

# ANNUAL REPORT 2010

Advancing Ministry Together



CANADIAN COUNCIL *of* CHRISTIAN CHARITIES  
ADVANCING MINISTRY TOGETHER

As a result of CCCC, Canadian Christian Charities will be worthy of the public's respect and trust.

## Our Vision:

A vibrant community of exemplary Christian ministries effectively fulfilling their missions.

## Our Mission:

We make it easier for Christian ministries to focus on their missions by providing specialized help for their support and leadership functions.

## Our Aspirations:

- to promote Christian unity between ministries as a witness to God;
- to facilitate ministry; we will champion, support and promote Christian ministries, enabling them to be all that God has called them to be;
- to be a catalyst for continuous improvement and adoption of best practices;
- to provide accessible, practical and relevant services that offer high value to our members;
- to be respected educators who create, source and share expert knowledge as we model how Christian charities should operate; and
- to be an exemplary Christian workplace.



CANADIAN COUNCIL *of* CHRISTIAN CHARITIES  
ADVANCING MINISTRY TOGETHER

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ADVANCING MINISTRY **TOGETHER**

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# BOARD CHAIR'S REPORT

*"Let us consider how we may spur one another on toward love and good deeds."  
~ Hebrews 10:24*



In addition to all the usual governance work a board does, this year the CCCC's board did two exciting things that added value to the ministry:

1. we encouraged a spirit of boldness in both the board and staff to expand our thinking beyond incremental change; and
2. we developed high level suggestions about what the next steps in pursuing our mission might involve: becoming a thought-leader who advocates for Christian ministries. We have done a fine job serving ministries directly, now it may be time to help improve the environments in which they work.

These stimulating discussions started at a one day board retreat held to discuss the expectations that local churches and Christian agencies have of an umbrella organization such as CCCC. The board had many resources to draw upon for this discussion, including:

- our own diverse backgrounds in Christian ministry;
- our consultations with stakeholders over the past few years;
- recent research provided by management on public attitudes towards charities, issues facing nonprofits generally, trends in local churches, the work of Christian agencies, trends in ministry partnerships, trends in nonprofit boards and trends among ministry leaders; and
- management's surveys and consultations with members.

We then considered how CCCC's mission is distinct from that of other umbrella organizations serving Canadian ministries and clarified which of the expectations are within the scope of our mission and which are not. The retreat provided management with many ideas for consideration in the annual action plans over the next few years.

"Thank you so much for your incredible ministry. CCCC has helped us several times over the past couple years with some of the changes we've made in our admin. But most of all, thanks for your prayers. It's great to know that the family of God is all of us and we're all in this together. Bless you all so much."

– A CHURCH PASTOR IN ALBERTA

# BOARD CHAIR'S REPORT

The future-oriented discussion continued when the board engaged in a stakeholder dialogue with our own CEO. This was an opportunity to have a high level strategic background briefing session with someone who is immersed in the issues and opportunities facing CCCC over the next decade or so. Fruitful discussion led to a number of strategic insights and the board encouraged the CEO to move the organization forward boldly as a thought-leader and advocate for our members.

The board's chief concern is that the Canadian Council of Christian Charities advances towards fulfilling its mission each year in a manner that ensures its long term viability. We are blessed to have a professional management team in place that is able to develop and implement plans that achieve these goals year after year.

The board much appreciates its collegial and mutually-supportive relationship with staff and believes that the board and staff together are working in unity and harmony to achieve the mission God has given to the Canadian Council of Christian Charities.

Laurie Cook  
Chair

# CEO'S REPORT

*"Therefore encourage one another and build each other up, just as in fact you are doing."*

~ I Thessalonians 5:11

Here is an email we received this year from a missionary we helped:

*"Thank you very, very much for all that you folk at CCCC have done to help us. As I write this sitting in my office here in Tanzania, I have tears in my eyes. It has been a long road but the result is just wonderful!!! One day in heaven, you will see the results of your hard work. Tomorrow, when I see 80+ kids I will know that it is well worth all the work. May our Lord bless you folk at CCCC richly!"*



This is representative of the kind of feedback we get from our members and it is what gets the CCCC staff out of bed: the chance to ease the many administrative and regulatory burdens on missionaries, pastors, and all those engaged in Christian missions. We see ourselves as one of your cheerleaders and we will champion, support and promote Christian ministry so that your particular ministry can be all that God has called it to be.

This missionary could have researched the particular issue on her own, but she had children to care for. She would have had to interpret what she found and then find a way to apply it. CCCC had already researched and established great expertise in the issue she needed help with and we could walk with her right through to implementation. She received a hands-on, practical solution from us that alleviated her anxiety over the issue.

