

**MENNONITE CENTRAL COMMITTEE ALBERTA**  
**Financial Statements**  
**Year Ended March 31, 2019**

**MENNONITE CENTRAL COMMITTEE ALBERTA**  
**Index to Financial Statements**  
**Year Ended March 31, 2019**

---

	Page
INDEPENDENT AUDITOR'S REPORT	2 - 3
FINANCIAL STATEMENTS	
Statement of Financial Position	4
Statement of Operations	5
Statement of Changes in Net Assets	6
Statement of Cash Flow	7
Notes to Financial Statements	8 - 13
Schedule of Operating Expenses by Natural Classifications ( <i>Schedule 1</i> )	14
Thrift Shop Activities ( <i>Schedule 2</i> )	15

#212, 280 Midpark Way SE  
Calgary, Alberta T2X 1J6

Telephone: 403.234.9080  
Facsimile: 403.775.0595  
Email: Mycroft@SchwartzCPA.ca  
Web: www.SchwartzCPA.ca

---

## INDEPENDENT AUDITOR'S REPORT

---

To the Members of Mennonite Central Committee Alberta:

### ***Qualified Opinion***

We have audited the accompanying financial statements of Mennonite Central Committee Alberta, which comprise the statement of financial position as at March 31, 2019 and the statement of operations, changes in net assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Mennonite Central Committee Alberta as at March 31, 2019 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### ***Basis for Qualified Opinion***

In common with many not-for-profit organizations, Mennonite Central Committee Alberta derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of Mennonite Central Committee Alberta. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2019, current assets and net assets as at March 31, 2019.

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 Mennonite Central Committee Alberta in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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

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

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

Those charged with governance are responsible for overseeing Mennonite Central Committee Alberta's financial reporting process.

***Auditor's Responsibility for the Audit of the Financial Statements***

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

As part of an audit in accordance with CASs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Mennonite Central Committee Alberta'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 Mennonite Central Committee Alberta's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause Mennonite Central Committee Alberta to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

*Schwartz & Company \**



Calgary, Alberta  
July 2, 2019

CHARTERED PROFESSIONAL ACCOUNTANTS

**MENNONITE CENTRAL COMMITTEE ALBERTA**  
**Statement of Financial Position**  
**March 31, 2019**

	2019	2018
<b>ASSETS</b>		
CURRENT		
Cash	\$ 748,486	\$ 839,049
Temporary investments (Note 3)	585,724	577,506
Accounts receivable	36,623	37,589
Inventory	9,333	11,200
Goods and services tax recoverable	21,214	23,794
Prepaid expenses	73,250	77,515
	<u>1,474,630</u>	<u>1,566,653</u>
CAPITAL ASSETS (Note 4)	<u>5,669,532</u>	<u>5,760,203</u>
	<u>\$ 7,144,162</u>	<u>\$ 7,326,856</u>
<b>LIABILITIES AND NET ASSETS</b>		
CURRENT		
Accounts payable and accrued liabilities	\$ 241,706	\$ 285,504
Current portion of long term debt (Note 5)	92,190	554,961
Deferred income	10,975	4,371
	<u>344,871</u>	<u>844,836</u>
MORTGAGE PAYABLE (Note 5)	1,683,377	1,352,322
DEFERRED OPERATING CONTRIBUTIONS (Note 6)	454,256	450,453
DEFERRED CAPITAL CONTRIBUTIONS (Note 7)	638,535	657,327
	<u>3,121,039</u>	<u>3,304,938</u>
NET ASSETS		
Unrestricted	677,166	735,796
Internally restricted (Note 8)	90,528	90,528
Invested in capital assets (Note 9)	3,255,429	3,195,594
	<u>4,023,123</u>	<u>4,021,918</u>
	<u>\$ 7,144,162</u>	<u>\$ 7,326,856</u>

