property fund includes revenue, expenditures and fund balances related to the Alliance's long-term property and equipment.

Restricted funds

Contributions held pending disbursement

Externally designated contributions held pending disbursement are contributions received for various designated projects.

The Alliance receives designated gifts from a variety of sources and generally will hold these funds until the time that they are specifically needed. It is normally advantageous to the ministry purpose of the donation to hold the funds in a hard currency such as the Canadian dollar, rather than immediately sending the funds overseas into a softer currency, where the funds could have a greater risk of devaluation. Designated contributions are provided for a variety of ministry purposes, including the following: Global Emergency Response, Defend Dignity, First Nations Ministries, Missionary's Car funds, Missionary's Work funds, Approved Special projects, and others.

The Christian and Missionary Alliance in Canada (operating as The Alliance Canada) Notes to the Combined Financial Statements

December 31, 2023

2. Summary of significant accounting policies (continued)

Property and equipment and intangible assets

Purchased property and equipment and intangible assets are recorded at cost. Contributed property and equipment are recorded at fair value at the date of contribution. Amortization is provided on a straight-line basis over the assets' estimated useful life as follows:

<u>Property and equipment</u>	
Building	Over 25 - 40 years
Computer equipment	Over 3 years
Furniture and equipment	Over 5 years
<u>Intangible assets</u>	
Major computer software (systems)	Over 5 years

Leasehold improvements are amortized over the term of the lease.

Amortization of equipment is recorded in the combined statement of Global Advance Fund Activities as a component of global ministries, executive administration and national ministries expenditures. Amortization of the building is recorded in the property fund.

Impairment of long-lived assets

The Alliance tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets might be impaired. The assets are tested for impairment by comparing the net carrying value to their fair value or replacement cost. If the asset's fair value or replacement cost is determined to be less than its net carrying value, the resulting impairment is reported in the statement of activities. Any impairment recognized is not reversed.

Revenue recognition

The Alliance follows the restricted fund method of accounting for contributions. As such, unrestricted contributions and legacies are recognized as revenue of the Global Advance fund in the year received. Contributions which are externally restricted by the donor are recorded in the appropriate restricted funds in the year received.

Investment income, resource property income and rent is recognized as earned. Registration fees are recognized when the event takes place. Donated investments are recorded in the accounts at fair market value at the time of receipt if its fair value can be reasonably estimated.

Contributed services

Contributed services are not recognized in the combined financial statements due to the difficulty in determining their fair value.

Financial instruments

The Alliance's financial instruments are comprised of cash, accounts receivable, other loans receivable, investments, housing loans receivable and accounts payable.

The Alliance's financial instruments are initially measured at fair value when issued or acquired, except for certain non-arm's length transactions, which are initially measured at cost.

**The Christian and Missionary Alliance in Canada
(operating as The Alliance Canada)
Notes to the Combined Financial Statements**

December 31, 2023

2. Summary of significant accounting policies (continued)

Financial instruments (continued)

At each reporting date, the Alliance measures its financial assets and liabilities at amortized cost except for investments and housing loans receivable. Investments are recorded and carried at fair market value. Unrealized gains and losses arising from the change in fair value of investments are recorded in excess (deficiency) of revenue over expenditures for the year. The housing loans and other loans receivable are measured at cost as the amortized cost values, using the effective interest method, are not determinable given the undefined period of the obligations.

The Alliance measures its financial assets and liabilities of non-arm's length transactions subsequently at cost.

For financial assets measured at cost or amortized cost, the Alliance regularly assesses whether there are any indications of impairment. Any impairment loss is recognized in the combined statement of activities.

Foreign operations and assets

All expenditures and property and equipment purchases for operations in foreign countries are recorded as ministries expenditures when remitted. This policy is based on the assumption that such assets would rarely return to the Alliance once they are sent overseas.

Interfund transfers

Transfers between funds are made when resources of one fund have been authorized to finance activities and acquisitions of another fund. During 2023, in accordance with the terms of the restricted funds, the Board approved the transfer of \$280,000 (2022 - \$151,758) of Restricted funds to the appropriate Global Advance fund activities and \$201,028 (2022 - \$86,397) from the Global Advance fund to the Property fund to fund the purchase of property and equipment and intangible assets.

Allocation of expenditures

Expenses are reported by ministry program and support services. Certain employees perform a combination of ministry, fundraising and administrative activities. The allocation is based on the estimated time and effort spent on these activities. Refer to Note 11 for details.

3. Investments

	<u>2023</u>	<u>2022</u>
Fixed income	\$ 2,593,078	\$ 3,490,744
Equities	2,457,036	2,284,179
Mutual funds	<u>1,348,016</u>	<u>1,978,855</u>
	<u>\$ 6,398,130</u>	<u>\$ 7,753,778</u>

**The Christian and Missionary Alliance in Canada
(operating as The Alliance Canada)
Notes to the Combined Financial Statements**

December 31, 2023

3. Investments (continued)

Investment income (loss) for the year recorded in the Global Advance fund is made up of the following:

	<u>2023</u>	<u>2022</u>
Unrealized gains (losses) on investments	\$ 349,047	\$ (668,522)
Realized gains on investments	145,034	540
Interest	197,690	315,844
Dividends	<u>15,406</u>	<u>11,347</u>
	<u>\$ 707,177</u>	<u>\$ (340,791)</u>

Fixed income investments include bonds and guaranteed investment certificates earning interest at annual rates from 1.10% to 5.60% per annum (2022 – 0.80% to 5.08%) and mature between January 2024 and February 2028 (2022 – January 2023 and February 2028). Investments maturing in the next fiscal year are expected to be reinvested and are accordingly presented as long-term assets.