What we've done for this missionary is we want to do for all of our 3,000+ members, including you. The following pages show you some of the highlights of the past year in terms of programs and services and our financial results, but we must never forget that CCCC is not about programs, services or finances. They are just tools or means to an end. We are about helping Christian ministries better fulfill their missions by using our expert knowledge and the benefits that an association of thousands of ministries can provide. A church treasurer puts it well:

*"My, what a good friend our church has in you – thank you so much for your prayers and your advice. I trust that we will be worthy of it, and we will definitely follow up on your suggestion."*

– A CHURCH TREASURER IN ALBERTA

# CEO'S REPORT

The staff at CCCC feel very blessed by the support we receive from our members and our board. We really appreciate that our members:

- share information with us as they respond to surveys and help us with our research
- give us word-of-mouth promotion (69% of new members this year came from a member's recommendation to join!)
- participate in our events, helping them to be more successful, and
- welcome me as a visitor to their ministry as I travel on CCCC business. Every visit gives me a better understanding of our members and their needs.

The CCCC board is an amazing collection of individuals who never fail to impress me because they:

- are big picture, conceptual thinkers who have insights that trigger a lot of creativity in staff
- are forward-thinking, always ready to plant seeds to harvest in the future
- model a learning environment at the board and ensure that the whole organization has a culture of learning, and
- they make suggestions when they think about programs and services rather than give direction. This helps staff dream while not doing the work for us.

Between our members and our board, I feel that we are truly collaborating in pursuit of our mission. Both groups make it possible for CCCC to do what God has called it to do. Thank you.

Rev. John Pellowe, MBA DMin  
Chief Executive Officer

"I want to thank you so much for praying for us. It was such a joy and encouragement the first time I got your email two years ago and have looked forward to the next time your office focused prayer on our area. It couldn't come at a more opportune time..."

– A CHURCH ADMINISTRATOR IN SASKATCHEWAN

# MINISTRY HIGHLIGHTS



It has been a great joy to serve you over the last year. In fiscal 2010 we estimate that we answered over 18,000 phone calls and emails from churches and charities across Canada. We are seen as a lifeline, a best practice resource, a continuing education centre and a prayer support to over 3,000 Christian churches and charities in Canada.

*"I have been blessed by CCCC! To have this kind of quality resource at the fingertips of a new treasurer with no experience has been awesome!"*

*"I appreciate very much the great work that CCCC is doing to support and enable churches across the country to perform their ministries that God has called them to. I also very much appreciate the humble servant attitude that you serve with."*

*"Thank-you so much. I honestly feel guilty for having this kind of resource available for such a small fee. I don't want to take advantage of your time, but really do appreciate it!"*

## Summary of the Past Year

Fiscal 2010 was not without its challenges. Some of the major ones were:

- Since 2003, our membership has grown 30% and we have introduced a number of new services, but we had the same level of member service staff in 2010 as we did in 2003. We have relied on a significant investment in using technology to automate workflow and deliver services, but with one person working in IT, we are challenged by workload. Staff contributed volunteer hours equivalent to roughly a full time position.
- We anticipated the economic downturn would affect attendance at the annual conference, and it did. Registrations were down 30%. Fortunately we had time to mitigate the expected attendance drop, and made some one-

*"Being an administrator of a church with multiple sites would be exponentially more difficult if I couldn't draw upon your wealth of resources. Hats off to the CCCC staff and management."*

– ADMINISTRATOR, MULTI-SITE CHURCH, ON

time expenditure cuts related to the conference that resulted in us meeting our net budget for the conference.

- We want to run a ministry compensation survey every two years, but cancelled the one that was due this year due to low participation. In a year when donation revenues were falling or at least in more doubt than usual, salary surveys were a low priority.

There were bright spots in the year as well. Even bad situations can be redeemed!

- We rethought our strategy for compensation surveys and decided to administer it ourselves rather than contracting it out. This means we can now run it in real time and make it a free member benefit. The reconfigured survey will be available in the fall of 2011.
- We decided to quicken the pace of program evaluations to ensure that our time is spent on programs that deliver the greatest value to our members. Three programs are being reviewed this year (the Stewardship Course, the Seal of Accountability, and the Annual Conference).
- Although attendance at the conference was down, attendance at our regional seminars was the highest in many years, and the two stewardship courses were sold out.
- Our membership retention rate this year was 96.4%, the highest it has been in years in spite of the economy. While it always ranges between 94% and 96%, our retention rate this year is a powerful indicator of the value that our members place on CCCC membership!



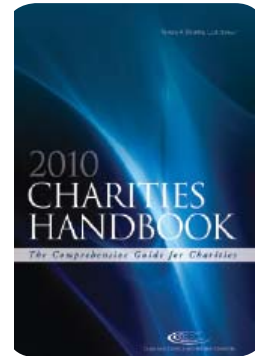
## Website Redesign

In October 2009 we launched our new website ([www.cccc.org](http://www.cccc.org)). Member charities can now easily locate all the resources on a given topic area. Recorded webinars, articles, book resources and links are consolidated into one search engine. Since launching the site, our member search page has been accessed over 19,000 times!