ON BEHALF OF THE BOARD

 Director  
 Director

See notes to financial statements

**MENNONITE CENTRAL COMMITTEE ALBERTA**

**Statement of Operations**

**Year Ended March 31, 2019**

	2019	2018
<b>REVENUE</b>		
THRIFT SHOPS <i>(Schedule 2)</i>	\$ 2,529,661	\$ 2,498,460
DONATIONS		
Overseas	2,419,841	1,187,691
Where needed most	1,528,351	1,653,158
Canadian Foodgrains Bank	367,217	301,289
Provincial	145,927	86,492
Disaster response	52,773	173,672
Refugee sponsorship	145,640	372,863
Other	185,074	160,988
OTHER REVENUE		
Contributions from Mennonite Central Committee Canada	65,897	20,000
Grants	322,821	335,931
Relief sales and other events <i>(Note 10)</i>	266,114	271,435
Interest	11,567	9,281
Facility rent	6,110	7,088
Other	60,174	46,319
	<u>8,107,167</u>	<u>7,124,667</u>
<b>EXPENSES</b>		
THRIFT SHOPS <i>(Schedule 2)</i>	1,814,028	1,757,945
PROGRAMS		
Restorative justice	560,354	504,337
Peace	190,319	249,701
Migration	330,509	525,920
Education and health	195,626	159,838
Material aid	136,807	140,477
Youth	24,103	34,817
SUPPORT SERVICES		
Fundraising	519,676	466,849
Administration	585,727	512,760
	<u>4,357,149</u>	<u>4,352,644</u>
<b>EXCESS OF REVENUE OVER EXPENSES FROM OPERATIONS</b>	<u>3,750,018</u>	<u>2,772,023</u>
REVENUE FORWARDED TO		
Mennonite Central Committee Canada	3,703,925	2,832,646
Mennonite Disaster Service	-	2,200
	<u>3,703,925</u>	<u>2,834,846</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES BEFORE OTHER ITEM	46,093	(62,823)
LOSS ON DISPOSAL OF ASSETS	44,888	-
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	<u>\$ 1,205</u>	<u>\$ (62,823)</u>

See notes to financial statements

**MENNONITE CENTRAL COMMITTEE ALBERTA**  
**Statement of Changes in Net Assets**  
**Year Ended March 31, 2019**

	Unrestricted	Internally restricted (Note 8)	Invested in capital assets (Note 9)	2019	2018
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 735,796	\$ 90,528	\$ 3,195,594	\$ 4,021,918	\$ 4,084,741
<b>EXCESS OF REVENUE OVER EXPENSES</b>	(58,630)	-	59,835	1,205	(62,823)
<b>NET ASSETS - END OF YEAR</b>	\$ 677,166	\$ 90,528	\$ 3,255,429	\$ 4,023,123	\$ 4,021,918



**MENNONITE CENTRAL COMMITTEE ALBERTA**  
**Statement of Cash Flow**  
**Year Ended March 31, 2019**

	2019	2018
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenue over expenses	\$ 1,205	\$ (62,823)
Items not affecting cash:		
Amortization of capital assets	181,779	199,769
Amortization of deferred capital contributions	(18,792)	(20,310)
Loss on disposal of capital assets	44,888	-
	<u>209,080</u>	<u>116,636</u>
Changes in non-cash working capital:		
Accounts receivable	966	195,652
Inventory	1,867	170
Accounts payable and accrued liabilities	(43,799)	(199,336)
Unearned revenue	6,604	1,281
Prepaid expenses	4,265	(2,649)
Goods and services tax payable	2,580	21,354
Deferred operating contributions	3,803	(73,522)
Deferred capital contributions	-	12,252
	<u>(23,714)</u>	<u>(44,798)</u>
Cash flow from operating activities	<u>185,366</u>	<u>71,838</u>
<b>INVESTING ACTIVITY</b>		
Purchase of capital assets	<u>(135,995)</u>	<u>(165,954)</u>
<b>FINANCING ACTIVITIES</b>		
Proceeds from long term financing	515,283	1,583,074
Repayment of long term debt	<u>(646,999)</u>	<u>(1,861,013)</u>
Cash flow used by financing activities	<u>(131,716)</u>	<u>(277,939)</u>
<b>DECREASE IN CASH FLOW</b>	<b>(82,345)</b>	<b>(372,055)</b>
Cash - beginning of year	<u>1,416,555</u>	<u>1,788,610</u>
<b>CASH - END OF YEAR</b>	<b>\$ 1,334,210</b>	<b>\$ 1,416,555</b>
<b>CASH CONSISTS OF:</b>		
Unrestricted cash	\$ 748,486	\$ 839,049
Temporary investments	<u>585,724</u>	<u>577,506</u>
	<u>\$ 1,334,210</u>	<u>\$ 1,416,555</u>

See notes to financial statements

## MENNONITE CENTRAL COMMITTEE ALBERTA

### Notes to Financial Statements

Year Ended March 31, 2019

---

#### 1. PURPOSE OF THE MCCA

Mennonite Central Committee Alberta ("MCCA") is a not-for-profit organization incorporated in 1967 under the Societies Act of the Province of Alberta and is a registered charity, and therefore not subject to tax under Section 149 (1) of the Income Tax Act. MCCA is an agency of the Mennonite and the Brethren in Christ Churches in Alberta. MCCA's purpose is to demonstrate God's love through work among people suffering from poverty, conflict, oppression and natural disaster. MCCA strives for peace, justice and dignity of all people by sharing our experiences, resources, and faith in Jesus Christ.

