



October 26, 2018

Dear Sisters and Brothers of Eastview,

On Tuesday November 13th at 7:00pm we will be gathering for our annual fall congregational meeting. Many important steps have been taken in the last five months and we are looking forward to sharing, celebrating, and petitioning God with you for His continued leading.

We thank each of you for your prayers for us. God's response to your prayers has been to draw us deeper into prayer, fasting, and the reading of Scripture together. Our conversations have focused on our response to the Holy Spirit's leading. These have been times of great rejoicing and encouragement. God is moving, working, and transforming this local part of His body. Just as He did for His chosen people the Israelites, He does for us. It is His path in the wilderness and His rivers in the desert that we seek. (Isaiah 43:18-19).

One88 has been faithfully taking the steps of a new church plant. Some of these steps have been the formation of a Lead Team, a vision retreat day for the Lead Team, weekly Sunday services, and new connections within the larger body of Christ. We will hear more about what God is doing from them as they will be sharing at our meeting.

Your generous response to Eastview's financial needs has again shown your loving commitment to helping God's work. Thank you for your sacrificial giving that has resulted in a positive ending for our fiscal year. Jim Bell will provide us with some further insights and also give an update on our current fiscal year.

As our current teaching series on "Ekklesia" draws to a close on November 11th we will share with you our next steps for teaching and learning together. We urge you sisters and brothers, to come and join us on Tuesday, November the 13th. It is together, under the direction of God's Holy Spirit, that we are able to live the lives of worship that He has called us into.

Ephesians 5:15-21

Look carefully then how you walk, not as unwise but as wise, making the best use of the time, because the days are evil. Therefore do not be foolish, but understand what the will of the Lord is. And do not get drunk with wine, for that is debauchery, but be filled with the Spirit, addressing one another in psalms and hymns and spiritual songs, singing and making melody to the Lord with your heart, giving thanks always and for everything to God the Father in the name of our Lord Jesus Christ, submitting to one another out of reverence for Christ.

In His service,
On behalf of the Leadership Board

Winston Churchill

Eastview

COMMUNITY CHURCH

2018 Fall Congregational Meeting
Tuesday, November 13, 2018
7:00 PM -- Sanctuary

AGENDA

- | | | |
|---|-------------------------------------|----------------------------------|
| 1 | Welcome/ Prayer | Moderator
Winston Churchill |
| 2 | Worship in Music / Prayer | Music Team – James Fast |
| 3 | Financial Review (Q & R) | Treasurer
Jim Bell |
| 4 | One88 Update (Q & R) | Dave Fulawka |
| 5 | Operational Update (Q & R) | Operations
Alvin Klassen |
| 6 | Missions – Cullen & Chelsey Klassen | Cullen & Chelsey Klassen |
| 7 | Elders & Deacons – Teaching Series | Moderator
Winston Churchill |
| 8 | Vote & Collection of Ballots | Leadership Board |
| 9 | Closing Message | Vice-Moderator
Terrence Wiebe |

IMPORTANT: All reports are available for viewing at our website www.eastview.org with a limited number of print copies available at the information desk or from the office.

**Eastview Community Church
Spring Congregational Meeting Minutes
3500 DeVries Ave., East St. Paul, MB.
June 5th, 2018**

Number of members in attendance: 121 (450 members)

1. **Meeting was called to order** at 7:02 pm by Winston Churchill (Moderator) who welcomed those in attendance. Winston opened the meeting in prayer.
2. **James Fast and Steve Dick led the congregation in worship** through music. James encouraged us with Scripture from Deuteronomy 10:12-22
3. **Presentation of One88 discernment by CPT leads: Dave Fulawka and Dave Ens**

Update on what has been happening re: One88 to now

- Pastor Dave read Scripture: 2 Corinthians 5: 14-21
- want to talk briefly about where the journey has been going over the past few months
- Showed video from One88. Acknowledged Heather and Grant Barkman who were influential in putting this video together.
- One88 have been striving to be intentional in area of reconciliation. Have discovered that poverty isn't so easily defined. Friendship lies at the core of what One88 seeks to do.
- We are seeing transformation happening - transformation into Christ likeness one step at a time.

What's next as we look ahead?