# MINISTRY HIGHLIGHTS

## 2010 Charities Handbook

The 2010 edition was updated with two chapters on Financial Standards and the T3010 completely rewritten. Throughout the rest of the Charities Handbook there were substantial edits and many case citations were added to provide the legal basis on which our commentary rests.



## Regional Seminars

We developed two new regional seminars and delivered 28 seminars at 14 different locations across Canada. We had another record year with 1,307 attendees which represented a 28% increase over last year.

The Serving as a Board Member seminar was designed for current and prospective board members to improve the quality of their board service and to improve board/staff relations. The seminar on Ministry Employment Relationships covered all aspects from hiring, compensation, performance reviews, layoffs, terminations and retirements. Many ministries have employment practices that are not a good witness to our Christian ethics. We want all Christian workplaces to be exemplary workplaces.

Here are some comments we received:

*"Thanks for your excellent work of bringing the Christian community together to discuss relevant every day issues. Lots of information. Well presented. Handouts and slides were well organized and easy to understand. This is amazing value for the cost!!"*

*"Well done! Particularly appreciate the quality of the resource material."*

## Prospective Members

During the year, an opportunity arose to create a viral movie about CCCC services. ([www.cccc.org/movie](http://www.cccc.org/movie)). The movie was launched to over 6,000 contacts during January to March 2010. The initial open rate was 30% and in the first four months it has been viewed over 1,800 times. We encouraged our membership to share the movie with another church or charity and hope to see the fruit of this work in the coming months as we gain new members.



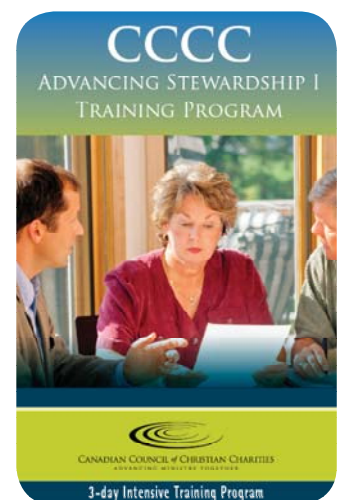
## French Language Capability

A long-term strategic goal for CCCC is to develop capability to serve French speaking ministries in Canada. This year four staff members completed 5 courses at Conestoga College. We continue to build connections in Quebec and look for ways to collaborate on projects together.

## Advancing Stewardship I Training Program

We launched the Advancing Stewardship training course to sold out sessions in Mississauga and Vancouver.

*"I attended with our Development Director and we both left with an abundance of information and wisdom to process."*



"I very much enjoyed your presentations; both for the content and your style which I am sure we in the audience could all relate to. You kept the atmosphere light enough that you were able to convey an immense amount of information that people needed to know."  
– TREASURER, LOCAL CHURCH, ONTARIO

# LOOKING AHEAD

In the coming year, we will be focusing on the following areas:

## Knowledge Development

A strategic priority is to serve entire leadership teams: to have something for everyone on the senior team. We will be developing a longer term perspective on what needs to be developed and how it should be delivered by creating a 3-year knowledge development plan and by studying adult learning theory.



## Website & Technology

Another strategic initiative is to help our members connect with each other to share information and best practices. This year we are conducting research on our infrastructure needs to support a web-based database system, social networking venues and mobile browsing of our site. We know that we will need to purchase a new database management package. We expect to make a significant investment in this once our analysis and review is complete.

We will also begin the next evolution of our website by developing some primers to draw all information together on a narrow topic into one publication, making it much easier to find relevant information quickly. This will be the first step of a multi-year plan.

## Compensation Survey



We want to provide overwhelming value for membership! Based on requests we receive, we know there is a high demand for compensation information; however it is often cost prohibitive, especially for churches and smaller charities. We will be designing a survey to be administered by CCCC (instead of an external consultant). We will be holding focus groups during the survey design phase. The survey will be free to all CCCC members who contribute their own compensation information to the survey. We believe this will attract new members.

## External Review of Our Growth & Member Development Strategies

Since 2003 our membership has grown by 30%. However, growth has levelled out over the last few years. We have engaged a Canadian expert in association management to conduct a continuous improvement review focusing on membership growth and the mix of products and services. We will also be conducting an external membership survey this year.



## Advancing Stewardship II

We have completed a review of Advancing Stewardship I and believe there is need for a further training course. We will be investing approximately \$30,000 of staff time in developing this course.