4. Housing loans receivable/reserve

The Alliance extends loans to employees who relocate as a consequence of assuming duties with the Alliance. The pre-2022 housing loans are interest-free and employees can make voluntary repayments at any time.

New housing loans entered during 2022 and after require interest to be paid on the due date based upon an effective interest rate equal to the pro-rata increase in the fair value from the purchase date to the due date. Housing loans are fully repayable upon the first of the sale or transfer of the property and within six months of termination of employment.

5. Other loans receivable

The Alliance provided a non-interest bearing loan to the Alliance Chretienne ET Missionnaire Au Quebec (St. Lawrence District) in the amount of \$300,000 to assist them in their purchase of their Ministry Centre in fiscal 2018. The loan is secured by a second charge on the St. Lawrence District Ministry Centre at 3190 Rue Delauney, Laval, QC repayable in full from the proceeds of the sale of the building, if and when it is sold.

During the year, the bridge financing non-interest-bearing promissory note in the amount of \$600,000 provided to the Eglise Evangelique du Berger (Quebec City Alliance Church) to assist with the purchase of their new Church facility prior to the sale of their existing vacant land in Quebec City, secured by a charge on their vacant land until it was sold, was repaid in full.

The Christian and Missionary Alliance in Canada
(operating as The Alliance Canada)
Notes to the Combined Financial Statements
December 31, 2023

6. Property and equipment and intangible assets

	<u>2023</u>		<u>2022</u>	
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Property and equipment				
Land	\$ 2,151,643	\$ -	\$ 2,151,643	\$ 2,151,643
Building	7,104,072	519,425	6,584,647	6,766,790
Leasehold improvements	170,000	4,048	165,952	-
Computer equipment	281,523	232,041	49,482	61,911
Furniture and equipment	370,226	248,897	121,329	167,948
	<u>\$ 10,077,464</u>	<u>\$ 1,004,411</u>	<u>\$ 9,073,053</u>	<u>\$ 9,148,292</u>
Intangible assets				
Major computer software (systems)	<u>\$ 119,841</u>	<u>\$ 99,426</u>	<u>\$ 20,415</u>	<u>\$ 33,260</u>

7. Deferred contributions

During 2018, an estate of \$250,000 was received by the Alliance and directed by the donor to be used evenly over 10 years starting in 2018. The donation is specified for the Global Advance Fund and will be recognized in the amount of \$25,000 per year until 2027.

8. Internally restricted funds

	<u>2023</u>	<u>2022</u>
Legacy and Matured Gift Annuity Reserve	\$ 1,076,638	\$ 1,788,034
General Assembly Reserve	50,000	-
Venture Reserve	<u>24,197</u>	<u>24,197</u>
	<u>\$ 1,150,835</u>	<u>\$ 1,812,231</u>

While the other internally restricted funds currently have a \$Nil (2022 - \$Nil) balance, the Board intends to reaccumulate funds for those reserves over the next few years.

9. Alliance Charitable Foundation

During the year, the Alliance received a contribution of \$Nil (2022 - \$21,500) from the Alliance Charitable Foundation (the "Foundation"). The Foundation is incorporated as a not-for-profit organization under the Canada Not-for-profit Corporations Act and also registered as a Canadian charity. The Foundation is related to the Alliance due to a member of management of the Alliance being a member of the Board of the Foundation. The Foundation offers a unique method to give charitably to the Alliance designated to the Global Advance Fund.

**The Christian and Missionary Alliance in Canada
(operating as The Alliance Canada)
Notes to the Combined Financial Statements**

December 31, 2023

10. Expenditures

International

International expenditures include all the costs of an International Worker, from the start of their journey with candidate development and pre-field orientation, to travel and shipping costs to get to their international mission field, plus, once on their field, their compensation including salary and benefits such as the Alliance Pension Plan, medical insurance, visas, language study, training conferences and retreats, member care, children's schooling, and periodic home assignment travel and General Assembly attendance. It also includes the costs of field office operations, team and regional leadership, strategic development, and a share of National Ministry Center expenditures.

Central

Central expenditures include the President's office, compensation including salary and benefits such as the Alliance Pension Plan, District Superintendent compensation, travel, legal fees, various committee costs, Finance including Alliance Pension Fund Administration, National Advisor or Safe Ministry costs, Educational Grants, Board of Directors, Association fees, and a share of National Ministry Office expenditures.

National

National expenditures include compensation including salary and benefits such as the Alliance Pension Plan; National executive office-related expenses including travel, various consulting and partnership fees, professional development, and a retiral subsidy; National network teams, New Ventures; Next Gen, including Envision, Multicultural ministries, Development, Communications, Digital Strategy, Defend Dignity, and a share of National Ministry Office expenditures.