- Taking the next steps resources have been needed. ECC can no longer carry on its own. Have been moving to become an independent church body. Lots has gone into this including the documents/praying/budgeting/ as well as building the Core community, and also inviting others to come and be present as the church at One88
- Means three basic things 1) committed to be engaged in prayer/relationships and the ministry 2) being committed to support the ministry financially. It is a struggle to find out what the self-sustaining piece looks like 3) being committed to finding where you fit and dreaming about what else that God can do and is doing at One88
- As dream ahead, one88 gives opportunity to reimagine what it looks like in the future
- Dave Fulawka thanked Dave Ens for the impact that he has had on his life. Used Romans 5:1-5 to encourage Pastor Dave and One88
- Currently Dave Ens in the process of applying for charitable status/full membership in conference/working, included in this would be appointing a board. First focus is to build a core
- ECC will own building till July 31, 2020.
- Many sources of year 1 funding have been found (ECC/National and provincial inference)
- Still a gap of about \$4000 per month that needs to be closed
- Dave and pastoral staff are and will be in conversation with other churches within the conference to encourage them to join in

Current and Future involvement

- ECC needs to commit to pray. The chief need is a group of people who will form the core. Dave Ens would like to hear if you are feeling you want to be a part of this
- We need people to commit financially - as a donor. Some already are. Once One88 becomes an entity on its own, you will donate directly to them. We will ensure that you are informed of when that date happens so you can switch your giving when the new church is officially under way.
- ECC will contribute Greg's salary for 2 more years.
- Have a call for 10 families to join One88. Very specific call to action.
- These last few months have been full of meetings and details. Exciting to see how God has been bringing things together/carving a path for One88 to become independent

QUESTIONS regarding One88

- **Jonathan Wiebe, member - can you please give a highlight/overview of how we got to where we are tonight, beginning at the November meeting?** Dave Ens answered. NO vote launched into the church plant process. Had already been in conversation with Manitoba conference about becoming a church plant. Becoming its own church gives invitation for other churches to get involved. We see what God is doing. In process (meeting next Monday) re: governance model/board/becoming a separate entity. Grateful that ECC has agreed to hold the title of the building for a couple years. Gives some time for people to get involved.
- Dave Fulawka prayed for Dave/Greg/Leadership team at One88 and the future
- Winston encouraged people to reach out and speak with Dave Ens, Dave Fulawka or Greg or lead team if some questions come up in the future

4. Leadership Board Transitions

Winston read to the congregation about the changes that will be put into place. After tonight the info will go into everyone's mailbox.

- do not lose sight of the 25 years of faithful service of those men and women who have gone before us
- 2 years ago began to prayerfully examine leadership in the light of Scripture and the needs of the congregation
- Unanimously agreed that establishing a team of elders and a team of deacons
- Fall 2018 will be a teaching series on Elders and Deacons
- Plurality of elders will gather around and lead with Delbert
- Property and Finance committee merged with Leadership Board in March 2018. Joel Neufeld and Alvin Klassen are both willing to come on board
- Lori Thomas concluded role as Mission Chair. Thank you. Currently LB will oversee this board for the mean time
- Cory Normand requested a medical leave. She had been treasurer. Thank you
- Jim Bell has been asked to step forward as treasurer
- Some terms are completing: Jim Bell, Terrence Wiebe and Jonathan Wiebe - we would ask congregation to allow them to carry on for a one year extension.
- There are affirmations on ballot: Jim, Alvin, Joel, Jim (extension) Terrence (extension).
- Lori and Joy are coming off the Leadership Board and thanked for their service.

