Financial statements of

Mennonite Central Committee Saskatchewan

March 31, 2024

Deloitte.

Deloitte LLP
Suite 2300
360 Main Street
Winnipeg MB R3C 3Z3
Canada

Tel: 204-942-0051
Fax: 204-947-9390

Independent Auditor's Report

To the Members of
Mennonite Central Committee Saskatchewan

Qualified Opinion

We have audited the financial statements of Mennonite Central Committee Saskatchewan (the "Organization"), which comprise the statement of financial position as at March 31, 2024, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, except for the possible effects of the matters described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2024, 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.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Organization derives revenue from contributions and fundraising, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Organization and we were not able to determine whether any adjustments might be necessary to revenues, the excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2024, and current assets and net assets as at March 31, 2024.

The Organization derives revenue from contributions from thrift shops, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Organization and we were not able to determine whether any adjustments might be necessary to revenues, the excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2024, and current assets and net assets as at March 31, 2024.

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization 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 audit opinion.

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

Management is responsible for the preparation and fair presentation of the 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 the Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities 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 GAAS 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 Canadian GAAS, 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 the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization 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.

Deloitte LLP

Chartered Professional Accountants
Winnipeg, Manitoba
June 20, 2024

Mennonite Central Committee Saskatchewan

Statement of operations

Year ended March 31, 2024

	Notes	2024 $	2023 $
Revenue			
Undesignated contributions:			
General donations		**861,029**	806,185
Thrift shops		**734,552**	610,507
Bequests		**585,679**	333,375
Grants	13	**584,250**	397,096
Canadian Foodgrains Bank donations		**350,550**	387,123
International designated donations		**465,607**	443,598
Disaster restricted internationally designated donations		**60,781**	327,055
Material resources in-kind		**250,788**	154,836
Provincial designated donations		**225,105**	324,072
Other		**98,585**	96,036
Relief sales		**91,104**	75,547
Grow Hope		**227,286**	210,892
Interest		**122,051**	41,322
		4,657,367	4,207,644
Expenses (Schedule)			
Programs			
Justice and peacebuilding		**470,764**	452,509
Sustainable community development		**316,623**	323,795
Disaster relief		**141,131**	136,304
		928,518	912,608
Core administrative support		**553,097**	473,563
Communications and donor relations		**383,640**	347,022
Thrift coordination		**319,838**	278,976
Relief sales		**23,886**	22,162
Grow Hope		**51,522**	52,141
Total provincial expenditures		**2,260,501**	2,086,472
Forwardings to MCC Canada	13	**2,031,063**	1,793,686
		4,291,564	3,880,158
Excess of revenue over expenses		**365,803**	327,486

The accompanying notes are an integral part of the financial statements.

Mennonite Central Committee Saskatchewan

Statement of financial position

As at March 31, 2024

	Notes	2024 $	2023 $
Assets			
Current assets			
Cash		**1,488,717**	1,721,911
Accounts receivable	13	**614,826**	285,910
Short-term investments	4	**1,206,046**	752,863
Prepaid expenses and deposits		**74,647**	26,439
Inventory		**24,757**	16,361
Assets held for sale	7	**160,861**	160,861
		3,569,854	2,964,345
Capital assets	6	**1,517,550**	1,571,063
Long-term investments	4	**427,105**	220,050
Loan to thrift shop	5 and 12	**729,270**	587,618
		6,243,780	5,343,076
Liabilities			
Current liabilities			
Accounts payable and accruals		**183,688**	65,157
Amounts due to MCC Canada	13	**361,236**	31,822
Deferred contributions	8	**1,082,067**	957,637
Current portion of deferred contributions related to capital assets	9	**37,474**	37,474
		1,664,465	1,092,090
Deferred contributions related to capital assets	9	**674,525**	711,999
		2,338,990	1,804,089
Contingencies	10		
Net assets			
Externally restricted for endowment purposes	4 and 11	**117,321**	117,321
Internally restricted	11	**1,057,458**	1,026,944
Invested in capital assets	11	**966,412**	982,451
Unrestricted		**1,763,599**	1,412,271
		3,904,790	3,538,987
		6,243,780	5,343,076

The accompanying notes are an integral part of the financial statements.