11. Allocation of expenditures

Certain administration and communication expenditures have been allocated as follows:

	<u>2023</u>			<u>2022</u>	
	<u>International</u>	<u>National</u>	<u>Central</u>	<u>Total</u>	<u>Total</u>
Administration	\$ 325,965	\$ 325,965	\$ 325,965	\$ 977,895	\$ 931,587
Communication	<u>20,680</u>	<u>20,680</u>	<u>20,680</u>	<u>62,040</u>	<u>76,488</u>
	<u>\$ 346,645</u>	<u>\$ 346,645</u>	<u>\$ 346,645</u>	<u>\$ 1,039,935</u>	<u>\$ 1,008,075</u>

12. Post-retirement benefits

The Alliance participates in a defined contribution pension plan to provide post-retirement benefits to its eligible employees. The assets of the plan are held separately from those of the Alliance in an independently administered registered pension plan. The pension expense is equal to the contributions paid by the Alliance and for the year amounted to \$483,501 (2022 - \$480,382) and recorded as expenditures in the combined statement of Global Advance Fund Activities.

The Christian and Missionary Alliance in Canada (operating as The Alliance Canada)

Notes to the Combined Financial Statements

December 31, 2023

13. Line of credit and credit cards

The Alliance has a \$1,000,000 line of credit from the Canadian Imperial Bank of Commerce with interest payable at a rate of prime plus 0.75% per annum. The line was not drawn in 2023.

In addition, the Alliance has access to a credit card limit of \$500,000. At December 31, 2023, \$76,000 (2022 - \$87,000) is payable on the credit cards and accrued in the accounts.

The credit facilities are secured by all present and after acquired personal property and an investment with CIBC Wood Gundy in the amount of \$1,053,000.

14. Financial instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of the combined financial statements in assessing the extent of risk related to financial instruments.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet its obligation. This risk is mitigated by the Alliance through ensuring revenue is derived from qualified sources. The allowance for doubtful accounts in relation to accounts receivable, housing loans receivable and other loans receivable is \$Nil (2022 - \$Nil).

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Alliance is exposed to interest rate risk with respect to its investments with fixed interest rates.

Currency risk

Currency risk is the risk arising from the change in price of one currency against another. The Alliance is exposed to currency risk with respect to a portion of its cash held in US dollars. Cash held in bank accounts in US dollars at year-end is \$156,281 (2022 - \$641,397). The gain (loss) on foreign exchange is insignificant.

Other price risk

The Alliance is exposed to other price risk on its investments quoted in an active market since changes in market prices would result in changes in the fair value of these instruments. To manage this risk, the Alliance follows an investment policy which requires a diversified portfolio meeting specific requirements.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Alliance is exposed to liquidity risk with respect to its accounts payable. The Alliance reduces its exposure to liquidity risk related to accounts payable by ensuring that it documents when authorized payments are due and maintaining adequate cash reserves to meet obligations.

**The Christian and Missionary Alliance in Canada
(operating as The Alliance Canada)**

Notes to the Combined Financial Statements

December 31, 2023

15. Commitment

The Alliance has committed to provide an educational grant to Ambrose University of \$600,000 in fiscal 2024.

16. Comparative figures

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

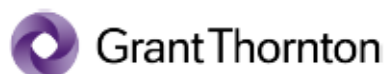
APPENDIX 4 – AUDITOR’S REPORT – C&MA PENSION PLAN SCHEDULE OF CONTRIBUTIONS 2023



Schedule of Contributions Received

Pension Plan for the Workers of The Christian and Missionary Alliance in Canada

December 31, 2023



Independent Auditor's Report

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To the Administrators of the
Pension Plan for Workers of The Christian and Missionary Alliance in Canada

Opinion

We have audited the Schedule of Contributions Received (the "Schedule") of the Pension Plan for Workers of The Christian and Missionary Alliance in Canada (the "Plan") for the year ended December 31, 2023, and notes to the Schedule, including a summary of significant accounting policies.

In our opinion, the Schedule presents fairly, in all material respects, the contributions received by the Plan for the year ended December 31, 2023 in accordance with the financial reporting provisions of the Superintendent of Pensions in Alberta Treasury Board Finance (the "requirements").

Basis for Opinion

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 Schedule* section of our report. We are independent of the Plan in accordance with the ethical requirements that are relevant to our audit of the Schedule 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 opinion.

Emphasis of Matter – Basis of Accounting and Restriction on Use

We draw attention to Note 2 to the Schedule, which describes the basis of accounting. The Schedule is prepared to meet the requirements. As a result, the Schedule may not be suitable for another purpose. Our report is intended solely for the use of the Administrators of the Plan and the Superintendent of Pensions in Alberta Treasury Board Finance and should not be used by parties other than the Administrators of the Plan or the Superintendent of Pensions in Alberta Treasury Board Finance. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Schedule

Management is responsible for the preparation and fair presentation of this Schedule in accordance with the requirements; this includes determining the basis for the preparation of the Schedule in the circumstances and for such internal control as management determines is necessary to enable the preparation of a Schedule that is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the Schedule as a whole is 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 this financial information.

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 Schedule, 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 Plan's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the Schedule, including the disclosures, and whether the Schedule represents 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.

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script font.

Mississauga, Canada
April 9, 2024

Chartered Professional Accountants
Licensed Public Accountants

Pension Plan for Workers of The Christian and Missionary Alliance in Canada Schedule of Contributions Received

Year ended December 31	2023	2022
Contributions received		
Employer	\$ 5,059,932	\$ 4,604,589
Employee	5,059,635	4,604,589
Voluntary	424,453	534,574
	\$ 10,544,020	\$ 9,743,752

Notes to the Schedule of Contributions Received

1. History of the plan

The Pension Plan for Workers of The Christian and Missionary Alliance in Canada (the "Plan") was created in December 1973 for all Canadian workers, home and foreign, for The Christian and Missionary Alliance in Canada. It is a compulsory plan for all full-time workers employed after December 31, 1973.

