

# ANNUAL REPORT 2011



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

*"He proclaimed the kingdom of God and taught about the Lord Jesus Christ—with all boldness and without hindrance!"*  
~ Acts 28:31



Paul's life in ministry is an inspiration to all ministry leaders. His passion for the gospel and dedication to his call made an impact on humanity and the church that is still felt two thousand years later. My prayer is that all those in vocational ministry will serve with the same passion and dedication. This is what we, the directors of CCCC, aspire to during our time on the board.

Fiscal 2011 turned out to be a very exciting year for us. First, the directors were able to spend significant amounts of time discussing topics that will shape the future of CCCC. And second, we bid our CEO farewell as he set off on a sabbatical trip to meet ministry leaders around the world. After seven years in leadership, we felt a sabbatical would help him refresh and revision and come back with new thoughts and insights to guide our ministry. These two initiatives of the board can't help but have positive benefits for years to come.

The two most strategic topics discussed were blindspots and boldness:

1. The CEO asked the board to consider whether or not management has any blindspots. This was a great question that opened up discussion on many possible services and strategies for staff to consider. It also led the board to come up with internal ideas for it to consider, particularly in terms of board recruitment and orientation.
2. We had a dialogue with our CEO the previous year to hear his heart and vision for the ministry, and at that time encouraged him to be bold. This year we had an extensive discussion about what boldness might look like in terms of our mission. It was an inspirational day as we came up with ideas that would be bold steps forward. Boldness always entails risk, but we encouraged staff and ourselves to think boldly about our mission and not to dismiss bold ideas too early. Let them go through a discernment and testing process!

Each year the board has a stakeholder consultation to help us understand the work of CCCC from the perspective of others. This year we chose to hear from a broad range of denominational leaders. The Mennonite Brethren Church of Manitoba, the Archdiocese of Winnipeg and the Lutheran Church - Canada, Central District gave us their perspectives

"Thanks to everyone there at the CCCC and for everything you do. I always find the conferences and seminars helpful and appreciate the friendly, knowledgeable voices on the phone when I call in - especially that you are always patient when I'm sure you explain the same things over and over to so many people."

– A DIRECTOR OF FINANCE, CHURCH IN ONTARIO

# BOARD CHAIR'S REPORT

on the mission of CCCC and its interconnection with denominational interests. CCCC wants to help not only churches, but their denominational offices as well. We especially do not want to interfere with the church-denomination relationship, so it was very helpful to hear from the denominational offices directly. This consultation augmented the work already being done by staff to maintain good denominational relations.

In hindsight, the theme of this past board year was to position CCCC so it could go about the Lord's work with boldness. We now look forward with anticipation to see what will come of our discussions and the CEO's sabbatical.

Barry Slauenwhite  
Chair

# CEO'S REPORT

*"Don't you have a saying, 'It's still four months until harvest'? I tell you, open your eyes and look at the fields! They are ripe for harvest." ~ John 4:35*

Jesus encouraged his disciples to look around and see the world as he saw it - fields, not just one, but fields, ripe for harvest! The time to get to work is now. God's command to Jeremiah comes to mind, "Now, gird up your loins and arise..." (Jer 1:17). There was work to be done in Jeremiah's day and also in the days when Jesus walked the earth, and there is still plenty of work to be done today. I feel a greater sense of urgency about the mission of CCCC than ever before, to do our part in equipping Christ's ministries for the work he has called them to. Our success at CCCC is really measured by the success of our members.



As a staff, we have had an incredible year of achievement that you can read about in the Ministry Highlights section of this report. I say a huge and heartfelt "Thank you!" to the staff who made it all happen. It is truly amazing to see each staff member contributing his or her gifts to the team effort and the wonderful outcomes that result.

My report this year is a bit more personal than usual because of the nature of the year just past. For me, fiscal 2011 was a year of positive challenge and creative reflection. The board has been very encouraging and has empowered me to think boldly. My sabbatical trip reinforced what the board had already encouraged and provided much food for thought.

During my sabbatical, I visited sixty-six ministry leaders and workers in nine countries and had my eyes opened to how God is at work in other fields. This was encouraging in itself, but the visits also got me thinking about our work in Canada. There is nothing like leaving home for a while so that when you return you can see your home through fresh eyes.

I really feel like I came back to work as a new man, refreshed and reinvigorated. It is as though I were starting over again at CCCC with all the joy and wonderful anticipation that comes when you start a new job and survey the potential and opportunity lying before you. This September will mark the end of my eighth year at CCCC and I feel just as fresh as day one, but with the benefit of a lot more experience and all the wonderful new relationships I have developed with our members!

# CEO'S REPORT

One of our staff members said to me in August that she was thrilled with what she's seen happen during her time at CCCC. As plans unfold and we put more resources to work, she said she can only wonder with amazement at the full extent of what is yet to come. She's motivated!! That is how I feel as well. There is much to be pleased about, but what is coming will be thrilling!

To God be the glory, for the great things he has done, is doing, and will yet do!!

Rev. John Pellowe, MBA DMin  
Chief Executive Officer

"I think it's amazing that you are praying through the churches that are members of your organization. That shows that you are interested in far more than just the administrative, organizational issues that confront us. Thank you for your support and realization that what we are doing is a spiritual work."

– A CHURCH PASTOR IN MANITOBA

# MINISTRY HIGHLIGHTS



We are a lifeline, a best practice resource, a continuing education centre and a prayer support to over 3,200 Christian charities and churches in Canada. Here are some quotes from a recent membership survey:

"They always have an answer to my questions and they respond to these questions promptly."

"Helpful website, forms, templates, seminars."

"They have expertise that is not common knowledge in charities I work with."

"They are a well-established representative of the interests of Christian charities in Canada."

## Summary of the Past Year

We have had a good year that has had its share of successes and challenges. We had two significant challenges in fiscal 2011:

1) In January, our IT manager relocated with his family to New Zealand. This understaffing has made it difficult to respond to technical glitches as quickly as we would like, although we have made every effort to minimize the impact on our members. Subsequent to year-end we successfully filled this position.

2) Another significant challenge, like many charities, continues to be managing growth and workload. We believe we need one or two additional professional staff to research and prepare materials for our members and to assist them with their questions. Finding ways to allocate more staff time to direct member service is a priority for fiscal 2012.

"Thank you for your prompt reply. I appreciate the clarity you and your organization bring to what is sometimes quite hazy."  
- DIRECTOR OF ADMINISTRATION & FINANCE, PARACHURCH ORGANIZATION, BC

Despite these challenges, we had some significant success stories this year outlined below:

## Regional Seminars

We developed two new regional seminars and delivered 28 seminars at 14 different locations across Canada. We had another record year with 1,529 attendees which represented a 17% increase over last year. Nearly 93% of survey respondents said the seminar was good, great or surpassed their expectations and 96% said it was good value for money.

*Receipting Essentials* provided an overview of receipting principles and case law as well as practical examples demonstrating application of the principles. *Charity Finance Essentials* covered recent changes in the annual charity information return, financial reporting for non-profits, clergy residence deduction and the role of the board treasurer.

Here are some comments we received:

*"This was one of the best seminars I have attended on church finances."*

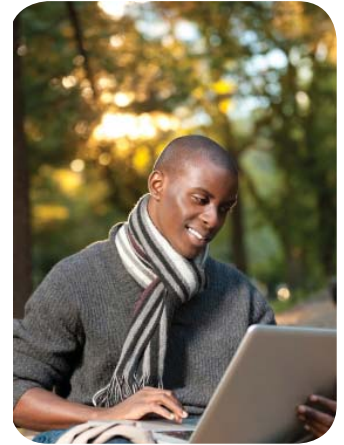
*"My coworker and I discussed receipting for an hour and a half on the drive home. We both felt it was worth the drive for the opportunity to attend."*

*With such a diverse audience, it is a challenge to meet everyone's needs. Some prefer a fast-paced learning environment, while others would prefer a more detailed, hands-on approach. While we are extremely pleased with the turnout at our seminars, we face the challenge of travelling to all the centres that would like to have us come. We are considering a webinar type format in the future to allow us to reach more remote areas in a cost-effective way.*

# MINISTRY HIGHLIGHTS

## Social Media Decision Maker's Toolkit Webinar Series

Many Christian ministries are exploring the use of social media to engage their donor communities. CCCC worked with Idealware to bring the Social Media Decision-Maker's Toolkit webinar series to CCCC members in an accessible, cost-effective way, training over 70 ministries. The course covered: Goals, Audiences and Listening; Facebook, Twitter and Other Social Networks; Blogs, Photo Sharing and Video Sharing; Defining Your Social Media Mix; Creating a Social Media Culture.



## Serving as a Board Member DVD Set

A common request is to have CCCC come to charity boards to train them on good governance practices. Unfortunately, staff resources rarely permit us to assist in this way. In November, we recorded 8 training modules with a live audience. We are promoting the DVD directly to members and indirectly through our 100 denominational office members. To-date we have sold 476 copies.

## French Language Capability

This year we entered into an agreement with the Québec Council of Christian Charities (QCCC) so that any of our members desiring French language service could access these services from QCCC for a nominal fee. We provide a reciprocal arrangement for their English speaking clients.

## Compensation Survey

We want to provide overwhelming value for membership! We know there is a high demand for compensation information; however it is often cost prohibitive, especially for churches and smaller charities. This year we held focus groups and completed the survey design with Synergo systems. Data collection begins September 6, 2011 and reports will be available October 2011. The survey will be free to all CCCC members who contribute their own compensation information to the survey. We believe this will be an attractive added member benefit.



## External Review of Our Growth & Member Development Strategies

Since 2003 our membership has grown by 37%. However, growth has levelled out over the last few years. We 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 were encouraged that we were identified as a high performing association. A key recommendation was to restate our value proposition for membership to allow us to expand.



CCCC also engaged an external firm to conduct a detailed membership survey that we are analyzing to allow us to better understand the needs of our members and to reach out to more Canadian Christian charities.

"I find your regional seminars spectacular! I have attended your recent seminar in both Saskatoon and Regina and my only complaint is that they are too short! Excellent information and very worthwhile.

– A CHURCH ADMINISTRATOR IN SASKATCHEWAN

# LOOKING AHEAD

## Anticipated Challenges

A continuing challenge and opportunity is technology. An opportunity, because it has the potential to be a game changer in how we deliver services and connect members to each other. A challenge, because it is difficult to stay current in this field that changes daily. We cannot fall behind or we will quickly be redundant. For us technology means our infrastructure and processing as well as member interfaces.



Knowledge is also developing at an exponential rate. We need to be on the crest to provide the services our members need not just on a national level, but also provincially. Information is now a commodity so we need to add value as a thought leader and as a resource that provides practical application.

We know we will have to continually prove the value proposition to our members and prospective members. For us that means packaging information in a convenient way, increasing meaningful service offerings, providing practical application and providing the one-on-one answers to questions that our members have.

There are many opportunities and a big challenge for us is to obtain financial resources in order to hire additional staff to be able to take advantage of these opportunities.

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

## Canadian Legal Environment

We are concerned about the trend of legal decisions in Canada and how this impacts the effective functioning of Christian ministry. This summer we hired a VP Legal Affairs (the position has been vacant for several years). A key focus of this position will be to write academic articles that can be referenced by judges when considering legal arguments.

## Knowledge Development

CCCC will continue to implement our knowledge development plan that was begun last year. We want to develop our role as thought-leaders in our fields.

## Website & Technology



Because of staff changes in our IT area, we were not able to complete the research and implementation of our infrastructure including a web-based database system, social networking venues and mobile browsing of our site. We expect to make a significant investment in this once our analysis and review is complete.

Our Chief Operating Officer and IT staff member have been accepted into the Technology Leadership Academy for non-profits sponsored by Google. While this is a significant investment of our time, we believe it will position us strategically to understand and use new technologies effectively.

"We have been so appreciative of all the help offered by CCCC and are trying hard to check everything we do by your recommendations and standards. We have been extremely grateful for the prompt replies when we have had questions. In a year that felt like nothing was secure, CCCC has been a huge comfort. Thank you for all you are doing."

– FINANCE, LOCAL CHURCH, BC

# LOOKING AHEAD

## CEO Sabbatical

The CCCC board approved a 3-month sabbatical for our CEO from March to May, 2011. The two research focus areas for this sabbatical were: understanding the impact that various tax structures have on donations to Christian ministries and visiting international projects with the purpose of understanding how Canadian charity regulations for foreign activity affect the ministries Canadians support overseas. We believe this research will assist us in developing many practical helps for ministries. The sabbatical also provided opportunities for other staff to step into new leadership roles.

## Advancing Stewardship II Training Program

Although our progress on this project is slower than anticipated, this year we completed the outlines for the Advancing Stewardship II Course. We anticipate investing \$30,000 in staff time to develop this material and are targeting a course launch in late 2012.



## Communications Intern

This summer, a communication intern joined us for four months to help us launch our social media strategy and to research different communications technologies.



## Collaboration

As a strategic priority, we are interested in collaborating with others and will be looking for more opportunities this year.

## Conclusion

We have a lot to be pleased about when reviewing the past year, but we have also turned our eyes to the future. The staff and board of CCCC believe we are on the cusp of a new phase in our ministry's life. Building on our strengths, we are challenging ourselves to a year of strategic reflection - to explore our mission from the ground up and find ways to serve a new generation of ministry leaders. Refresh! Revision! Renew! These are the words driving CCCC in fiscal 2012.

# AUDITED FINANCIAL STATEMENTS

Financial Statements of

## **CANADIAN COUNCIL OF CHRISTIAN CHARITIES**

Year ended March 31, 2011

# AUDITED FINANCIAL STATEMENTS



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## INDEPENDENT AUDITORS' REPORT

To The Members of Canadian Council of Christian Charities

We have audited the accompanying financial statements of Canadian Council of Christian Charities, which comprise the statement of financial position as at March 31, 2011 and the statements of operations and changes in fund balances and cash flows for the years then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

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

### *Auditors' Responsibility*

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

# AUDITED FINANCIAL STATEMENTS



## *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of Canadian Council of Christian Charities as at March 31, 2011, and its results of operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

*KPMG LLP*

Chartered Accountants, Licensed Public Accountants

June 13, 2011  
Waterloo, Canada

# AUDITED FINANCIAL STATEMENTS

## CANADIAN COUNCIL OF CHRISTIAN CHARITIES

Statement of Financial Position

March 31, 2011, with comparative figures for 2010


	Operating Fund	Capital Fund	Trusteed Funds	2011	2010
<b>Assets</b>					
<b>Current assets:</b>					
Cash	\$ 785,214	\$ -	\$ -	\$ 785,214	\$ 642,295
Investment in Community Trust Fund (note 2 (b))	681,255	-	-	681,255	636,971
Accounts receivable	58,061	-	-	58,061	33,412
Receivable from CCCC Pension Plan (note 4)	5,921	-	-	5,921	6,715
Inventory	2,883	-	-	2,883	2,430
Prepaid expenses	38,146	-	-	38,146	22,156
<b>Total current assets</b>	<b>1,571,480</b>	<b>-</b>	<b>-</b>	<b>1,571,480</b>	<b>1,343,979</b>
<b>Trust assets</b>					
Trust Fund for Legal Defence (note 2 (a))	-	-	234,194	234,194	227,049
Community Trust Fund (note 2 (b))	-	-	2,432,678	2,432,678	2,221,254
<b>Total trust assets</b>	<b>-</b>	<b>-</b>	<b>2,666,872</b>	<b>2,666,872</b>	<b>2,448,303</b>
Capital assets (note 3)	-	381,291	-	381,291	412,260
	<b>\$ 1,571,480</b>	<b>\$ 381,291</b>	<b>\$ 2,666,872</b>	<b>\$ 4,619,643</b>	<b>\$ 4,204,542</b>


# AUDITED FINANCIAL STATEMENTS

	Operating Fund	Capital Fund	Trusteed Funds	2011	2010
<b>Liabilities and Fund Balances</b>					
<b>Current liabilities:</b>					
Accounts payable	\$ 155,364	\$ -	\$ -	\$ 155,364	\$ 171,854
Deferred revenue	744,905	-	-	744,905	709,986
Payable to Trust Fund for Legal Defence (note 2 (a))	268,506	-	-	268,506	209,053
Payable to Community Trust Fund	1,314	-	-	1,314	-
<b>Total current liabilities</b>	<b>1,170,089</b>	<b>-</b>	<b>-</b>	<b>1,170,089</b>	<b>1,090,893</b>
<b>Trust liabilities:</b>					
Due to Trust Fund for Legal Defence (note 2 (a))	-	-	234,194	234,194	227,049
Due to Community Trust Fund (note 2 (b))	-	-	2,432,678	2,432,678	2,221,254
<b>Total trust liabilities</b>	<b>-</b>	<b>-</b>	<b>2,666,872</b>	<b>2,666,872</b>	<b>2,448,303</b>
<b>Total liabilities</b>	<b>1,170,089</b>	<b>-</b>	<b>2,666,872</b>	<b>3,836,961</b>	<b>3,539,196</b>
<b>Fund balances:</b>					
Unrestricted	331,391	-	-	331,391	193,086
Internally restricted	70,000	381,291	-	451,291	472,260
<b>Total fund balances</b>	<b>401,391</b>	<b>381,291</b>	<b>-</b>	<b>782,682</b>	<b>665,346</b>
<b>Commitments (note 5)</b>					
	\$ 1,571,480	\$ 381,291	\$ 2,666,872	\$ 4,619,643	\$ 4,204,542

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, 2011, with comparative figures for 2010

	Operating Fund	Capital Fund	Total 2011	Total 2010
<b>Revenue:</b>				
Educational events	\$ 237,671	\$ -	\$ 237,671	\$ 209,103
Donations	10,304	-	10,304	76,221
Investment income and sundry	57,416	-	57,416	110,701
Membership services	1,542,544	-	1,542,544	1,451,181
Publications	109,447	-	109,447	107,771
	1,957,382	-	1,957,382	1,954,977
<b>Expenses:</b>				
Educational events	414,438	-	414,438	374,666
Membership services	1,068,047	-	1,068,047	996,809
Publications	182,432	-	182,432	317,055
Public relations	178,547	-	178,547	174,467
Contributed services (note 6)	(35,253)	-	(35,253)	(98,673)
Amortization	-	41,835	41,835	41,114
	1,808,211	41,835	1,850,046	1,805,438
Excess (deficiency) of revenue over expenses	149,171	(41,835)	107,336	149,539
Fund balances, beginning of year	253,086	412,260	665,346	515,807
Interfund transfer	(10,866)	10,866	-	-
Internally restricted	10,000	-	10,000	-
Fund balances, end of year	\$ 401,391	\$ 381,291	\$ 782,682	\$ 665,346

See accompanying notes to financial statements.

# AUDITED FINANCIAL STATEMENTS

## CANADIAN COUNCIL OF CHRISTIAN CHARITIES

### Statement of Cash Flows

Year ended March 31, 2011, with comparative figures for 2010

	Operating Fund	Capital Fund	2011	2010
Cash provided by (used in):				
Operations:				
Excess (deficiency) of revenue over expenses	\$ 149,171	\$ (41,835)	\$ 107,336	\$ 149,539
Items not involving cash:				
Amortization of capital assets	-	41,835	41,835	41,114
Unrealized gain on investments classified as held-for-trading	(44,284)	-	(44,284)	(104,437)
Change in non-cash operating working capital:				
Accounts receivable	(24,649)	-	(24,649)	27,738
Receivable from CCCC Pension Plan	794	-	794	(2,540)
Inventory	(453)	-	(453)	705
Prepaid expenses	(15,990)	-	(15,990)	5,478
Accounts payable	(16,490)	-	(16,490)	22,481
Deferred revenue	34,919	-	34,919	44,057
Payable to Trust Fund for Legal Defence	59,453	-	59,453	69,687
Payable to Community Trust Fund	1,314	-	1,314	-
	143,785	-	143,785	253,822
Investing:				
Purchase of capital assets	-	(10,866)	(10,866)	(30,511)
Increase (decrease) in cash	143,785	(10,866)	132,919	223,311
Cash, beginning of year	642,295	-	642,295	418,984
Interfund transfer	(10,866)	10,866	-	-
Internally restricted	10,000	-	10,000	-
Cash, end of year	\$ 785,214	\$ -	\$ 785,214	\$ 642,295

See accompanying notes to financial statements.

## CANADIAN COUNCIL OF CHRISTIAN CHARITIES

Notes to Financial Statements

Year ended March 31, 2011

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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 2.

(b) Fund accounting:

The accounts of CCCC are maintained in accordance with the principles of fund accounting. The purposes 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 2011 is \$60,000. 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 2011 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 2.

# AUDITED FINANCIAL STATEMENTS

## CANADIAN COUNCIL OF CHRISTIAN CHARITIES

Notes to Financial Statements, continued

Year ended March 31, 2011

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

(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.

(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.

## CANADIAN COUNCIL OF CHRISTIAN CHARITIES

Notes to Financial Statements, continued

Year ended March 31, 2011

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

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

- 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.

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. Trusteed funds:

#### Salaries and benefits - net:

The salaries and benefits reported in the Operating Fund of \$1,130,999 (2010 - \$1,114,995) 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 \$8,480 (2010 - \$4,780). Total salaries and benefits paid were \$1,139,479 (2010 - \$1,119,775).

#### (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.

# AUDITED FINANCIAL STATEMENTS

## CANADIAN COUNCIL OF CHRISTIAN CHARITIES

Notes to Financial Statements, continued

Year ended March 31, 2011

### 2. Trusteed funds (continued):

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

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

	2011	2010
Revenue:		
Contributions	\$ 76,901	\$ 9,323
Human Rights Intervention	115	106,895
Interest income	1,220	288
	<u>78,236</u>	<u>116,506</u>
Expenses:		
Human Rights Intervention	5,577	20,606
Receipting Intervention	34,789	-
School Curriculum	28,595	-
Clergy Residence Deduction	765	-
Allocation to EFC – Joint Fundraising	-	12,531
Fundraising and general expenses	1,365	879
	<u>71,091</u>	<u>34,016</u>
Excess of revenue over expenses	7,145	82,490
Fund balance, beginning of year	227,049	144,559
Fund balance, end of year	<u>\$ 234,194</u>	<u>\$ 227,049</u>

The fund balance consists of the following:

	2011	2010
Cash	\$ 27,504	\$ 17,597
Receivable from the CCCC Operating Fund	268,506	209,053
Other accounts receivable	5,502	399
Accounts payable and accrued liabilities	(67,318)	-
	<u>\$ 234,194</u>	<u>\$ 227,049</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.

# AUDITED FINANCIAL STATEMENTS

## CANADIAN COUNCIL OF CHRISTIAN CHARITIES

Notes to Financial Statements, continued

Year ended March 31, 2011

### 2. Trusteed funds (continued):

#### (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.

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

	2011	2010
Revenue:		
Contributions of marketable securities and cash	\$ 1,261,633	\$ 757,662
Dividends	55,553	57,326
Interest earned on contributions awaiting distribution	46,249	45,032
Received from the CCCC Operating Fund (net)	11,512	82,625
Realized gain (loss) on sale of marketable securities	972	(47,220)
Unrealized gain on marketable securities	118,466	402,010
	<u>1,494,385</u>	<u>1,297,435</u>
Expenses:		
Distribution of contributions	1,179,474	1,152,572
Fees	59,203	46,383
	<u>1,238,677</u>	<u>1,198,955</u>
Excess of revenue over expense	255,708	98,480
Fund balance, beginning of year	2,858,225	2,759,745
Fund balance, end of year	<u>\$ 3,113,933</u>	<u>\$ 2,858,225</u>

The fund balance consists of the following:

	2011	2010
Cash	\$ 101,146	\$ 110,177
Accounts receivable	2,626	642
Investments	3,012,110	2,749,328
Accounts payable	(1,949)	(1,922)
	<u>\$ 3,113,933</u>	<u>\$ 2,858,225</u>

# AUDITED FINANCIAL STATEMENTS

## CANADIAN COUNCIL OF CHRISTIAN CHARITIES

Notes to Financial Statements, continued

Year ended March 31, 2011

### 2. Trusteed funds (continued):

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

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

	2011		2010	
Investment in Community Trust Fund (operating fund)	\$	681,255	\$	636,971
Community Trust Fund trust assets (trusteed funds)		2,432,678		2,221,254
	\$	3,113,933	\$	2,858,225

The investments' costs and market values are as follows:

	2011		2010	
	Cost	Market Value	Cost	Market Value
Pooled Investments:				
TD Waterhouse:				
Bissett Dividend Income	\$ 467,020	\$ 503,079	\$ 509,290	\$ 496,766
Bissett Canadian Equity	270,311	311,911	263,418	257,322
Jarislowsky Fraser Canadian Equity	387,136	424,652	461,699	456,036
AGF International Equity	558,685	455,408	551,738	443,473
Short-term notes and equivalents	10,151	10,151	140,595	139,507
Fixed income instruments	1,308,320	1,306,909	962,951	956,224
	\$ 3,001,623	\$ 3,012,110	\$ 2,889,691	\$ 2,749,328

Amounts included in the Community Trust Fund received from the CCCC Operating Fund at market value were \$681,255 (2010 - \$636,971) and had a cost of \$689,034 (2010 - \$677,134).

# AUDITED FINANCIAL STATEMENTS

## CANADIAN COUNCIL OF CHRISTIAN CHARITIES

Notes to Financial Statements, continued

Year ended March 31, 2011

### 3. Capital assets:

			2011	2010
	Cost	Accumulated amortization	Net book value	Net book value
Office equipment	\$ 75,905	\$ 36,238	\$ 39,667	\$ 51,150
Leasehold improvements	389,723	48,099	341,624	361,110
	\$ 465,628	\$ 84,337	\$ 381,291	\$ 412,260

### 4. Related party transactions:

CCCC received administration fees from the Canadian Council of Christian Charities Employees Pension Plan aggregating \$28,350 during the year (2010 - \$25,067). At year end, \$5,921 was owing to the CCCC Operating Fund related to administrative fees (2010 - \$6,715). 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.

### 5. Commitments:

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:

2012	\$ 72,769
2013	72,769
2014	72,769
2015	72,769
2016	63,445

# AUDITED FINANCIAL STATEMENTS

## CANADIAN COUNCIL OF CHRISTIAN CHARITIES

Notes to Financial Statements, continued

Year ended March 31, 2011

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### 6. Contributed services:

Employees contributed 780 hours (2010 – 1,688 hours) 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 \$35,253 (2010 - \$98,673) and the related expense in educational events, membership services, publications and public relations.

### 7. 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 \$46,564 (2010 - \$45,980) to the pension plan during the year.

# AUDITED FINANCIAL STATEMENTS

## CANADIAN COUNCIL OF CHRISTIAN CHARITIES

Schedule of Revenue and Expenses by Object

Year ended March 31, 2011, with comparative figures for 2010

	2011 Actual	2011 Budget	2010 Actual
<b>Revenue:</b>			
Fees	\$ 1,539,044	\$ 1,496,900	\$ 1,447,306
Sales	354,026	275,300	320,149
Receipted donations	8,650	5,000	66,517
Unreceipted donations	1,654	20,000	9,703
Investments	45,567	8,000	104,771
Sundry	8,440	5,200	6,531
	<u>1,957,381</u>	<u>1,810,400</u>	<u>1,954,977</u>
<b>Expenses:</b>			
Advertising and promotions	24,653	25,400	13,798
Professional and audit	10,082	10,000	9,481
Speakers and consultants	122,528	78,700	105,415
Costs of goods sold	30,097	15,100	48,814
Insurance	7,666	7,500	7,286
Membership fees	10,084	13,100	12,434
Printing and supplies	217,571	220,050	201,776
Rent and premises	167,761	164,700	160,819
Salary and benefits	1,130,999	1,132,150	1,114,995
Continuing education	21,370	19,700	17,454
Telephone	9,087	10,200	9,007
Travel	56,312	70,800	63,045
	<u>1,808,210</u>	<u>1,767,400</u>	<u>1,764,324</u>
Excess of revenue over expenses excluding amortization	\$ 149,171	\$ 43,000	\$ 190,653



CANADIAN COUNCIL *of* CHRISTIAN CHARITIES  
ADVANCING MINISTRY TOGETHER

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