Approved by the Board

_________________________________, Director

_________________________________, Director

Mennonite Central Committee Saskatchewan

Statement of changes in net assets

Year ended March 31, 2024

	Externally restricted for endowment purposes $	Internally restricted $	Invested in capital assets $	Unrestricted $	2024 $	2023 $
Net assets, beginning of year	**117,321**	**1,026,944**	**982,451**	**1,412,271**	**3,538,987**	3,211,501
Excess of revenue over expenses for the year	**—**	**(18,980)**	**(43,483)**	**428,266**	**365,803**	327,486
Investment in capital assets	**—**	**(26,781)**	**27,444**	**(663)**	**—**	—
Internally imposed restrictions, net	**—**	**76,275**	**—**	**(76,275)**	**—**	—
Net assets, end of year	**117,321**	**1,057,458**	**966,412**	**1,763,599**	**3,904,790**	3,538,987

The accompanying notes are an integral part of these financial statements.

Mennonite Central Committee Saskatchewan

Statement of cash flows

Year ended March 31, 2024

	2024 $	2023 $
Operating activities		
Excess of revenue over expenses for the year	**365,803**	327,486
Amortization	**80,676**	88,143
Loss (gain) on disposal of capital assets	**281**	(8,288)
Amortization of deferred contributions related to capital assets	**(37,474)**	(39,446)
Non-cash increase in investments	**(63,377)**	(3,791)
	345,909	364,104
Changes in working capital accounts		
Accounts receivable	**(328,916)**	(135,074)
Inventory	**(8,396)**	2,283
Prepaid expenses and deposits	**(48,208)**	(3,997)
Accounts payable and accruals	**447,945**	(789,803)
Deferred contributions	**124,430**	112,350
	532,764	(450,137)
Financing activities		
Issuance of Village Green loan	**(201,632)**	(600,000)
Repayment of mortgage payable	**—**	(18,505)
	(201,632)	(618,505)
Investing activities		
Purchase of capital assets	**(27,444)**	(83,382)
Proceeds on disposal of capital assets	**—**	8,500
Purchase of investments,net	**(596,862)**	—
Collection of loan to thrift shop	**59,980**	130,887
	(564,326)	56,005
Decrease in cash	**(233,194)**	(1,012,637)
Cash, beginning of year	**1,721,911**	2,734,548
Cash, end of year	**1,488,717**	1,721,911

The accompanying notes are an integral part of these financial statements.

1. Incorporation and nature of the organization

Mennonite Central Committee ("MCC"), a worldwide ministry of Anabaptist churches, shares God's love and compassion for all in the name of Christ by responding to basic human needs and working for peace and justice. Mennonite Central Committee Saskatchewan (the "Organization") was incorporated by the Legislative Assembly of the Province of Saskatchewan under The Mennonite Central Committee Saskatchewan Act. Bill 301 of 1999-200 was given Royal Assent May 26, 2000.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations using the following significant accounting policies:

Cash

Cash include balances with banks and petty cash held on premises.

Revenue recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions for the purchase of capital assets are recognized as revenue on the same basis as the purchased capital assets are amortized. Other 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. Endowment contributions are recognized as direct increases in net assets.

Relief sales revenue is recognized when a price is agreed, goods are shipped to customers, all significant contractual obligations have been satisfied, and collectability is reasonably assured. Revenue from rental agreements is recognized over the rental term.

Contributed materials and services

Volunteers contribute numerous hours per year to assist the Organization in carrying out its activities. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Blankets, soaps and items for material resources kits are donated during the year. Contributed materials are recognized and measured based on internal valuation processes, which are estimated to be at the fair value of the materials contributed. The donations and corresponding expense are recorded when the items are shipped from the Organization.

Investments

Investments are interest-bearing redeemable deposits and are measured at cost.

Inventory

Inventories held for distribution at no charge are recognized at the lower of cost and current replacement cost. Cost is determined by the first in, first out method.

2. Significant accounting policies (continued)

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Amortization is provided using the declining balance method at rates intended to amortize the cost of assets over their estimated useful lives.

	Rate
Buildings	5 and 10 %
Automotive	30 %
Computer equipment	30 %
Furniture and fixtures	10 %
Office equipment	20 %

Long-*lived* assets

Long-lived assets consist of capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policy.