Until 1980, the fund was administered by The Christian and Missionary Alliance in New York, at which time it became the responsibility of The Christian and Missionary Alliance in Canada.

Effective December 31, 1989, the Plan was converted to a defined contribution pension plan. Since August 31, 1990, the Plan has been administered by Manulife Financial.

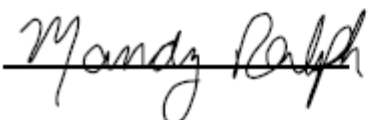
2. Summary of significant accounting policies

The schedule of contributions received has been prepared by management in accordance with the financial reporting provisions of the Superintendent of Pensions in Alberta Treasury Board Finance, the most significant of which is outlined below.

Contributions

Contributions from members are accounted for on a cash basis. No accrual is made for contributions not received as of the year end. Contributions to the plan are based on employer contributions of 5% and employee contributions of 5%. For International Workers (IW) monthly employer contributions effective May 2019 is \$138 per month until July 1, 2021 when IW's started the 5% employee / employer match similar to all Canadian workers.

On behalf of the Board of Directors

 Director

 Director

APPENDIX 5 – C&MA PENSION PLAN FINANCIAL STATEMENTS 2023

**PENSION PLAN FOR WORKERS OF THE CHRISTIAN AND
MISSIONARY ALLIANCE IN CANADA**

**BALANCE SHEET AS OF DECEMBER 31
(Prepared by Management)**

	<u>2023</u>	<u>2022</u>
ASSETS		
Cash	\$ 21,168	\$ 15,379
Guaranteed Interest Account Investments (note 4)	\$ 5,524,602	\$ 5,464,911
Portfolio Investments (note 4)	\$ 172,460,468	\$ 165,522,925
Total Assets	<u>\$ 178,006,239</u>	<u>\$ 171,003,215</u>
 LIABILITIES AND MEMBERS' EQUITY		
Accrued Liabilities	\$ 19,832	\$ 13,124
Members' Equity	\$ 177,986,407	\$ 170,990,091
Total Liabilities and Members' Equity	<u>\$ 178,006,239</u>	<u>\$ 171,003,215</u>

See accompanying notes

On behalf of the Board:

Director Mandy Ralph
 Director [Signature]

**PENSION PLAN FOR WORKERS OF THE CHRISTIAN AND
MISSIONARY ALLIANCE IN CANADA**

**STATEMENT OF CHANGES IN MEMBERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31
(Prepared by Management)**

	<u>2023</u>	<u>2022</u>
Additions		
Contributions:		
Employee	\$ 5,059,635	\$ 4,604,588
Employer	\$ 5,059,932	\$ 4,604,589
Voluntary including transfers	\$ 424,453	\$ 534,574
Investment Income (loss)	<u>\$ 16,929,750</u>	<u>\$ (17,687,348)</u>
	<u>\$ 27,473,770</u>	<u>\$ (7,943,597)</u>
Deductions		
Refund and withdrawal of contributions (note 3)	\$ 20,476,530	\$ 17,128,634
Administration net expenses	\$ 922	\$ 9,297
	<u>\$ 20,477,453</u>	<u>\$ 17,137,931</u>
Net increase (decrease) in members' equity during the year	\$ 6,996,316	\$ (25,081,529)
Members' equity, beginning of year	\$ 170,990,091	\$ 196,071,620
Members' equity, end of year	<u><u>\$ 177,986,407</u></u>	<u><u>\$ 170,990,091</u></u>

See accompanying notes

**PENSION PLAN FOR WORKERS OF THE CHRISTIAN AND MISSIONARY ALLIANCE IN CANADA
FINANCIAL STATEMENT NOTES
FOR THE YEAR ENDED DECEMBER 31, 2023
(Prepared by Management)**

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared by management in accordance with generally accepted accounting principles, the most significant of which is outlined below.

Contributions

Contributions from members are accounted for on a cash basis. No accrual is made for contributions which were not post-marked as of the year-end. Contributions to the plan increased from 4% employee contributions and 4% employer contributions to 5% and 5% respectively, effective July 1, 2005. For our International Workers (IW's) monthly employer contributions effective May 2019 were at \$138 per month until July 1, 2021 when the IW's started the 5% employee / employer match similar to all Canadian workers. All members are able to make voluntary contributions as well.

2 HISTORY OF THE PLAN

The Pension Plan for Workers of The Christian and Missionary Alliance in Canada was created in December 1973, for all Canadian workers, home and foreign of The Christian and Missionary Alliance in Canada. Plan participation is compulsory for full-time workers employed after December 31, 1973.

Until 1980 the fund was administered by The Christian and Missionary Alliance in New York, at which time it became the responsibility of The Christian and Missionary Alliance in Canada.

Effective December 31, 1989, the plan was converted from a defined benefit plan to a defined contribution plan. It's been professionally administered by Manulife Financial since August 31, 1990.

Pension plan investments are primarily handled by four external fund managers. Plan members also have the option of investing in a Daily Interest Account, or Guaranteed Investment Receipts with terms of one year, three years, or five years.

3 PLAN MEMBERS WHO CONCLUDE C&MA EMPLOYMENT

Plan members who conclude C&MA employment have the option of transferring their funds out of the plan and into a Reuter Benefits group RRSP plan. There are advantages for both the employee and the employer for former members to hold their pension plan assets outside of the active members pension plan.