---

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPPO).

##### Fund accounting

MCCA accounts for its operations using the following funds:

Unrestricted - accounts for unrestricted assets and liabilities that are used to support ongoing operations and to aid ongoing projects approved by the Board of Directors and management.

Internally restricted - accounts for funds that have been set aside by the Board of Directors for future designated purposes.

Invested in capital assets - net assets invested in capital assets net of related liabilities and deferred contributions.

##### Revenue recognition

Mennonite Central Committee Alberta follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Fundraising and other revenues are recognized as revenue when received or receivable.

##### Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are temporary investments (Note 3) and are valued at cost plus accrued interest. The carrying amounts approximate fair value because they have maturities at the date of purchase of less than ninety days.

##### Inventory

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

*(continues)*

**MENNONITE CENTRAL COMMITTEE ALBERTA**  
**Notes to Financial Statements**  
**Year Ended March 31, 2019**

---

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization. Capital assets are amortized over their estimated useful lives at the following rates and methods:

Land	N/A	non-depreciable
Buildings	2.5%	declining balance method
Equipment and furniture	20%	declining balance method
Motor vehicles	30%	declining balance method
Computer equipment	50%	declining balance method
Leasehold improvements	10%	straight-line method

MCCA regularly reviews its capital assets to eliminate obsolete items. Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Contributed services

Volunteers contribute a significant amount of their time each year. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Measurement uncertainty

When preparing financial statements according to ASNFPO, management makes estimates and assumptions relating to:

- reported amounts of revenues and expenses
- reported amounts of assets and liabilities
- disclosure of contingent assets and liabilities.

Estimates are based on a number of factors including historical experience, current events and actions that MCCA may undertake in the future, and other assumptions that management believes are reasonable under the circumstances. By their nature, these estimates are subject to measurement uncertainty and actual results could differ.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

---

**MENNONITE CENTRAL COMMITTEE ALBERTA**

**Notes to Financial Statements**

**Year Ended March 31, 2019**

**3. TEMPORARY INVESTMENTS**

Temporary investments consist of redeemable deposits bearing interest at 1.53% (2018 - 1.41%). The balances include amounts internally restricted by the Board of Directors for reserves for capital assets (building and other).

	<u>2019</u>	<u>2018</u>
Abundance Canada Term Investment	\$ 585,724	\$ 576,900
Canadian Conference of Mennonite Brethren Churches Land Fund	-	606
	<u>\$ 585,724</u>	<u>\$ 577,506</u>

**4. CAPITAL ASSETS**

	Cost	Accumulated amortization	2019 Net book value	2018 Net book value
Buildings	\$ 5,479,476	\$ 1,190,230	\$ 4,289,246	\$ 4,383,252
Land	1,148,339	-	1,148,339	1,148,339
Leasehold improvements	85,695	8,569	77,126	44,888
Equipment and furniture	431,822	325,400	106,422	121,407
Computer equipment	214,199	186,028	28,171	33,420
Motor vehicles	101,440	81,212	20,228	28,897
	<u>\$ 7,460,971</u>	<u>\$ 1,791,439</u>	<u>\$ 5,669,532</u>	<u>\$ 5,760,203</u>

**5. MORTGAGE PAYABLE**

	<u>2019</u>	<u>2018</u>
Abundance Canada loan bearing interest at 3.45% per annum, repayable in monthly blended payments of \$5,076. The loan matured on February 24, 2019 and was secured by land and building with a net book value of \$3,997,658 (2018 - \$4,064,291).	\$ -	\$ 515,283
Abundance Canada loan bearing interest at 3.75% per annum, repayable in monthly blended payments of \$7,600. The loan matured on July 31, 2020 and was secured by land and building with a net book value of \$3,997,658 (2018 - \$4,064,291).	1,351,721	1,392,000
Abundance Canada loan bearing interest at 4.3% per annum, repayable in monthly blended payments of \$5,500. The loan matures on February 24, 2022 and is secured by land and building with a net book value of \$3,997,658 (2018 - \$4,064,291).	<u>423,846</u>	-
	1,775,567	1,907,283
Amounts payable within one year	(92,190)	(554,961)

(continues)

**MENNONITE CENTRAL COMMITTEE ALBERTA**  
**Notes to Financial Statements**  
**Year Ended March 31, 2019**

5. MORTGAGE PAYABLE (continued)

2019	2018
<b>\$ 1,683,377</b>	<b>\$ 1,352,322</b>

Principal repayment terms are approximately:

2020	\$ 92,190
2021	1,363,428
2022	319,949
	<b>\$ 1,775,567</b>

Total mortgage interest expense for the year was \$67,321 (2018 - \$72,173)

6. DEFERRED OPERATING CONTRIBUTIONS

MCCA uses the deferred contribution method for recognizing externally restricted revenue for specific purposes. These revenues are deferred until the related expenditures have been incurred. Changes in deferred contributions during the year are as follows:

	Beginning	Additions	Utilizations	Ending
Refugee Fund BVOR	\$ 195,979	\$ 141,821	\$ 207,640	\$ 130,160
Named Refugee Fund	211,920	150,896	99,200	263,616
Other programs	28,915	284,421	273,228	40,108
Caring for Families	2,989	-	200	2,789
Chaplaincy	871	-	117	754
Grow Hope	7,980	70,349	61,500	16,829
Shouldering Our Share	1,800	-	1,800	-
	<b>\$ 450,454</b>	<b>\$ 647,487</b>	<b>\$ 643,685</b>	<b>\$ 454,256</b>

7. DEFERRED CAPITAL CONTRIBUTIONS

The deferred capital contribution amounts relate to donations received for specific purposes related to the acquisition of the Calgary Building and a cargo trailer for the Edmonton Thrift Shop. As such, they are treated as restricted contributions, with revenue being recognized using the same rate and method as the amortization expense of the building and trailer, respectively. Changes in deferred contributions during the year are as follows:

	Beginning	Additions	Utilizations	Ending
Calgary building	\$ 648,751	\$ -	\$ 16,219	\$ 632,532
Edmonton Thrift Shop cargo trailer	8,576	-	2,573	6,003
	<b>\$ 657,327</b>	<b>\$ -</b>	<b>\$ 18,792</b>	<b>\$ 638,535</b>

**MENNONITE CENTRAL COMMITTEE ALBERTA**  
**Notes to Financial Statements**  
**Year Ended March 31, 2019**

8. INTERNALLY RESTRICTED NET ASSETS

The Board of Directors of MCCA have internally restricted \$90,528 (2018 - \$90,528) of net assets.

	<u>2019</u>	<u>2018</u>
Reserve for capital assets (other)	\$ 70,081	\$ 70,081
Reserve for capital assets (buildings)	20,447	20,447
	<u>\$ 90,528</u>	<u>\$ 90,528</u>

9. NET ASSETS INVESTED IN CAPITAL ASSETS

	<u>2019</u>	<u>2018</u>
Capital assets, net	\$ 5,669,531	\$ 5,760,203
Less deferred capital contributions	(638,535)	(657,327)
Less mortgage payable	<u>(1,775,567)</u>	<u>(1,907,282)</u>
	<u>\$ 3,255,429</u>	<u>\$ 3,195,594</u>

10. RELIEF SALE AND OTHER EVENTS

	<u>2019</u>	<u>2018</u>
Auction sales and donation revenue	\$ 266,114	\$ 271,435
Sale expenses	<u>(122,250)</u>	<u>(93,615)</u>
	<u>\$ 143,864</u>	<u>\$ 177,820</u>

11. RELATED PARTY TRANSACTIONS

MCCA is significantly influenced by its national counterpart, MCC Canada. The Covenant for the Mennonite Central Committees in Canada is a document that outlines the working relationship among the MCC's within Canada, including the sharing of financial resources. This document complements an agreement between MCC Canada and MCC US. Provincial and national staff work together for joint planning and decision-making, and one director from MCCA also serves on the Board of MCC Canada.

MCCA received \$65,897 (2018 - \$20,000) in contributions from and paid \$3,703,925 (2018 - \$2,832,646) in revenue forwarding to MCC Canada. At year end, accounts payable includes \$64,993 (2018 - \$164,113) due to MCC Canada.

12. FINANCIAL INSTRUMENTS

MCCA is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the MCCA's risk exposure and concentration as of March 31, 2019.

*(continues)*

## MENNONITE CENTRAL COMMITTEE ALBERTA

### Notes to Financial Statements

Year Ended March 31, 2019

---

#### 12. FINANCIAL INSTRUMENTS *(continued)*

##### Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. MCCA is exposed to credit risk from amounts due from granting agencies.

##### Interest rate risk

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates. The exposure of MCCA to interest rate risk arises from its interest bearing assets and its mortgage payable.