Long-lived assets are tested for recoverability whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the carrying value of long-lived assets exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value or replacement cost at the date of impairment.

Financial instruments

Financial assets and financial liabilities are initially recognized at fair value when the Organization becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost.

With respect to financial assets measured at cost or amortized cost, the Organization recognizes in the statement of operations an impairment loss, if any, when it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss shall be reversed in the statement of operations in the period the reversal occurs.

The Organization reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in the excess of revenues over expenses in the year the reversal occurs.

Reporting of controlled organizations

The Organization has chosen not to consolidate the thrift shops it controls but to instead disclose information about the resources of the controlled organizations. These organizations forward a portion of excess revenues over expenses to the Organization.

2. Significant accounting policies (continued)

Income Tax

The Organization is registered as a charitable organization under the Income Tax Act (the "Act") and as such is exempt from income taxes and is able to issue donation receipts for income tax purposes.

Government assistance

Government assistance is recorded in the financial statements when there is reasonable assurance that the Organization has complied with, and will continue to comply with, all conditions necessary to obtain the assistance.

Use of estimates

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 disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets. Deferred contributions related to capital assets is based on the estimated useful lives of the capital assets. Contributed materials are recognized and measured based on internal valuation processes estimated at fair value.

In order to maintain its status as a registered charity under the Act, the Organization must meet certain requirements within the Act. In the opinion of management, these requirements have been met.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in excess of revenues over expenses in the years in which they become known.

3. Line of credit

The Organization maintained an authorized line of credit of $200,000 ($200,000 in 2023). At March 31, 2024, there was nil (nil in 2023) drawn against the line of credit. Interest on any outstanding credit is calculated at prime (7.7% at March 31, 2024). The line of credit is secured by the GIC investments of the Organization.

4. Investments

The terms of certain donations established as endowment funds require that the principal funds remain untouched with only the interest earned in the year being appropriated to the specific purpose. The long-term portion of investments held with Abundance Canada is restricted for endowment purposes.

These externally restricted endowment donations are designated for use in international programs and are currently invested with Abundance Canada.

4. Investments (continued)

	2024 $	2023 $
Short-term investments		
Abundance Canada pooled equity investment, 5.97% (1.0% in 2023)	**689,728**	649,725
GIC 4.00%, matures in July 2024	**102,729**	—
GIC 5.00%, matures in July 2024	**413,589**	—
GIC 1.25%, matures in July 2023	**—**	103,138
	1,206,046	752,863
Long-term investments		
Abundance Canada pooled equity investment, 1.45% (1.02% in 2023)	**117,321**	117,321
GIC 4.00%, matures in July 2024	**—**	102,729
GIC 4.80%, matures in July 2025	**206,523**	—
GIC 4.80%, matures in July 2025	**103,261**	—
	427,105	220,050
	1,633,151	972,913

5. Loan to thrift shop

	2024 $	2023 $
Village Green MCC Thrift Shop - The loan consists of $600,000 for the relocation of the Village Green shops. MCCS will charge interest on the loan at a rate of 1.5% for the duration of the loan maturing when the properties are sold, calculated on the month end balance of the loan.	**631,250**	507,618
Village Green MCC Thrift Shop Interest-free loan - The loan consists of $78,000 to help finance the purchase of a truck. Current terms are annual payments of $7,800 for 10 years.	**78,000**	—
Interest-free loan - Loan repayment will begin when Lanigan Thrift Shop loan has been repaid in full. Monthly payments are $3,000.	**20,020**	80,000
	729,270	587,618

6. Capital assets

	Cost $	Accumulated Amortization $	2024 Net Book Value $	2023 Net Book Value $
Land	**227,130**	**—**	**227,130**	227,130
Buildings	**2,615,954**	**1,393,046**	**1,222,908**	1,280,981
Automotive	**47,185**	**25,845**	**21,340**	30,485
Computer equipment	**58,387**	**38,104**	**20,283**	17,894
Furniture and fixtures	**97,115**	**84,067**	**13,048**	12,386
Office equipment	**35,144**	**22,303**	**12,841**	2,187
	3,080,915	**1,563,365**	**1,517,550**	1,571,063

Amortization expense included in the statement of operations is $80,676 (2023 - $88,143).