4 PORTFOLIO INVESTMENTS

Portfolio investments are valued at fair market value at year-end, in accordance with the rules of the Pension Benefits Act of Alberta and the Chartered Professional Accountants Canada, as they apply to defined contribution pension plans.

The average pension plan member in the Default Investment Option earned a net Return on Investment of 10.5% in 2023 (-8.5% in 2022).

Total investment management fees were approximately 61 basis points in 2023 (61 basis points in 2022). Fees include Fund manager fees, Manulife Financial administration fees and custody fees.

The Board of Directors approved a change in the normal asset allocation for Default Investment Option plan members as of August 2, 2022. The default asset allocation changed from 62.5% equities and 37.5% fixed income to the adoption of "age based" or Target Date Funds (TDFs). TDFs are suites of investment funds created in 5-year age bands that become more conservative over time, as the member age. The Board of Directors also approved three new funds to be available to all ARF plan members, including Manulife MIM Strategic Fixed Income Fund, Manulife MIM Canadian Bond Index and Manulife Canadian Real Estate Fund. As of December 31, 1,057 members (976 in 2022), or 54% (51% in 2022) of all plan members are invested in the Default Investment Option.

Portfolio investments of all plan members were invested as follows as of December 31:

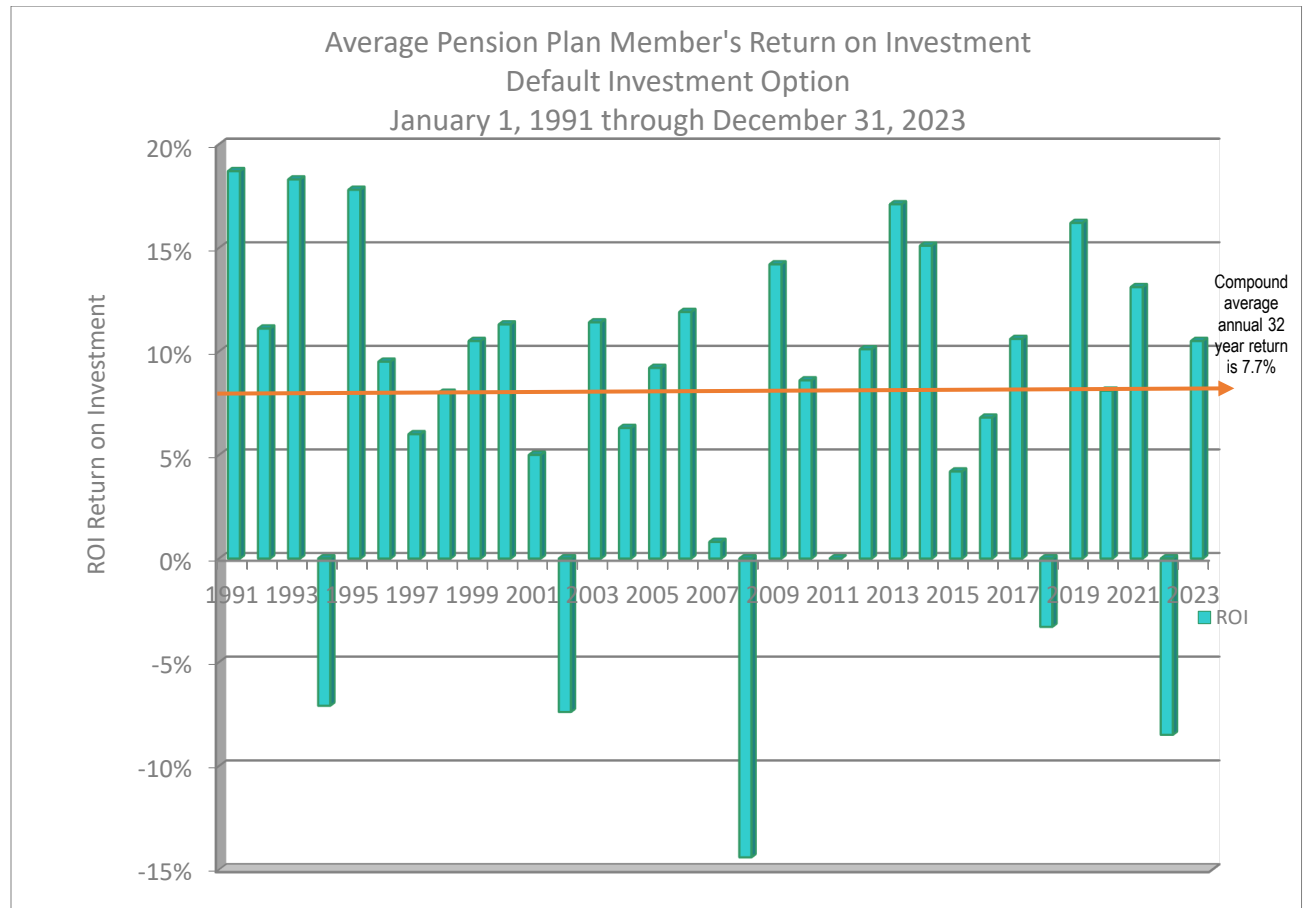
	<u>2023</u>		<u>2022</u>	
	<u>Market Value</u>	<u>%</u>	<u>Market Value</u>	<u>%</u>
Cash & Cash Equivalents	\$ 5,524,602	3%	\$ 5,464,911	3%
Fixed Income	\$ 53,932,026	30%	\$ 49,995,171	29%
Total Cash & Fixed Income	\$ 59,456,628	33%	\$ 55,460,083	32%
Canadian Equities	\$ 60,216,697	34%	\$ 60,117,829	35%
Foreign Equities	\$ 58,311,747	33%	\$ 55,409,925	32%
Total Equities	\$ 118,528,443	67%	\$ 115,527,754	68%
Total Portfolio Investments	\$ 177,985,071	100%	\$ 170,987,836	100%