## Serving As a Board Member Recording



With over 30,000 religious charities in Canada, we feel there is much room to advance our mission, particularly in the area of board training. We have received repeated requests from boards to have a staff member come to train or for additional training seminars to be held. However, we face staffing constraints in order to respond to these requests. We have an opportunity to record our popular Serving as a Board Member regional seminar into short segments suitable for board training. The investment to make the initial recording will be approximately \$10,000.

"I have had dealings with CCCC over the last 25 years plus as I occupied roles such as elder, treasurer, chair and vice-chair, within various churches as I have lived in different communities. They have provided prompt, valuable insight and feedback. The website is a gold mine of information for charities. Their training sessions are invaluable. I highly recommend each local church and ministry organization take out at least affiliate membership in order to have access to all of the resources."

– ELDER/BOARD MEMBER, LOCAL CHURCH, ON

# AUDITED FINANCIAL STATEMENTS

Financial Statements of

## **CANADIAN COUNCIL OF CHRISTIAN CHARITIES**

Year ended March 31, 2010

# AUDITED FINANCIAL STATEMENTS



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## AUDITORS' REPORT

To The Members of Canadian Council of Christian Charities

We have audited the statement of financial position of Canadian Council of Christian Charities as at March 31, 2010 and the statements of operations and changes in fund balances and cash flows for the year then ended. These financial statements are the responsibility of management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Accountants, Licensed Public Accountants

Waterloo, Canada  
April 30, 2010

# AUDITED FINANCIAL STATEMENTS

## CANADIAN COUNCIL OF CHRISTIAN CHARITIES

Statement of Financial Position

March 31, 2010, with comparative figures for 2009

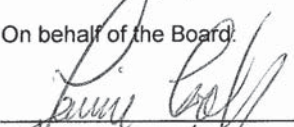
	Operating Fund	Capital Fund	Trusteed Funds	2010	2009 (restated, note 2)
<b>Assets</b>					
<b>Current assets:</b>					
Cash	\$ 642,295	\$ -	\$ -	\$ 642,295	\$ 418,984
Investment in Community Trust Fund (note 3 (b))	636,971	-	-	636,971	532,534
Accounts receivable	33,412	-	-	33,412	61,150
Receivable from CCCC Pension Plan (note 5)	6,715	-	-	6,715	4,175
Inventory	2,430	-	-	2,430	3,135
Prepaid expenses	22,156	-	-	22,156	27,634
<b>Total current assets</b>	<b>1,343,979</b>	<b>-</b>	<b>-</b>	<b>1,343,979</b>	<b>1,047,612</b>
<b>Trust assets</b>					
Trust Fund for Legal Defence (note 3 (a))	-	-	227,049	227,049	144,559
Community Trust Fund (note 3 (b))	-	-	2,221,254	2,221,254	2,227,211
<b>Total trust assets</b>	<b>-</b>	<b>-</b>	<b>2,448,303</b>	<b>2,448,303</b>	<b>2,371,770</b>
Capital assets (note 4)	-	412,260	-	412,260	422,863
	<b>\$ 1,343,979</b>	<b>\$ 412,260</b>	<b>\$ 2,448,303</b>	<b>\$ 4,204,542</b>	<b>\$ 3,842,245</b>

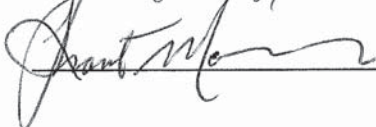
# AUDITED FINANCIAL STATEMENTS

	Operating Fund	Capital Fund	Trusteed Funds	2010	2009 (restated, note 2)
<b>Liabilities and Fund Balances</b>					
<b>Current liabilities:</b>					
Accounts payable	\$ 171,854	\$ -	\$ -	\$ 171,854	\$ 149,373
Deferred revenue	709,986	-	-	709,986	665,929
Payable to Trust Fund for Legal Defence (note 3 (a))	209,053	-	-	209,053	139,366
<b>Total current liabilities</b>	<b>1,090,893</b>			<b>1,090,893</b>	<b>954,668</b>
<b>Trust liabilities:</b>					
Due to Trust Fund for Legal Defence (note 3 (a))	-	-	227,049	227,049	144,559
Due to Community Trust Fund (note 3 (b))	-	-	2,221,254	2,221,254	2,227,211
<b>Total trust liabilities</b>	<b>-</b>	<b>-</b>	<b>2,448,303</b>	<b>2,448,303</b>	<b>2,371,770</b>
<b>Total liabilities</b>	<b>1,090,893</b>	<b>-</b>	<b>2,448,303</b>	<b>3,539,196</b>	<b>3,326,438</b>
<b>Fund balances:</b>					
Unrestricted	193,086	-	-	193,086	32,944
Internally restricted	60,000	412,260	-	472,260	482,863
<b>Total fund balances</b>	<b>253,086</b>	<b>412,260</b>	<b>-</b>	<b>665,346</b>	<b>515,807</b>
<b>Commitments (note 6)</b>					
	<b>\$ 1,343,979</b>	<b>\$ 412,260</b>	<b>\$ 2,448,303</b>	<b>\$ 4,204,542</b>	<b>\$ 3,842,245</b>

See accompanying notes to financial statements.