7. Asset held for sale

	Cost $	Accumulated Amortization $	2024 Net Book Value $	2023 Net Book Value $
Land	**74,224**	**—**	**74,224**	74,224
Buildings	**415,921**	**329,284**	**86,637**	86,637
	490,145	**329,284**	**160,861**	160,861

During the prior year, the board approved the allocation of two Saskatoon thrift shops, store #127/#131 as well as store #308, to held for sale. At the date of the audit report, these assets were actively listed to be sold however no agreement has yet been reached.

8. Deferred contributions

The Organization receives contributions which are restricted by the donor to be used for specific purposes. The amounts received are recorded as deferred contributions. They are recognized in contribution revenue when costs are incurred that meet the restrictions established by the donors.

	2024 $	2023 $
Balance, beginning of year	**955,637**	845,287
Amount received during the year	**156,500**	153,387
Less: Amount recognized as revenue during the year	**(30,070)**	(43,037)
	1,082,067	955,637

8. Deferred contributions (continued)

Deferred contributions are comprised of the following amounts:

	2024	2023
	$	$
CDR Designated Contributuions	**222,045**	163,085
Hague Thrift Shop Project	**670**	670
Local Programs & Events	**24,498**	19,893
Refugee Assistance Contributions	**109,345**	114,345
Refugee Sponsorship Contributions	**303,990**	279,883
Refugee Family Sponsorship Contributions	**348,021**	306,766
Regina Food Bank Project	**14,150**	14,350
Social Contributions	**915**	653
Thrift Shop Learning Tour Contributions	**7,608**	7,200
Young Chippewayan Program	**42,683**	40,650
Youth Leadership Contributions	**8,142**	8,142
	1,082,067	955,637

9. Deferred contributions related to capital assets

Deferred contributions related to capital assets consist of the unamortized amount of contributions received for the purchase of capital assets. Recognition of these amounts as revenue is deferred to periods when the related capital assets are amortized.

	2024	2023
	$	$
Balance, beginning of year	**749,473**	788,919
Recognized as revenue during the year	**(37,474)**	(39,446)
	711,999	749,473
Less: current portion	**37,474**	37,474
Non-current portion	**674,525**	711,999

10. Contingencies

MCC Canada ("MCCC") has signed a Private Sponsorship of Refugees ("PSR") Agreement with Immigration Refugee and Citizenship Canada ("IRCC") committing to provide financial, human resource, 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 Mennonite Central Committees.

The Organization has partnered with various church and community groups to assist with the sponsorship and resettlement of certain refugee families in Saskatchewan. These groups have committed to providing the required funding to sponsor and support these refugee families for the required period of time. However, should any of these groups default on their financial obligations the Organization will be responsible for providing the funding shortfall. As at March 31, 2024, the Organization has 240 active sponsorship cases with an estimated contingent liability of $2,129,200 (159 cases with an estimated contingent liability of $1,437,118 in 2023).

The Organization believes that these endorsements will not have any significant unfavorable impact on its financial position, and, consequently, no provision has been made in the financial statements.

11. Restrictions on net assets

The net assets restricted for endowment purposes are subject to externally imposed restrictions stipulating that the resources be maintained permanently. Net assets externally restricted for endowment purposes are $117,321 (2023 - $117,321). The earnings on these amounts can only be spent on international programs.

The Organization's board of directors has internally restricted net assets equal to the Organization's equity in its capital assets. Internally restricted net assets invested in capital assets are $966,412 (2023 - $982,451).

The Organization's board of directors has internally restricted net assets as follows:

	2024	2023
	$	$
Capital reserve	**421,098**	407,500
Thrift Investment Network Fund	**223,350**	216,708
Thrift operating reserve	**226,850**	201,089
Global Education Fund	**47,028**	47,028
Special Project Funds	**33,306**	33,306
Reconciliation Fund	**71,313**	71,313
CDR Initiative Fund	**—**	—
Local Impact Fund	**34,513**	50,000
	1,057,458	1,026,944

12. Disclosure of unconsolidated controlled entities

The Organization has an association with eight thrift shops throughout Saskatchewan. The Organization controls the thrift shops, which are directed by boards separate from that of the Organization. Of the eight buildings occupied by the thrift shops one is rented by a thrift shop and seven are owned by the Organization. The thrift shops forward a portion of excess revenue over expenses to the Organization. The funds are then used at the Organization's discretion for its work in relief and development efforts.

