Financial statements of
Mennonite Central Committee Saskatchewan

March 31, 2021

Deloitte.

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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, 2021, 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, 2021, 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, 2021, current assets as at March 31, 2021, and net assets as at April 1, 2020 and March 31, 2021. The predecessor auditor's opinion on the financial statements for the year ended March 31, 2020 was modified accordingly because of the possible effects of this limitation in scope.

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, 2021, current assets as at March 31, 2021, and net assets as at March 31, 2021.

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.

Other Matter

The financial statements for the year ended March 31, 2020 were audited by another auditor who expressed a qualified opinion on those financial statements on June 24, 2020 for reasons described in the *Basis for Qualified Opinion* section.

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
June 23, 2021

Mennonite Central Committee Saskatchewan

Statement of operations

Year ended March 31, 2021

	Notes	2021 $	2020 $
Revenues			
Undesignated contributions:			
General contributions		**808,320**	637,242
Thrift shops	12	**473,611**	1,007,250
Bequests		**360,373**	410,769
Grants	13 and 16	**595,365**	83,777
Canadian Foodgrains Bank donations		**465,428**	386,018
International designated donations		**349,551**	294,003
Centennial campaign donations		**219,427**	205,701
Material resources in-kind		**171,554**	171,485
Provincial designated donations		**157,576**	414,266
Other		**104,797**	86,138
Relief sales, grow hope, and events		**82,111**	180,615
Interest		**52,327**	19,199
		3,840,440	3,896,463
Expenses (Schedule)			
Programs			
Justice and peacebuilding		**348,050**	430,856
Sustainable community development		**179,584**	377,193
Disaster relief		**112,164**	110,919
		639,798	918,968
Core administrative support		**374,671**	417,540
Communications and donor relations		**300,953**	365,302
Thrift coordination		**203,918**	181,359
Relief sales, grow hope and events		**44,881**	69,342
Total provincial expenditures		**1,564,221**	1,952,511
Forwardings to MCC Canada	13	**1,813,411**	1,891,478
		3,377,632	3,843,989
Excess of revenues over expenses, before other item		**462,808**	52,474
Other Item			
Other revenue	15	**102,500**	—
Excess of revenues over expenses		**565,308**	52,474

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

Mennonite Central Committee Saskatchewan

Statement of financial position

As at March 31, 2021

	Notes	2021	2020
		$	$
Assets			
Current assets			
Cash		**1,528,843**	1,002,000
Accounts receivable	13 and 14	**53,703**	135,981
Short-term investments	4	**731,165**	593,788
Prepaid expenses and deposits		**15,880**	17,602
Inventory		**25,091**	34,540
Current portion of loan to thrift shop	5	**10,513**	10,170
		2,365,195	1,794,081
Capital assets	6	**1,788,959**	1,866,178
Long-term investments	4	**218,075**	117,321
Loan to thrift shop	5	**204,278**	222,882
		4,576,507	4,000,462
Liabilities			
Current liabilities			
Accounts payable and accruals		**81,636**	54,221
Amounts due to MCC Canada	13	**96,906**	227,245
Government subsidy payable	16	**47,297**	—
Deferred contributions	7	**628,759**	500,426
Current portion of deferred contributions related to capital assets	8	**41,523**	43,707
Current portion of mortgage due on demand	9	**10,513**	10,170
		906,634	835,769
Mortgage due on demand	9	**104,278**	122,882
		1,010,912	958,651
Deferred contributions related to capital assets	8	**788,919**	830,443
		1,799,831	1,789,094
Contingencies	10		
Net assets			
Externally restricted for endowment purposes	4 and 11	**117,321**	117,321
Internally restricted	11	**938,246**	614,069
Invested in capital assets	11	**958,517**	992,028
Unrestricted		**762,592**	487,950
		2,776,676	2,211,368
		4,576,507	4,000,462

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

Approved by the Board

________________, Board Chair

________________, Treasurer

Mennonite Central Committee Saskatchewan

Statement of changes in net assets

Year ended March 31, 2021

	Externally restricted for endowment purposes $	Internally restricted $	Invested in capital assets $	Unrestricted $	2021 $	2020 $
Net assets, beginning of year	**117,321**	**614,069**	**992,028**	**487,950**	**2,211,368**	2,158,894
Excess of revenue over expenses for the year	**—**	**—**	**(43,171)**	**608,479**	**565,308**	52,474
Investment in capital assets	**—**	**—**	**9,660**	**(9,660)**	**—**	—
Internally imposed restrictions, net	**—**	**324,177**	**—**	**(324,177)**	**—**	—
Net assets, end of year	**117,321**	**938,246**	**958,517**	**762,592**	**2,776,676**	2,211,368

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

Mennonite Central Committee Saskatchewan

Statement of cash flows

Year ended March 31, 2021

	2021	2020
	$	$
Operating activities		
Excess of revenues over expenses for the year	**565,308**	52,474
Amortization	**86,879**	91,686
Amortization of deferred contributions related to capital assets	**(43,708)**	(46,008)
Non-cash increase in investments	**(36,693)**	(7,464)
	571,787	90,688
Changes in working capital accounts		
Accounts receivable	**82,278**	143,224
Inventory	**9,449**	(34,539)
Prepaid expenses and deposits	**1,722**	(644)
Accounts payable and accruals	**(102,924)**	(32,012)
Government subsidy payable	**47,297**	—
Deferred contributions	**128,333**	92,732
	737,942	259,449
Financing activity		
Repayment of mortgage payable	**(18,261)**	(53,544)
Investing activities		
Purchase of investments	**(201,438)**	—
Purchase of capital assets	**(9,660)**	(28,261)
Repayment of loan to thrift shop	**18,261**	51,044
Decrease in restricted cash included in investments	**—**	39,975
	(192,838)	62,758
Increase in cash	**526,843**	268,663
Cash, beginning of year	**1,002,000**	733,337
Cash, end of year	**1,528,843**	1,002,000

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 Corporation 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 (nil in 2020). At March 31, 2021, there was nil (nil in 2020) drawn against the line of credit. Interest on any outstanding credit is calculated at prime (2.95% at March 31, 2021). 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)

	2021 $	2020 $
Short-term investments		
Abundance Canada pooled equity investment, 7.63% (1.30% in 2020)	**630,480**	593,788
GIC 1.00%, matures in July 2021	**100,685**	—
	731,165	593,788
Long-term investments		
Abundance Canada pooled equity investment, 1.00% (1.00% in 2020)	**117,321**	117,321
GIC 1.10%, matures in July 2022	**100,753**	—
	218,075	117,321
	949,240	711,109

5. Loan to thrift shop

	2021 $	2020 $
Lanigan Thrift Shop - The loan consists of a $450,000 mortgage agreement. Current terms of the mortgage are monthly payments of $1,268 including interest at 3.95% per annum.	**114,791**	133,052
Interest-free loan - Loan repayment will begin when Lanigan Thrift Shop loan has been repaid in full. Repayment terms are consistent with the Lanigan Thrift Shop loan.	**100,000**	100,000
Less: current portion	**10,513**	10,170
	204,278	222,882

6. Capital assets

	Cost $	Accumulated amortization $	2021 Net book value $	2020 Net book value $
Land	**301,354**	**—**	**301,354**	301,354
Buildings	**2,958,698**	**1,511,605**	**1,447,093**	1,520,831
Automotive	**32,306**	**31,609**	**697**	996
Computer equipment	**62,222**	**43,593**	**18,629**	18,637
Furniture and fixtures	**95,097**	**79,805**	**15,292**	16,991
Office equipment	**30,991**	**25,097**	**5,894**	7,369
	3,480,668	**1,691,709**	**1,788,959**	1,866,178

Amortization expense included in the statement of operations is $86,879 ($91,686 in 2020).

7. 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.

	2021	2020
	$	$
Balance, beginning of year	**500,426**	407,694
Amount received during the year	**129,118**	306,877
Less: Amount recognized as revenue during the year	**(784)**	(214,145)
	628,759	500,426

Deferred contributions are comprised of the following amounts:

	2021	2020
	$	$
CDR Centennial	**89,801**	89,801
Local Programs & Events	**19,885**	2,194
Refugee Assistance Contributions	**93,611**	93,611
Refugee Sponsorship Contributions	**128,793**	119,887
Refugee Family Sponsorship Contributions	**212,175**	112,875
Regina Food Bank Project	**14,920**	14,920
Social Contributions	**839**	719
Thrift Shop Learning Tour Contributions	**2,400**	—
Young Chippewayan Program	**58,193**	58,277
Youth Leadership Contributions	**8,142**	8,142
	628,759	500,426

8. 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.

	2021	2020
	$	$
Balance, beginning of year	**874,150**	920,158
Recognized as revenue during the year	**(43,708)**	(46,008)
	830,442	874,150
Less: current portion	**41,523**	43,707
Non-current portion	**788,919**	830,443

9. Mortgage payable

	2021 $	2020 $
Due on demand to Abundance Canada and secured by a mortgage on a building in Lanigan, Saskatchewan with a net book value of $555,621 ($584,495 in 2020). Current repayment terms are $1,268 per month including interest at 3.95% per annum, with a renewal date of September 2, 2022.	**114,791**	133,052
Less: Current portion	**10,513**	10,170
Mortgage due on demand	**104,278**	122,882

Principal repayments on the mortgage payable are estimated as follows, assuming payment is not demanded:

	$
2022	10,513
2023	104,278

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, 2021, the Organization has 172 active sponsorship cases with an estimated contingent liability of $1,260,715 (148 cases with an estimated contingent liability of $1,631,538 in 2020).

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 ($117,321 in 2020). 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 $958,517 ($992,028 in 2020).

