

THE PRESBYTERIAN CHURCH BUILDING CORPORATION

To the Venerable, the 149th General Assembly:

The Presbyterian Church Building Corporation (the Corporation) originated with individual Presbyterians in congregations, sessions, presbyteries and synods. In 1968, the General Assembly created the corporation as a separate corporate entity to fulfill the mandate as guarantor of loans and was amalgamated with most prior synod corporations. The corporation thankfully acknowledges its origins and faithfully fulfills the mandate. Continuity with its origins is maintained by directors and employees of the corporation who are Presbyterians and members of congregations, sessions, presbyteries and synods.

The corporation was incorporated in 1968, without share capital, under Part II of the Canada Corporations Act and is registered as a charity under the Income Tax Act. In 2011, the Canada Not-For-Profit Corporations Act (the NFP Act) came into force and the corporation was continued, as legally required, under the NFP Act on March 28, 2014.

OPERATIONS

The corporation fulfills its mission by helping with church building and renovation projects and since inception it has granted a total of 248 loans for an aggregate of over \$60 million.

There were no new borrowings in 2023. Several congregations are holding off borrowings due to the current high interest rates. Some looking to borrow in 2024 in anticipation of lower interest rates.

As at year end 2023, there was over \$5.4 million in loans, either advanced or approved for advance, to a total of 13 congregations and related entities.

Congregations continue to faithfully meet their repayment obligations and as interest rates rose, congregations were resourceful in paying down their loan balances. An impressive total \$1,724,989 in loan repayments were received in 2023. We are pleased to congratulate The Church of Saint David, Halifax, Nova Scotia and Arabic Church of Montreal, Saint-Laurent, Quebec for retiring their loans during the year and well within the prescribed maturity requirements.

Following the adoption of Remits B and C, 2019 at the 2021 General Assembly, one of our existing loans has indicated their desire to sever ties with The Presbyterian Church in Canada. We continue to monitor this loan closely; conversations and meetings are underway regarding options for repayment of the existing loan to the corporation and for the ownership of the church building.

The Chief Operating Officer (COO) also acts as the Coordinator of Lending Services for The Presbyterian Church in Canada. During the year two loans with a total of \$200,000 were approved for processing through the Lending Fund of The Presbyterian Church in Canada. Furthermore, to streamline all available loans to congregations, the COO has agreed to oversee the application/approval process for congregational loans that are administered by Canadian Ministries. Effective 2023, the COO will officially oversee the Lending Fund portfolio with support from The Presbyterian Church in Canada staff.

As initially requested by the 1972 General Assembly, through the years, the corporation has helped with housing to many retired servants of the church and, at present, supports eight individuals either through housing assistance or rental accommodations geared to income. One of our recipients died in December 2023. However, the surviving spouse has applied for the assistance and will continue receiving the assistance offered.

The financial statements of the corporation for the year ended December 31, 2023 were audited by KPMG LLP Chartered Accountants and the Auditors' Report thereon is unqualified. Every non-profit must ensure that it is operating in compliance with external requirements. The corporation is in full compliance and all filings are up-to-date.

The Board of Directors manages the business of the corporation by an annually appointed executive committee. The board usually meets in April and the corporation is fortunate to have representation from each synod across Canada. The Executive Committee meets as needed, usually several times during the year. The day-to-day administration and management of the business operations of the corporation is conducted by the Chief Operating Officer. We express

gratitude to the directors, the Executive Committee and the members of the Audit and Nominating Committees for the diligence, advice and counsel they continue to provide.

The current year directors are: Dr. Mary E. Brabston, Winnipeg, Manitoba; Judge Jamie S. Campbell, Halifax, Nova Scotia; Mr. Neil F. Coutts, Mississauga, Ontario; Ms. Mary Chudley, Victoria, British Columbia; Mr. George D. Gordon, Oakville, Ontario; The Rev. Ian A. Ross-McDonald, Toronto, Ontario; The Rev. Dr. J.P. (Ian) Morrison, Scarborough, Ontario; Mr. David Phillips, Uxbridge, Ontario (chair); Mr. Kenneth Sheward, Avondale, Nova Scotia; Ms. Sandra Steadman, Beaconsfield, Quebec; Ms. Nancy Thornton, Toronto, Ontario; Mr. Kenneth Wilson, Saskatoon, Saskatchewan; Ms. Doris Eaglesham, St Catharines, Ontario; Mr. Richard Wilson, Calgary, Alberta.

We wish to note the retirement this year of Mr. Siegfried Quickert, Scarborough, Ontario, who served as director of the corporation since 2006. Throughout, he has been very active in the affairs of the corporation, serving first as vice-chair then as chair from 2009 to 2016, member of the Executive Committee and chair of the Audit Committee until his retirement. His contribution, presence and influence will be missed.

We also note the retirement this year of the following directors the Rev. Dr Basil C. Lowery, Fredericton, New Brunswick, who served since 2005; Mr. William Paterson, Edmonton, Alberta, who since 2019; Mr. Alex R. Grant, Calgary, Alberta who served since 1991. We express our gratitude for the commitment and the gifts they generously shared that enriched the board for many years.

PROGRESS ON GOALS/STRATEGIC PLAN

The General Assembly, in June 2016, approved a strategic plan for the national church and the corporation is working to implement this plan as it pertains to its mandate and operations. Included is a requirement that we “explore buildings as tools that set congregations and presbyteries free to pursue faithful ministry”. We continue to assist congregations with decisions on improvements and major repairs to buildings and, regularly consult with congregations and groups within the church across Canada.

The landscape for churches and their traditional buildings is changing rapidly, as church property is sold or repurposed and congregations are finding new ways of being church. In the face of this reality the PCBC is working with other committees of the national church, using the resources available to us internally and externally; to provide guidance to our congregations and to assist with discernment in exploring possibilities. This includes the repurposing of buildings to better support congregations and their mission in the community, with a result of creating building spaces which are more adaptable and responsive to the needs of their communities, allowing for greater flexibility and use, as well as opening new revenue streams.

The Chief Operating Officer continues to assist with the sale of buildings as The Presbyterian Church in Canada Finance resumes this task over the next year.

David Phillips
Chair

Betty Kupeian
Chief Operating Officer