Winston called up Delbert and Terrence for a time of Questions/Answers

- **Weldon Neufeld, member:** in regarding eldership and deacons, about people coming around Delbert and pastoral team, what areas in your discussion have you identified as key opportunities or things that are sitting at a deficit? Terrence answered: Some of the direct care of the senior pastor/helping him to care for the staff/role was too much for one person. Also help in building a team for discernment. What do we teach in this church and where do people go with questions? Part of the deacon discussion is simply taking on many of the things that we have already been doing as Property and Finance, and Leadership Board. So simply to create one group that would have more flexibility in filling in the gaps and doing the things that would need to be done by others in the church. Delbert mentioned that the different models that ECC has had. ECC has been blessed by many, but it has become apparent that with the size of church, and being the only pastor, even with an associate pastor, is not able to do all that is called and comes up. The aspect of plurality of leadership is very important in today's times. People have many questions - all consuming. Also leading staff. I have (Delbert) been asking/pleading the LB to change the structure so that the weight of the responsibility is no longer just on the shoulders of one or two. In desperate need of bringing true gospel training/teaching into the church. Leading onto maturity is a huge task. Concerned that as we move on to the future, it will not be based only on what is taught on a Sunday morning, but also what is lived out all week. When we come together as a leadership team, often all these parts come together. Delbert cannot do this any longer on his own. We have said this is the direction we need to go. The details have not come together yet. Please pray into these changes and into the series in the fall.
- **Rob Penner, member.** Come as a voice for Brother Bill Klassen also a member. Is the city of Winnipeg aware of what has happened at One88 princess? Have you met with Mayor Brian Bowman? Pastor Dave replied that no we have never formally met with the mayor. In terms of being involved with the city - certainly have a very good relationship with the city of Wpg. police. Very cooperative relationship with EMS first responders, as well as Wpg. Downtown Biz. In fact for many people who find themselves living in that ghetto north of One88, we are the last resort, and work with their workers. There is a group off Downtown Biz that helps people find homes. Centre-Venture included One88 into the conversation about what will be done with the old police building.
- **Henry Dyck, member.** What is our relationship with guys like Jim Bell/Siloam; Union Gospel. Is it overlapping? Dave Ens said that we don't talk with Jim on a daily basis but do talk with transition teams (Vanessa) to try to coordinate things/track people down. A big part as we've grown, is to allow Siloam and the other places do the excellent charitable work that they do, and see ourselves as being part of that next step. As they have been fed/clothed at Siloam Mission for instance, then there is a next step and we see ourselves as part of that. Sharing ideas and concerns. It takes a whole village to care - we are all in it together.

5. Update on Financials/2018-2019 Faith Budget

Jim gave an update on where we are.

- thank you to Lori Thomas for her help/work
- Budget for current year called for a deficit. Through 10 months, forecasted deficit was 158 K
- Currently in a surplus position of 66K at the end of May
- Encouragement to all of us to stay the course and finish strong to the end of this current year

2018-2019 Faith Budget review (this had been circulated ahead of time for everyone to peruse)

- Proposed balanced budget for this year. No surplus. No deficit
- Reviewed Revenues
- Special projects are all cost recovery items: basically in/out/break even
- Reviewed expenses for the year
- Ministry costs virtually identical to the current year
- Payroll expenses major line item.
- Donations will be used to offset expenses for One88 until they get their own charitable status
- 2018 is looking good, there are more expenses to be had but we are hoping to finish strong.
- After much discussion and preparation, this is the proposed faith budget

Questions/Answers

- **Kerry Enns, member. A few questions: 1) Last year - deficit. Where did it go? Was it carried over?** Jim: The 33K from previous year, before amortization. Those deficits take away from your overall net assets. Fortunately we had cash reserves that we were able to use to absorb. **2) Have we exhausted cash reserves?** Jim: We are currently not in our operating line of deficit. We do not have a desire to go into it going forward. Is it fair to ask - have we exhausted cash reserves? Yes. Mortgage was paid down. We do not have any reserve. In a perfect world we want to be at zero at the end of the year. **3) Another question is there is not really a one88 budget?** The 36K for example will assist but the one88 team does have their own budget. If I use these numbers - from last year -and we are contributing 36K toward One88 - and the 36K is only during 6 months of budget year, last question is – are there still mortgages on the facilities either here or one88. Overall mortgage on one88 is 460K. ECC is responsible for the mortgage - it is against the property at one88. So part of their budget is to cover One88 cost either as rent to us or? YES, this is in One88 budget. We are in process of drafting up an agreement between Eastview and One88.
- **Erni Wiebe, member. We heard earlier that we were covering Greg's salary for 2 years. Where is Dave's salary?** Jim: It is not in our operating budget but in One88.
- **Logan Penner, member. About the operating line - does this mean we have more than we need? Or operating more than we have.** Jim: we have cash in the bank so if we are short cash, we can borrow from the bank. Currently we have operating cash to use to cover. Oct-Dec compared to June-August are vastly different.
- **Jonathan Wiebe, member. Wanted to speak in reference to the favourable difference between where we projected to be today and where we actually are.** This is what happened when we have been prompted and are obedience - and we want acknowledge what God is doing particularly in the hearts and minds of the congregation. Thank you for giving and also for responding to God's prompting.