On behalf of the Board:

  
 \_\_\_\_\_ Director

  
 \_\_\_\_\_ Director

# AUDITED FINANCIAL STATEMENTS

## CANADIAN COUNCIL OF CHRISTIAN CHARITIES

Statement of Operations and Changes in Fund Balances

Year ended March 31, 2010, with comparative figures for 2009

	Operating Fund	Capital Fund	Total 2010	Total 2009
				(restated, note 2)
<b>Revenue:</b>				
Educational events	\$ 209,103	\$ -	\$ 209,103	\$ 201,654
Donations	76,221	-	76,221	65,853
Investment income and sundry	110,701	-	110,701	(109,433)
Membership services	1,451,181	-	1,451,181	1,364,218
Publications	107,771	-	107,771	113,024
	1,954,977	-	1,954,977	1,635,316
<b>Expenses:</b>				
Educational events	374,666	-	374,666	456,552
Membership services	996,809	-	996,809	952,518
Publications	317,055	-	317,055	233,951
Public relations	174,467	-	174,467	129,872
Contributed services (note 7)	(98,673)	-	(98,673)	(109,273)
Amortization	-	41,114	41,114	50,892
	1,764,324	41,114	1,805,438	1,714,512
<b>Excess (deficiency) of revenue over expenses</b>	<b>190,653</b>	<b>(41,114)</b>	<b>149,539</b>	<b>(79,196)</b>
<b>Fund balances, beginning of year:</b>				
As previously reported	92,944	422,863	515,807	630,651
Change in accounting policy (note 2)	-	-	-	(35,648)
	92,944	422,863	515,807	595,003
<b>Interfund transfer</b>	<b>(30,511)</b>	<b>30,511</b>	<b>-</b>	<b>-</b>
<b>Fund balances, end of year</b>	<b>\$ 253,086</b>	<b>\$ 412,260</b>	<b>\$ 665,346</b>	<b>\$ 515,807</b>

See accompanying notes to financial statements.

# AUDITED FINANCIAL STATEMENTS

## CANADIAN COUNCIL OF CHRISTIAN CHARITIES

### Statement of Cash Flows

Year ended March 31, 2010, with comparative figures for 2009

	Operating Fund	Capital Fund	2010	2009
				(restated, note 2)
Cash provided by (used in):				
Operations:				
Excess (deficiency) of revenue over expenses	\$ 190,653	\$ (41,114)	\$ 149,539	\$ (79,196)
Items not involving cash:				
Amortization of capital assets	-	41,114	41,114	50,892
Unrealized (gain) loss on investments classified as held-for-trading	(104,437)	-	(104,437)	107,680
Change in non-cash operating working capital:				
Accounts receivable	27,738	-	27,738	(16,271)
Receivable from CCCC Pension Plan	(2,540)	-	(2,540)	(843)
Inventory	705	-	705	1,700
Prepaid expenses	5,478	-	5,478	(16,375)
Accounts payable	22,481	-	22,481	33,139
Deferred revenue	44,057	-	44,057	75,354
Payable to Trust Fund for Legal Defence	69,687	-	69,687	45,571
	253,822	-	253,822	201,651
Investing:				
Sale (purchase) of investments in Community Trust Fund	-	-	-	489,946
Purchase of capital assets	-	(30,511)	(30,511)	(417,652)
	-	(30,511)	(30,511)	72,294
Increase (decrease) in cash	253,822	(30,511)	223,311	273,945
Cash, beginning of year	418,984	-	418,984	145,039
Interfund transfer	(30,511)	30,511	-	-
Cash, end of year	\$ 642,295	\$ -	\$ 642,295	\$ 418,984

See accompanying notes to financial statements.

# AUDITED FINANCIAL STATEMENTS

## CANADIAN COUNCIL OF CHRISTIAN CHARITIES

Notes to Financial Statements

Year ended March 31, 2010

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Canadian Council of Christian Charities ("CCCC") serves the members of CCCC by providing information and training in the area of Christian stewardship and administration and by facilitating cooperation to avoid duplication of activities and expenses. CCCC was incorporated under the laws of the Province of Ontario on June 6, 1979 as a corporation without share capital. As a registered charity, CCCC is exempt from tax on its income under the Income Tax Act.

### 1. Significant accounting policies:

#### (a) Basis of presentation:

These statements have been prepared to include the assets and liabilities of all accounts considered by CCCC as trustee funds. The financial results of these trustee funds are separately disclosed in note 3.

#### (b) Fund accounting:

The accounts of CCCC are maintained in accordance with the principles of fund accounting. The purpose of the funds are as follows:

##### (i) Operating Fund:

The Operating Fund accounts for CCCC's program delivery and administrative activities. This is an unrestricted fund. Within the Operating Fund there are two internally restricted funds as follows:

The Charity Handbook Fund was established in 2005. Bi-annually these funds are used to finance the production of the Charity Handbook and the balance for 2010 is \$50,000. This is an internally restricted fund.

The Special Initiatives Fund was established in 2005. The fund is used for special one-time initiatives not included in the annual operating budget and the balance for 2010 is \$10,000. This is an internally restricted fund.

##### (ii) Capital Fund:

The Capital Fund accounts for capital assets of CCCC. This is an internally restricted fund.

##### (iii) Trustee Funds:

The Trustee Funds are funds held in trust for purposes as described in note 3.

#### (c) Capital assets:

Capital assets are stated at cost less accumulated amortization. Computer equipment is amortized using the straight-line method at 30% per annum while other office equipment is amortized using the straight-line method at 20% per annum and leasehold improvements are amortized using the straight-line method at 5% per annum.

## CANADIAN COUNCIL OF CHRISTIAN CHARITIES

Notes to Financial Statements, continued

Year ended March 31, 2010

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### 1. Significant accounting policies (continued):

(d) Inventory:

The inventory is stated at the lower of cost and net realizable value and is generally determined on a first-in, first-out basis.

(e) Revenue recognition:

CCCC receives revenue for the Operating Fund from a variety of sources including administration fees, member fees, sales of publications, conference and seminar admission fees, subscription fees and donations. Revenue is recognized when the publications are shipped, the conference/seminars are held, collection of the relevant receivable is probable, persuasive evidence of an arrangement exists and the sales price is fixed or determinable. Donations and administration fees are recorded upon receipt of the funds. Member fees and subscriptions fees are recognized over the life of the membership or subscription.

Restricted contributions are recognized in the appropriate funds.

(f) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expenses during the years. Significant items subject to such estimates and assumptions include the carrying amount of capital assets; and valuation allowances for accounts receivable. Actual results could differ from those estimates.

(g) Financial instruments:

CCCC has adopted the following classifications for financial assets and financial liabilities:

- Cash and cash equivalents and short-term investments are classified as held-for-trading. Changes in fair value for the period are recorded in the statement of operations and transaction costs are expensed as incurred.
- Accounts receivable and other amounts receivable are classified as loans and receivables. These assets are initially recorded at fair value and subsequently measured at amortized cost less any provisions for impairment.
- Bank loans, accounts payable and other amounts payable are classified as other financial liabilities. These liabilities are initially recorded at fair value and subsequently measured at amortized cost.

## CANADIAN COUNCIL OF CHRISTIAN CHARITIES

Notes to Financial Statements, continued

Year ended March 31, 2010

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### 1. Significant accounting policies (continued):

#### (g) Financial instruments (continued):

Unless, otherwise noted, it is management's opinion that CCCC is not exposed to significant interest rates, currency or credit risk arising from its financial instruments.

### 2. Change in accounting policies:

Effective April 1, 2009, the organization adopted the Canadian Institute of Chartered Accountants' ("CICA") amendments to Section 1000 of the Handbook. These amendments clarified the criteria for recognition of an asset or liability, removing the ability to recognize assets or liabilities solely on the basis of matching the revenue and expense items. The organization has retroactively adopted the recommendations and, therefore, the 2009 comparative figures have been restated. The impact of the implementation of these standards on the organization's financial statements is a decrease of amounts previously reported at April 1, 2009 for prepaid expenses of \$32,522, a decrease in net assets at April 1, 2008 of \$35,648 and a decrease in expense for 2009 of \$3,126.

Effective April 1, 2009, the Organization adopted the CICA amendments to the 4400 Section of the Handbook. These amendments eliminate the requirement to show net assets invested in capital assets as a separate component of net assets, clarify the requirement for revenue and expenses to be presented on a gross basis when the not-for-profit organization is acting as principal and require a statement of cash flow. Adoption of these recommendations had no significant impact on the financial statements for the year ended March 31, 2010.

# AUDITED FINANCIAL STATEMENTS

## CANADIAN COUNCIL OF CHRISTIAN CHARITIES

Notes to Financial Statements, continued

Year ended March 31, 2010

### 3. Trusteed funds:

Salaries and benefits - net:

The salaries and benefits reported in the Operating Fund of \$1,114,995 (2009 - \$1,078,092) are net of the salaries and benefits charged to the trusteed funds. The salaries and benefits charged to the Trust Fund for Legal Defence were \$4,780 (2009 - \$17,524). Total salaries and benefits paid were \$1,119,775 (2009 - \$1,095,616).