Summary financial statements of these unconsolidated thrift shops as at March 31, 2024 and 2023 and for the years then ended are as follows:

	2024	2023
Financial position	**$**	$
Total assets	**1,163,532**	950,995
Total liabilities	**1,203,716**	811,702
Total net assets	**195,816**	139,293
	1,399,532	950,995

	2024	2023
Results of operations	**$**	$
Total revenue	**3,529,326**	2,593,989
Total expenses	**2,674,830**	2,102,392
Total forwardings	**734,552**	610,507
Surplus (deficit) of revenue over expenses	**119,944**	(118,910)

Total liabilities of $1,203,716 (2023 - $811,702) include $729,270 (2023 - $587,618) in amounts owed to the Organization and the Organization has recorded these amounts in accounts receivable in the statement of financial position.

13. Related party transactions

The Organization is significantly influenced by its national counterpart, MCC Canada. The Organization is also influenced by other provincial MCC's within Canada. The Covenant for the Mennonite Central Committee in Canada is a document that outlines the working relationship among the MCC's within Canada, including the sharing of financial resources.

The Organization received $209,784 (2023 - $315,391) in grants from MCC Canada, recorded as grants on the statement of operations, and paid $2,031,063 (2023 - $1,793,686) in revenue forwarding to MCC Canada. At year end, amounts due to MCC Canada is $361,236 (2023 - $31,822). At year end, amounts due from MCC Canada are $10,606 (2023 - $30,769) and are included in accounts receivable in the statement of financial position.

At year end, amounts due from MCC Alberta are $7,876 (2023 - $3,294) which is included in accounts receivable in the statement of financial position.

14. Financial instruments

The Organization, as part of its operations, carries a number of financial instruments. It is management's opinion that the Organization is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Credit concentration

Financial instruments that potentially subject the Organization to concentrations of credit risk consist primarily of accounts receivable and the loan to thrift shop. The amount disclosed in the statement of financial position is net of allowance of bad debts, estimated by management of the Organization based on previous experience and its assessment of the current economic conditions.

As at March 31, 2024, four organizations (two organizations in 2023) accounted for 70% (2023 - 82%) of outstanding accounts receivable at year end. The Organization believes that there is no unusual exposure associated with the collection of these receivables as they closely monitor the financial status of all debtor organizations. The Organization has not incurred any significant bad debts during the year and has a $nil allowance for bad debts (2023 - $nil).

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk.

The Organization is exposed to interest rate risk with respect to its investments, loan to thrift shop and mortgage due on demand. Interest rates on all investments are variable and subject to changing market rates. However, this would only affect accrued interest and interest revenue earned. Loan to thrift shop and the mortgage due on demand have limited exposure to interest rate risk as they bear the same interest rate and are subject to renewal at the same maturity dates.

Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization enters into transactions to purchase goods and services on credit for which repayment is required at various maturity dates. The Organization's exposure to liquidity risk is dependent on the collection of accounts receivable and the loan to thrift shop, purchasing commitments and obligations, and raising funds to meet commitments and sustain operations.

Mennonite Central Committee Saskatchewan

Schedule of expenses

Year ended March 31, 2024

	2024 $	2023 $
Amortization	**80,676**	88,143
Communication and promotion	**47,811**	34,006
Compensation and benefits	**1,399,409**	1,267,350
Contribution to other charities	**29,982**	41,593
Events	**72,983**	79,501
Forwarding to MCC Canada	**2,031,064**	1,793,686
Insurance	**18,437**	14,245
Material resource kit supplies	**70,135**	86,158
Meetings, workshops & hospitality	**30,190**	24,179
Miscellaneous	**62,660**	37,705
Occupancy	**120,183**	111,268
Professional fees	**67,538**	42,372
Refugee resettlement	**135,732**	158,443
Staff development	**15,602**	15,547
Supplies, subscriptions and licenses	**49,862**	48,787
Travel	**59,300**	37,175
	4,291,564	3,880,158