Winston wanted to echo what Jonathan said - and praise be to God for what he is doing. Thank you to those who have been diligent with every penny.

6. Vote and collection of ballots

7. Presentation to Delbert & Marianne Enns

- May 1, 2008 Delbert officially became the senior pastor
- A box was given to them that represented the congregation's well wishes/prayers/blessing
- Let's keep encouraging our Senior Pastor and those who serve us.
- Presented with box containing letters from members and attenders commemorating the anniversary.
- Marianne thanked the congregation "In these ten years, I have come to love God more, come to love you more, and have come to complete surrender, and I thank you for walking alongside of us."
- Delbert spoke. Had never dreamed of being a pastor. Had asked his kids. Have been blessed to have the opportunity and that you have been so gracious to help me to grow in that role. I came to love you, and the love for this city has grown in me. Encouraged us to continue to pray for the city and the areas that the gospel is absent. Eastview still has lots to do - and there is still so much more. It is not on my watch, it is on OUR watch, with Christ. My love for Christ has grown over these years, and I am humbled. To continue to be the church He wants us to be, it is about more than just one individual, but a plurality of elders. We are all called and none of us are exempt. We have work to do! Want to make sure that as a church we will glorify him in all we do, every single day. Work is huge. Let us not get tired! Continue to pray for staff.

8. Closing

- **Winston closed with short Message: Exodus 33:12 -23. Moses only saw God's back. Our plea for us together is that we won't move without God leading.**
- **Ballot Results:** Everything passed
- **Winston closed in prayer. Meeting adjourned at 9: 13 pm**

**EASTVIEW COMMUNITY CHURCH
MENNONITE BRETHREN INC.**

FINANCIAL STATEMENTS

JULY 31, 2018

TABLE OF CONTENTS

	<u>Page</u>
Independent Practitioner's Review Engagement Report	
Financial Statements	
Statement of Financial Position	1
Statement of Operations	2
Statement of Changes in Net Assets	3
Statement of Cash Flows	4
Notes to Financial Statements	5

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of
Eastview Community Church Mennonite Brethren Inc.

I have reviewed the accompanying financial statements of Eastview Community Church Mennonite Brethren Inc. that comprise the statement of financial position as at July 31, 2018 and the statements of operations, changes in net assets and cash flows for the year then ended, and 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 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.

Practitioner's Responsibility

My responsibility is to express a conclusion on the accompanying financial statements based on my review. I conducted my review in accordance with Canadian generally accepted standards for review engagements, which require me to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, I do not express an audit opinion on these financial statements.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the financial statements do not present fairly, in all material respects, the financial position of Eastview Community Church Mennonite Brethren Inc. as at July 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian Accounting Standards for Not-for-Profit organizations.

Winnipeg, Manitoba
October 9, 2018


Chartered Professional Accountant

**EASTVIEW COMMUNITY CHURCH
Mennonite Brethren Inc.**

STATEMENT OF FINANCIAL POSITION

JULY 31, 2018

(Unaudited)

	<u>2018</u>	<u>2017</u>
Assets		
Current assets		
Cash	\$ 43,046	\$ 155,196
Accounts and grants receivable	-	1,265
GST receivable	2,550	3,337
Prepaid expense	<u>13,774</u>	<u>13,588</u>
	<u>59,370</u>	<u>173,386</u>
Capital assets (note 3)	<u>2,107,426</u>	<u>2,173,935</u>
	<u>\$ 2,166,796</u>	<u>\$ 2,347,321</u>
Liabilities		
Current liabilities		
Accounts payable	\$ 15,695	\$ 5,776
Deferred revenue	263	30,115
Current portion of long-term debt (note 4)	<u>-</u>	<u>16,500</u>
	<u>15,958</u>	<u>52,391</u>
Long-term debt (note 4)	<u>483,790</u>	<u>573,390</u>
	<u>499,748</u>	<u>625,781</u>
Net assets		
Net assets invested in capital assets	1,623,636	1,584,045
Internally restricted net assets (note 5)	28,000	-
Unrestricted net assets	<u>15,412</u>	<u>137,495</u>
	<u>1,667,048</u>	<u>1,721,540</u>
	<u>\$ 2,166,796</u>	<u>\$ 2,347,321</u>

Approved on Behalf of the Board

_____ Director

Del Halliday

Chartered Professional Accountant Inc.