#### (a) Trust Fund for Legal Defence:

A trust fund, of which CCCC is the trustee, exists to defend legal challenges for the benefit of the affiliated and certified members, their employees and supporters. It coordinates and funds legal challenges for such beneficiaries when the legal issues to be determined have broad application. CCCC is not the client in any of the actions funded by this fund and any favourable court decisions are for the benefit of the affiliated organizations and certified charities, their employees or supporters. The funding is primarily through voluntary contributions from the beneficiaries. The obligation of CCCC, as trustee, is to exercise its best efforts in raising the funds necessary for the fund to meet its obligations to creditors.

CCCC is contingently liable for payment of any unpaid legal fees of the Trust Fund for Legal Defence.

The revenue, expenses and fund balance of the Trust Fund for Legal Defence are as follows:

	2010	2009
Revenue:		
Contributions	\$ 9,323	\$ 3,378
Human Rights Intervention	106,895	131,432
Interest income	288	2,271
	<u>116,506</u>	<u>137,081</u>
Expenses:		
Human Rights Intervention	20,606	79,837
Allocation to EFC – Joint Fundraising	12,531	15,214
Fundraising and general expenses	879	3,376
	<u>34,016</u>	<u>98,427</u>
Excess of revenue over expenses	82,490	38,654
Fund balance, beginning of year	144,559	105,905
Fund balance, end of year	<u>\$ 227,049</u>	<u>\$ 144,559</u>

# AUDITED FINANCIAL STATEMENTS

## CANADIAN COUNCIL OF CHRISTIAN CHARITIES

Notes to Financial Statements, continued

Year ended March 31, 2010

### 3. Trusteed funds (continued):

#### (a) Trust Fund for Legal Defence (continued):

The fund balance consists of the following:

	2010	2009
Cash	\$ 17,597	\$ 3,870
Receivable from the CCCC Operating Fund	209,053	139,366
Other accounts receivable	399	1,323
	<u>\$ 227,049</u>	<u>\$ 144,559</u>

The extent and timing of payments to CCCC from the Trust are dependent on contributions from affiliated organizations and certified charities and their supporters.

#### (b) Community Trust Fund:

Certain restricted contributions are recognized as revenue of the Community Trust Fund. These contributions, consisting of marketable securities, were received by CCCC for the purpose of distribution to other charitable organizations. This fund also holds cash and other investments as a result of the disposition of donated securities held for future distributions to other registered charities. The Investment Committee invests the Fund's assets in accordance with the Investment Policy approved by the CCCC Board of Directors.

# AUDITED FINANCIAL STATEMENTS

## CANADIAN COUNCIL OF CHRISTIAN CHARITIES

Notes to Financial Statements, continued

Year ended March 31, 2010

### 3. Trusteed funds (continued):

#### (b) Community Trust Fund (continued):

The revenue, expenses and balance of funds of the Community Trust Fund are as follows:

	2010	2009
Revenue:		
Contributions of marketable securities and cash	\$ 757,662	\$ 674,084
Dividends	57,326	78,175
Interest earned on contributions awaiting distribution	45,032	58,341
Received from the CCCC Operating Fund (net)	82,625	(617,982)
Realized loss on sale of marketable securities	(47,220)	(172,297)
Unrealized gain (loss) on sale of marketable securities	402,010	(482,499)
	1,297,435	(462,178)
Expenses:		
Distribution of contributions	1,152,572	1,103,153
Fees	46,383	46,572
	1,198,955	1,149,725
Excess (deficiency) of revenue over expense	98,480	(1,611,903)
Fund balance, beginning of year	2,759,745	4,371,648
Fund balance, end of year	\$ 2,858,225	\$ 2,759,745

The fund balance consists of the following:

	2010	2009
Cash	\$ 110,177	\$ 77,881
Accounts receivable	642	490
Investments	2,749,328	2,683,296
Accounts payable	(1,922)	(1,922)
	\$ 2,858,225	\$ 2,759,745

# AUDITED FINANCIAL STATEMENTS

## CANADIAN COUNCIL OF CHRISTIAN CHARITIES

Notes to Financial Statements, continued

Year ended March 31, 2010

### 3. Trusteed funds (continued):

#### (b) Community Trust Fund (continued):

The fund balance has been shown on the Statement of Financial Position as follows:

	2010	2009
Investment in Community Trust Fund (operating fund)	\$ 636,971	\$ 532,534
Community Trust Fund trust assets (trusteed funds)	2,221,254	2,227,211
	<b>\$ 2,858,225</b>	<b>\$ 2,759,745</b>

The investments consist of the following costs and market values:

	2010		2009	
	Cost	Market Value	Cost	Market Value
Pooled Investments:				
TD Waterhouse:				
Bissett Dividend Income	\$ 509,290	\$ 496,766	\$ 605,933	\$ 424,239
Bissett Canadian Equity	263,418	257,322	331,333	226,127
Jarislowsky Fraser Canadian Equity	461,699	456,036	513,360	392,515
AGF International Equity	551,738	443,473	580,377	350,068
Short-term notes and equivalents	140,595	139,507	172,990	175,044
Short-term Mutual Funds	-	-	90,534	90,534
Fixed income instruments	962,951	956,224	1,021,906	1,024,769
	<b>\$ 2,889,691</b>	<b>\$ 2,749,328</b>	<b>\$ 3,316,433</b>	<b>\$ 2,683,296</b>

Amounts included in the Community Trust Fund received from the CCCC Operating Fund at market value were \$636,971 (2009 - \$532,534) and had a cost of \$677,134 (2009 - \$663,461).

# AUDITED FINANCIAL STATEMENTS

## CANADIAN COUNCIL OF CHRISTIAN CHARITIES

Notes to Financial Statements, continued

Year ended March 31, 2010

### 4. Capital assets:

	Cost	Accumulated amortization	2010 Net book value	2009 Net book value
Office equipment	\$ 89,417	\$ 38,267	\$ 51,150	\$ 54,908
Leasehold improvements	389,723	28,613	361,110	367,955
	\$ 479,140	\$ 66,880	\$ 412,260	\$ 422,863

### 5. Related party transactions:

CCCC received administration fees from the Canadian Council of Christian Charities Employees Pension Plan aggregating \$25,067 during the year (2009 - \$23,266). At year end, \$6,715 was owing to the CCCC Operating Fund related to administrative fees (2009 - \$4,175). The pension plan is administered for the Trustees of the Canadian Council of Christian Charities Employees Pension Plan, which is a plan for the employees of CCCC members.

### 6. Commitments:

The new premises occupied by CCCC have been leased for a term of 20 years, beginning November 1, 2008 and ending October 31, 2028. There is a monthly rental charge plus a proportionate share of the landlord's cost. Annual lease commitments below exclude CCCC's share of landlord costs.

Lease obligations also include one photocopier and postal equipment. The photocopier and postal equipment lease commenced in 2010 and requires quarterly payments of \$3,108 for the term which expires in 2015.

The lease payments for the next five years are as follows:

2011	\$ 72,129
2012	71,933
2013	71,933
2014	71,933
2015	71,933

# AUDITED FINANCIAL STATEMENTS

## CANADIAN COUNCIL OF CHRISTIAN CHARITIES

Notes to Financial Statements, continued

Year ended March 31, 2010

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### **7. Contributed services:**

Employees contributed 1,688 hours (2009 - 1910) in excess of the regular work week to assist CCCC in carrying out its service delivery activities. The contributed services have been recognized as a recovery of expenses on the statement of operations and changes in fund balances for \$98,673 (2009 - \$109,273) and the related expense in educational events, membership services, publications and public relations.

### **8. Multi-employer defined contribution pension plan:**

The employees are members of the Canadian Council of Christian Charities Employees Pension Plan. CCCC made cash employer contributions of \$45,980 (2009 - \$41,889) to the pension plan during the year.

# AUDITED FINANCIAL STATEMENTS

## CANADIAN COUNCIL OF CHRISTIAN CHARITIES

Schedule of Revenue and Expenses by Objects

Year ended March 31, 2010, with comparative figures for 2009

	2010 Actual	2010 Budget	2009 Actual
<b>Revenue:</b>			
Fees	\$ 1,447,306	\$ 1,411,900	\$ 1,354,343
Sales	320,149	365,250	320,948
Receipted donations	66,517	5,000	16,000
Unreceipted donations	9,703	20,000	46,903
Investments	104,771	15,000	(130,940)
Sundry	6,531	34,750	25,112
	<u>1,954,977</u>	<u>1,851,900</u>	<u>1,632,366</u>
<b>Expenses:</b>			
Advertising and promotions	13,798	13,550	13,527
Professional and audit	9,481	10,000	9,020
Speakers and consultants	105,415	109,150	64,274
Costs of goods sold	48,814	59,850	6,640
Insurance	7,286	6,500	5,700
Membership fees	12,434	12,600	14,569
Printing and supplies	201,776	193,838	243,646
Rent and premises	160,819	199,600	145,986
Salary and benefits	1,114,995	1,120,137	1,078,092
Continuing education	17,454	16,700	24,746
Telephone	9,007	10,200	10,001
Travel	63,045	63,775	53,671
	<u>1,764,324</u>	<u>1,815,900</u>	<u>1,669,872</u>
<b>Excess (deficiency) of revenue over expenses excluding amortization</b>	<b>\$ 190,653</b>	<b>\$ 36,000</b>	<b>\$ (37,506)</b>



CANADIAN COUNCIL *of* CHRISTIAN CHARITIES  
ADVANCING MINISTRY TOGETHER

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