11. Restrictions on net assets (continued)

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

	2021	2020
	$	$
Capital reserve	**413,789**	284,071
Thrift Investment Network Fund	**153,834**	135,000
Thrift operating reserve	**125,625**	-
Global Education Fund	**47,028**	47,028
Care for Creation Fund	**12,180**	12,180
Special Projects Funds	**33,306**	33,306
Reconciliation Fund	**71,313**	71,313
CDR Initiative Fund	**31,171**	31,171
Local Impact Fund	**50,000**	-
	938,246	614,069

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 revenues 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, 2021 and 2020 and for the years then ended are as follows:

	2021	2020
Financial position	$	$
Total assets	**745,530**	427,092
Total liabilities	**228,961**	320,272
Total net assets	**516,569**	106,820
	745,530	427,092

	2021	2020
Results of operations	$	$
Total revenues	**2,188,147**	2,537,050
Total expenses	**1,843,711**	1,562,625
Excess of revenues over expenses	**344,436**	974,425

Total expenses of $1,843,711 ($1,562,625 in 2020) incurred by the thrift shops, include $473,611 ($1,007,250 in 2020) contributed to the Organization and the Organization has recorded these amounts as thrift shops revenue.

Total revenues of $2,188,147 ($2,537,050 in 2020) includes $179,114 (nil in 2020) in government assistance related to CEWS.

13. Related party transactions

The Organization is significantly influenced by its national counterpart, MCC 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 $208,832 ($30,199 in 2020) in grants from MCC Canada, recorded as grants on the statement of operations, and paid $1,813,411 ($1,891,478 in 2020) in revenue forwarding to MCC Canada. At year end, amounts due to MCC Canada is $96,906 ($227,245). At year end, amounts due from MCC Canada are $10,824 ($6,054 in 2020) and are 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, 2021, two organizations (three organizations in 2020) accounted for 91% (44% in 2020) 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 (nil in 2020).

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.

15. Other revenue

During the year ended March 31, 2021, the Organization received $102,500 (nil in 2020) from the Carmel House, which is a group home that was previously owned by the Organization. The payment received was related to a lien on the property, and due to the non-recurring nature of the payment, it has been included as other revenue on the statement of operations.

The funds received have been internally restricted by the Board of Directors for use within Saskatchewan.

16. Government contributions

In response to COVID-19, the Government of Canada announced the CEWS program in March 2020. CEWS provides a wage subsidy on eligible remuneration, subject to a maximum per employee, to eligible employers based on meeting certain eligibility criteria, including demonstration of revenue declines as a result of COVID-19. The Organization has assessed its eligibility related to CEWS and determined it has qualified for the subsidy. Government assistance in the amount of $284,093 (nil in 2020) was received during the year and is included in grants revenue in the statement of operations. The Organization intends to apply for the CEWS in subsequent application periods, subject to continuing to meet the applicable qualification criteria.

During the year, the Organization received government subsidies in excess of eligibility criteria. As at March 31, 2021, $47,297 (nil in 2020) related to CEWS was payable and is recorded on the statement of financial position.

17. COVID-19

On March 11, 2020, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact through the restrictions put in place by the Canadian, provincial, and municipal governments regarding travel, business operations and isolation/quarantine orders. The outbreak did necessitate the temporary closure of the thrift shops and cancellation of fundraising events that have been a significant source of revenue in other years. The results of future operations, if any, of the thrift shops cannot be predicted, but it could result in a reduction in the amounts the shops and events will contribute to the Organization in the coming year.

Due to the ongoing developments and uncertainty surrounding COVID-19, it is unknown the extent of the impact the COVID-19 outbreak may have on the Organization as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

18. Comparative figures

Certain of the prior year's figures have been reclassified to conform to the current year's presentation.

	March 31, 2020 As previously reported $	Reclassification $	March 31, 2020 Reclassified $
Assets			
Cash	779,620	222,380	1,002,000
Investments and restricted cash	816,168	(816,168)	-
Short-term investments	-	593,788	593,788

Mennonite Central Committee Saskatchewan

Schedule of expenses

Year ended March 31, 2021

	2021	2020
	$	$
Amortization	**86,879**	91,686
Communication and promotion	**20,389**	23,262
Compensation and benefits	**1,020,315**	1,089,525
Contribution to other charities	**21,000**	29,039
Events	**45,125**	73,041
Forwarding to MCC Canada	**1,813,411**	1,891,478
Insurance	**11,783**	10,902
Material resource kit supplies	**68,897**	57,202
Meetings, workshops & hospitality	**6,960**	38,434
Miscellaneous	**7,811**	1,162
Occupancy	**109,540**	116,544
Professional fees	**54,589**	52,349
Refugee resettlement	**67,930**	202,122
Staff development	**7,696**	11,851
Supplies, subscriptions and licenses	**32,581**	39,866
Travel	**2,727**	115,525
	3,377,632	3,843,989