**EASTVIEW COMMUNITY CHURCH
MENNONITE BRETHERN INC.**

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED JULY 31, 2018

	2018 <u>Actual</u>	2018 <u>Budget</u>	2017 <u>Actual</u>
Revenue			
Tithes and offerings	\$ 1,163,268	\$ 1,052,810	\$ 1,115,351
Sales and services	64,945	60,950	45,365
Fundraisers	39,963	26,300	11,854
Grants	-	10,000	28,664
Interest income	1,399	-	1,698
Special projects	<u>-</u>	<u>-</u>	<u>70,935</u>
	<u>1,269,575</u>	<u>1,150,060</u>	<u>1,273,867</u>
Expense			
Administration	15,912	30,300	12,124
Ministry costs	276,979	285,900	246,556
Education and training	15,958	29,400	11,106
Transportation	5,403	5,000	3,413
Operations and maintenance	134,994	163,180	207,873
Salaries and benefits	757,394	796,145	732,679
Interest on long-term debt	19,620	22,800	22,533
Special projects	<u>-</u>	<u>-</u>	<u>70,935</u>
	<u>1,226,260</u>	<u>1,332,725</u>	<u>1,307,219</u>
Excess of revenue over expense before amortization	43,315	(182,665)	(33,352)
Amortization of capital assets	<u>(97,807)</u>	<u>-</u>	<u>(104,849)</u>
Excess of revenue over expense	\$ <u>(54,492)</u>	\$ <u>(182,665)</u>	\$ <u>(138,201)</u>

**EASTVIEW COMMUNITY CHURCH
MENNONITE BRETHREN INC.**

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED JULY 31, 2018

(Unaudited)

	Invested in Capital <u>Assets</u>	Internally Restricted <u>Net Assets</u>	Unrestricted <u>Net Assets</u>	<u>2018</u>	<u>2017</u>
Balance, beginning of year	\$ 1,584,045	\$ -	\$ 137,495	\$ 1,721,540	\$ 1,859,741
Excess of revenue over expense	(97,807)	-	43,315	(54,492)	(138,201)
Allocation for One88 Community Church (note 5)	-	28,000	(28,000)	-	-
Purchase of capital assets	31,298	-	(31,298)	-	-
Repayment of mortgage	<u>106,100</u>	<u>-</u>	<u>(106,100)</u>	<u>-</u>	<u>-</u>
Balance, end of year	\$ <u>1,623,636</u>	\$ <u>28,000</u>	\$ <u>15,412</u>	\$ <u>1,667,048</u>	\$ <u>1,721,540</u>

**EASTVIEW COMMUNITY CHURCH
MENNONITE BRETHREN INC.**

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JULY 31, 2018

(Unaudited)

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities		
Cash received from members and other sources	\$ 1,240,988	\$ 1,251,793
Cash paid to suppliers and employees	(1,196,120)	(1,282,996)
Interest paid	<u>(19,620)</u>	<u>(22,533)</u>
	<u>25,248</u>	<u>(53,736)</u>
Cash flows from investing activities		
Purchase of capital assets	<u>(31,298)</u>	<u>-</u>
Cash flows from financing activities		
Repayment of long-term debt	<u>(106,100)</u>	<u>(23,637)</u>
Decrease in cash	(112,150)	(77,373)
Cash, beginning of year	<u>155,196</u>	<u>232,569</u>
Cash, end of year	\$ <u>43,046</u>	\$ <u>155,196</u>

**EASTVIEW COMMUNITY CHURCH
MENNONITE BRETHREN INC.**

NOTES TO THE FINANCIAL STATEMENTS

JULY 31, 2018

(Unaudited)

1. Purpose of the Church

Eastview Community Church Mennonite Brethren Inc.'s purpose and mission are "to lead people to Christ and on to maturity in Him" by providing worship, education and social activities for all age groups. The Church is incorporated under The Corporations Act of Manitoba as a not-for-profit organization and is a registered charity under the Income Tax Act.