APPENDIX 6 – 2024 GLOBAL ADVANCE FUND BUDGET SUMMARY

11/28/2023

	2022 Approved Budget		2023 Approved Budget		2024 Approved Budget		% Change 2023 Budget	\$ Change Re: 2023 Budget
	Budget \$	Budget % (% of Income)	Budget \$	Budget % (% of Income)	Budget \$	Budget % (% of Income)		
INCOME								
Contribution Income	13,486,300	86.1%	13,247,000	86.3%	13,347,000	83.0%	0.8%	100,000
Contribution Income - Jaffray Offering	300,000	1.9%	320,000	2.1%	500,000	3.1%	56.3%	180,000
Contribution Income - New Development Income	357,000	2.3%	157,000	1.0%	-	0.0%	-100.0%	(157,000)
Estates and Legacies	250,000	1.6%	300,000	2.0%	300,000	1.9%	0.0%	-
ACF Contributions	30,000	0.2%	14,000	0.1%	20,000	0.1%	42.9%	6,000
GAF Support - Partially Funded IWs	14,000	0.1%	19,000	0.1%	2,500	0.0%	-86.8%	(16,500)
GAF Support - District Superintendent Sal	257,880	1.6%	278,289	1.8%	283,260	1.8%	1.8%	4,971
Investment & Other Income	127,493	0.8%	284,685	1.9%	305,565	1.9%	7.3%	20,880
Ministry Support Income	175,000	1.1%	600,000	3.9%	675,000	4.2%	12.5%	75,000
New Ventures Income	20,000	0.1%	20,000	0.1%	20,000	0.1%	0.0%	-
Licensing Fee	-	0.0%	-	0.0%	169,850	1.1%	100.0%	169,850
ARF Processing Fee Income	90,000	0.6%	90,000	0.6%	73,000	0.5%	-18.9%	(17,000)
Envision Trip Income	21,000	0.1%	21,000	0.1%	17,750	0.1%	-15.5%	(3,250)
GAF Income Before Assembly Income	15,128,673	96.6%	15,350,974	100.0%	15,713,925	97.7%	2.4%	362,951
General Assembly Registration Income	528,305	3.4%	-	0.0%	370,205	2.3%	100.0%	370,205
Total GAF Income	15,656,978	100.0%	15,350,974	100.0%	16,084,130	100.0%	4.8%	733,156
Designated Specials	4,200,000		4,200,000		4,500,000		7.1%	300,000
Total Income	19,856,978		19,550,974		20,584,130		5.3%	1,033,156
EXPENDITURES		(% of Expenses)		(% of Expenses)		(% of Expenses)		
INTERNATIONAL	9,596,474	56.6%	9,291,836	58.1%	9,431,491	55.9%	1.5%	139,655
CENTRAL	3,217,986	19.0%	3,515,411	22.0%	3,757,679	22.3%	6.9%	242,268
General Assembly	638,225	3.8%	-	0.0%	556,498	3.3%	100.0%	556,498
NATIONAL	2,612,468	15.4%	2,215,622	13.9%	2,316,685	13.7%	4.6%	101,063
OPERATIONS	881,815	5.2%	974,356	6.1%	811,655	4.8%	-16.7%	(162,701)
Total GAF Expend.	16,946,968	100.0%	15,997,225	100.0%	16,874,008	100.0%	5.5%	876,783
Designated Specials	4,200,000		4,200,000		4,500,000		7.1%	300,000
Total Expenses	21,146,968		20,197,225		21,374,008		5.8%	1,176,783
GAF Surplus / (Deficit)	(1,289,990)		(646,251)		(789,878)			(143,627)
Add: Operating surplus carryforward from 2021	1,000,000		-		-			
Add: Repurposed Ext. & Other Int. Restricted Funds	150,000		280,000		313,000			
Less: Transfer to (from) General Assembly Reserve	50,000		(50,000)		50,000			
Add: Avail. Funds from Future Spend Res.	53,922		-		-			
Add: Available Legacy & Matured Annuity Funds	377,465		440,117		501,967			
Add: Sing Yui King Legacy Fund	25,000		25,000		25,000			
Total Transfers from Designated Funds:	1,656,387		695,117		889,967			194,850
Net Excess (Deficit) after transfers	366,397		48,866		100,089			51,223

APPENDIX 7 – ALLIANCE RETIRAL FUND MEMBERS RETURN ON INVESTMENT 1991-2023



APPENDIX 8 – DEPLOYED INTERNATIONAL WORKERS 2022 – 2024 YTD

International Workers	Category	Country/Region	Date
Joel & Shaylynn Hurst	Apprentice	Latin America	May-22
David	FF	Middle East	June-22
Kaitlyn Tan	Apprentice	Southeast Asia	Aug-22
Joe & Cora Yu	PF	Asia	Aug-22
Ellen Fong	PF	Latin America	Aug-22
Daniel & Carla	FF	Southeast Asia	Aug-22
Caitlan	FF	Middle East	Oct-22
Alan & Joan Yin	PF	East Asia	Dec-22
Ian & Rebecca	FF	North Africa	Jan-23
Anna Sinclair	FF	Latin America	May-23
Mark & Amy	FF	Middle East	July-23
Brendan	FF	Arabian Peninsula	Aug-23
Mike & Nikki Howell	FF	Africa	Aug-23
Elizabeth	FF	South Asia	Aug-23
Shiqin Hong	FF	Latin America	Sept-23
Kat Zee	FF	East Asia	Feb-24