---

#### 13. COMMITMENTS

As at March 31, 2019, MCCA has entered into operating lease agreements with terms extending beyond the current fiscal year. These commitments are as follows:

##### Premises

The Organization's commitments on operating leases for store premises are as follows:

The Edmonton Thrift Shop has a lease agreement at 12345 - 149 Street, Edmonton, AB that expires May 31, 2022. The annual commitment is as follows:

2020 - \$102,000
2021 - \$102,000
2022 - \$102,000
2023 - \$17,000

---

#### 14. CONTINGENT LIABILITY

MCC Canada (MCCC) has signed a Private Sponsorship of Refugees (PSR) Agreement with Immigration Refugee and Citizenship Canada (IRCC), formerly the Department of Citizenship and Immigration Canada (CIC), to provide financial, human resources and moral support to a certain number of refugees sponsored under the PSR program. MCCC's responsibilities under this agreement were assigned to the various Canadian MCCs. MCC Alberta (MCCA) has partnered with various church and community groups to assist with the sponsorship and resettlement of certain refugee families in Alberta. These groups have placed on deposit with MCCA the necessary funds or have committed to raise and hold sufficient funds to sponsor and support these refugee families for the required twelve-month period of time, from the date of arrival. However, should any of these groups default on their financial obligations MCCA will be responsible for providing the funding shortfall. As at March 31, 2019, MCCA has 299 active refugee sponsorships cases with an estimated contingent liability of \$2.5 million.

---

#### 15. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

---

**MENNONITE CENTRAL COMMITTEE ALBERTA**  
**Schedule of Operating Expenses by Natural Classifications**  
**Year Ended March 31, 2019**

*(Schedule 1)*

	2019	2018
<b>OPERATING EXPENSES</b>		
Salaries and benefits	\$ 2,855,210	\$ 2,595,718
Facility costs	409,086	464,640
Amortization	181,779	199,769
Travel	162,593	145,000
Refugee settlement costs	145,640	378,833
Office	149,518	147,124
Relief sale and other events expenses	122,250	93,615
Professional fees	85,353	55,506
Insurance	51,424	51,895
Telephone	40,932	44,557
Material aid supplies	33,359	43,915
Advertising and promotion	29,521	34,063
Bank charges	28,566	22,821
Hospitality and hosting	26,257	42,914
Training and volunteer appreciation	24,301	21,618
Vehicle	11,360	10,656
	<u>\$ 4,357,149</u>	<u>\$ 4,352,644</u>



**MENNONITE CENTRAL COMMITTEE ALBERTA**

**Thrift Shop Activities**

**Year Ended March 31, 2019**

**(Schedule 2)**

	Calgary	Edmonton	Lethbridge	Taber	2019	2018
<b>REVENUE</b>						
Sales	\$ 1,385,650	\$ 238,297	\$ 588,148	\$ 292,729	\$ 2,504,824	\$ 2,468,135
Donations	-	6,521	4,237	-	10,758	26,515
Interest and other income	9,451	4,628	-	-	14,079	3,810
	<u>1,395,101</u>	<u>249,446</u>	<u>592,385</u>	<u>292,729</u>	<u>2,529,661</u>	<u>2,498,460</u>
<b>OPERATING EXPENSES</b>						
Salaries and wages	693,341	161,007	199,740	129,577	1,183,665	1,113,689
Facility costs	92,788	160,106	48,804	27,428	329,126	389,989
Amortization	57,431	14,257	22,497	9,011	103,196	114,052
Office	18,618	10,702	13,142	11,200	53,662	51,378
Advertising and promotion	1,156	5,892	273	75	7,396	343
Bank charges	9,772	3,989	3,062	2,264	19,087	13,960
Insurance	353	2,471	6,596	5,026	14,446	15,559
Vehicle	8,314	-	713	-	9,027	8,569
Professional fees	-	-	850	-	850	-
	<u>881,773</u>	<u>358,424</u>	<u>295,677</u>	<u>184,581</u>	<u>1,720,455</u>	<u>1,707,539</u>
<b>EXCESS (DEFICIENCY) OF OPERATING EXPENSES OVER REVENUE</b>	\$ 513,328	\$ (108,978)	\$ 296,708	\$ 108,148	\$ 809,206	\$ 790,921

Note: MCCA incurred an additional \$93,573 (2018 - \$50,406) in expenses for Thrift Coordinator and head office overhead, which is included in Thrift Shop Expenses in the Statement of Operations. The Edmonton Thrift Shop had a loss on disposal of assets of \$44,888 (2018 - \$nil), which is included in Loss on Disposal of Assets on the Statement of Operations.