2. Summary of significant accounting policies

The preparation of financial statements in conformity with Canadian Accounting Standards for Not-for-Profit Organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

The financial statements include the following significant accounting policies:

(a) Capital assets

Capital assets are recorded at cost and include expenditures for additions and for upgrades that substantially increase the useful lives of the existing assets. Normal repairs and maintenance are recorded as operating expenditures.

Amortization has been provided for on a declining balance basis using the following rates:

Automotive equipment	30%
Buildings	4%
Computer equipment	30% and 45%
Furniture and fixtures	20%
Equipment	20%
Parking lot	8%
Princess campus	4%
Sign	20%
Software	100%

**EASTVIEW COMMUNITY CHURCH
MENNONITE BRETHERN INC.**

NOTES TO THE FINANCIAL STATEMENTS, CONT'D

JULY 31, 2018

(Unaudited)

2. Summary of significant accounting policies, cont'd

(b) Revenue recognition

The Church 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 collection is reasonably assured.

(c) Contributed services

Volunteers contribute numerous hours per year to assist the Church in carrying out its purpose. Due to the difficulty in determining the fair value, contributed services are not recognized in the financial statements.

(d) Financial instruments

The Church's financial instruments consist of cash, term deposit, GST receivable, and accounts payable. Unless otherwise noted, it is management's opinion that the Church is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

3. Capital assets

	2018		2017	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 152,908	\$ -	\$ 152,908	\$ -
Parking lot	146,656	116,965	146,656	114,383
Buildings	2,420,305	1,407,614	2,402,496	1,365,790
Computers and software	130,596	124,407	128,476	121,114
Equipment	537,367	483,632	525,998	471,129
Furniture and fixtures	220,406	210,445	220,406	207,955
Sign	2,904	2,801	2,904	2,775
Princess campus	<u>957,164</u>	<u>115,016</u>	<u>957,164</u>	<u>79,927</u>
	<u>\$ 4,568,306</u>	<u>\$ 2,460,880</u>	<u>\$ 4,537,008</u>	<u>\$ 2,363,073</u>
Cost less accumulated amortization		<u>\$ 2,107,426</u>		<u>\$ 2,173,935</u>

Del Halliday

Chartered Professional Accountant Inc.

**EASTVIEW COMMUNITY CHURCH
MENNONITE BRETHERN INC.**

NOTES TO THE FINANCIAL STATEMENTS, CONT'D

JULY 31, 2018

(Unaudited)

4. Long-term debt

The mortgage held by the Canadian Conference of Mennonite Brethren Churches is secured by a first mortgage on the property located at 188 Princess Avenue and bears interest at 3.75%.

As of August 1, 2018, the Church and CCMBC have entered into a new agreement that provides for interest only payments of \$1,512 for a period ending January, 2019 with a possible extension to July, 2019.

	<u>2018</u>	<u>2017</u>
Balance, beginning of year	\$ 589,890	\$ 613,527
Add: Interest	19,620	22,533
Less: Monthly payments	(38,340)	(46,170)
Less: Balloon payment	<u>(87,380)</u>	<u>-</u>
Balance, end of year	483,790	589,890
Current portion of long-term debt	<u>-</u>	<u>(16,500)</u>
	<u>\$ 483,790</u>	<u>\$ 573,390</u>

5. Internally restricted net assets

The internally restricted net assets represent funds designated to be transferred to One88 Community Church Mennonite Brethren Inc. in the fiscal year ending July 31, 2019.

6. Subsequent event

Subsequent to year end, One88 campus transitioned from a ministry of Eastview Community Church to an independent church community. A new organization was incorporated on August 1, 2018 under the name One88 Community Church Mennonite Brethren Inc. The new organization will be applying for charitable status under the Income Tax Act of Canada.

As of August 1, 2018, all donation receipts collected by Eastview Community Church that are earmarked for the new One88 Community Church will not be recognized as revenue on Eastview's financial statements. The monies collected will be transferred to One88 Community Church, net of any expenses incurred on their behalf.

Starting August 1, 2018, One88 Community Church will pay rent to Eastview Community Church for an agreed amount of \$1,512 per month, the terms of which will be reviewed on a semi-annual basis.

Del Halliday

Chartered Professional Accountant Inc.