FF - Fully funded

PF - Partially funded

SF - Self-funded

Apprentice

Global Alliance Professionals not included

APPENDIX 9 – DIVERSITY

2023 Diversity Represented in Alliance Senior Leadership Levels:

- NATIONAL:
 - Board – 25% female; 25% non-Caucasian; 33% under 45
 - NMC Officers Team – 50% female; 25% non-Caucasian; 12% under 45
 - National Lead Team – 0% female; 22% non-Caucasian; 22% under 45
 - International Lead Team – 28% female; 30% non-Caucasian; 0% under 45
- DEXCOMS:
 - Western Canadian District – 30% female; 30% non-Caucasian; 15% under 45
 - Canadian Pacific District – 36% female; 18% non-Caucasian; 9% under 45
 - Canadian Midwest District – 30% female; 10% non-Caucasian; 10% under 45
 - Central Canadian District – 13% female; 25% non-Caucasian; 13% under 45
 - Eastern Canadian District – 30% female; 43% non-Caucasian; 14% under 45
 - St Lawrence District – 25% female; 38% non-Caucasian; 38% under 45

The current snapshot of C&MA Licensed Workers and some aspects of Diversity is as follows:

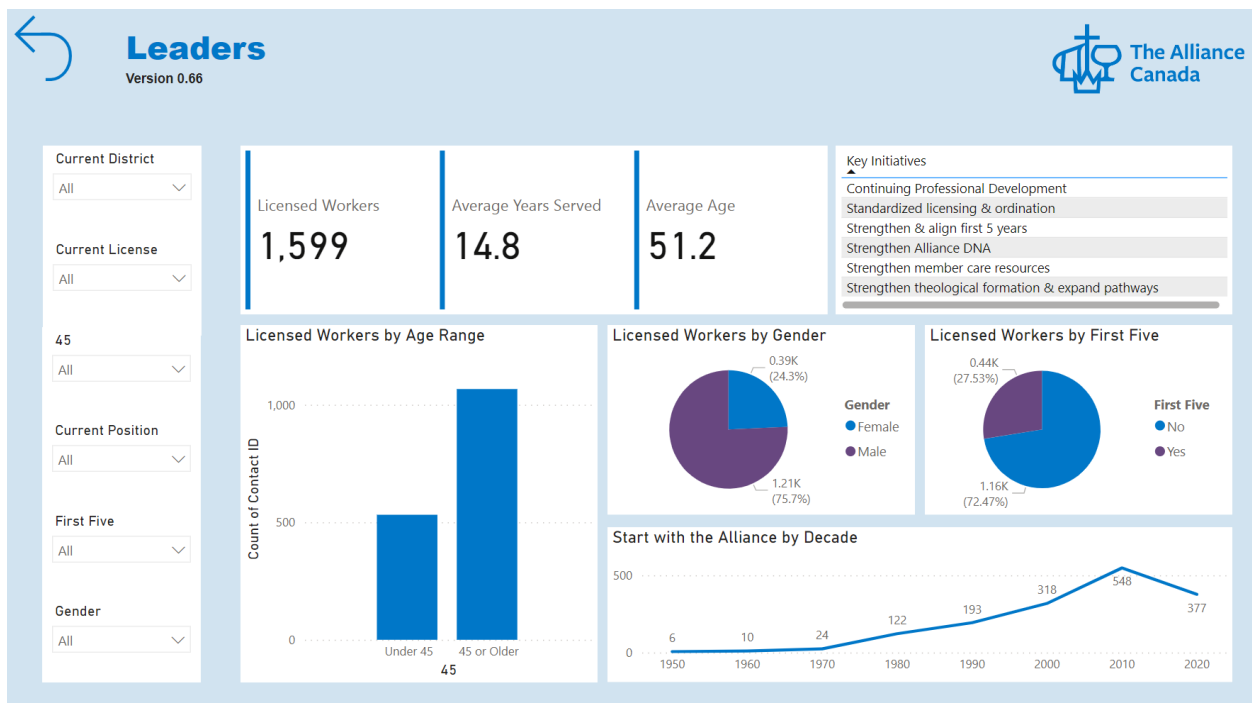


Figure 1 Leaders

When compared with the “Under 45” group, the report is as follows:

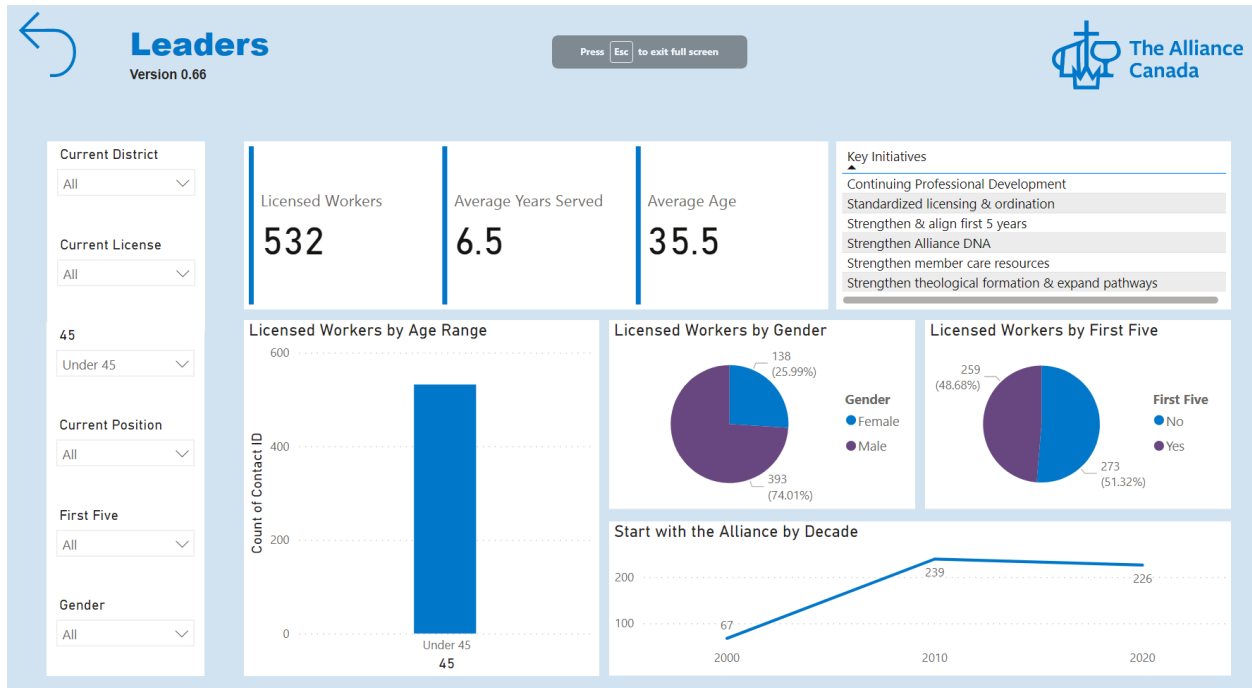


Figure 2 Under 45 Leaders

When we isolate the “45 and Over” group, it shows as follows:

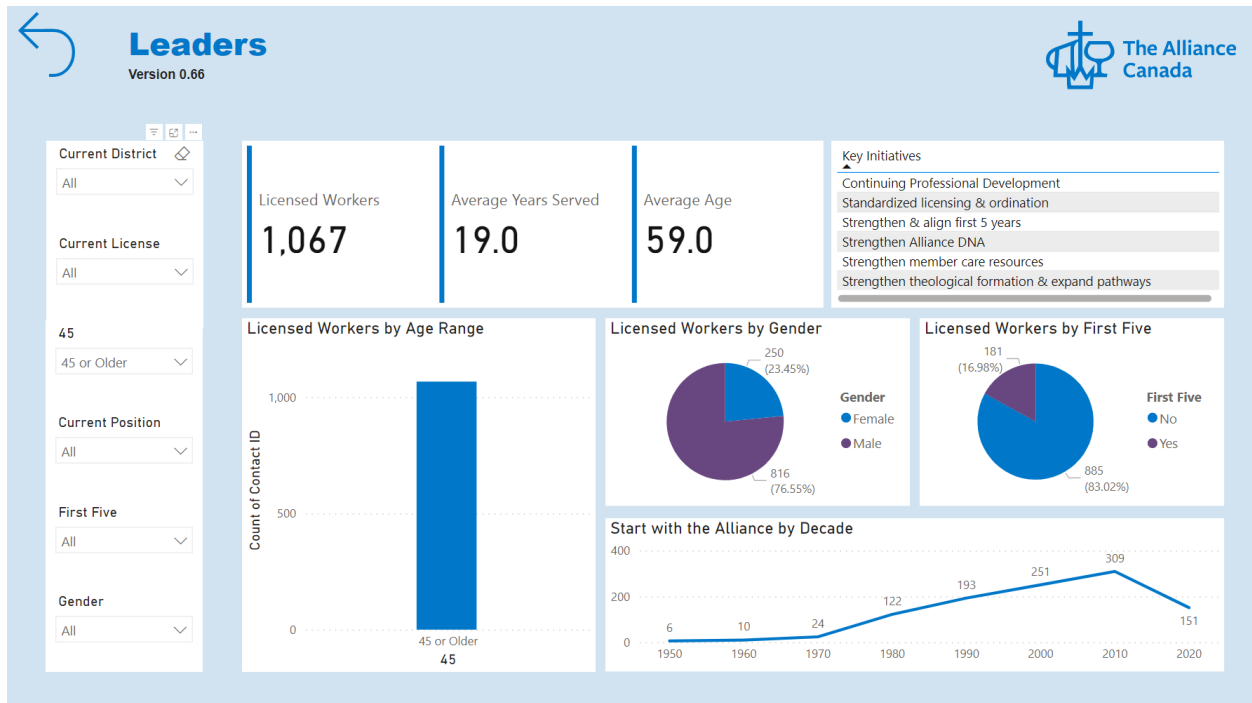


Figure 3 45 and Older Leaders

The Official Worker survey, last conducted in August 2022, collects demographics (as optional questions) of our workers. The results from 2022 shows the following demographics for ethnicity and age:

