

Financial Statements of

COLUMBIA BIBLE COLLEGE

And Independent Auditor's Report thereon

Year ended April 30, 2025



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Columbia Bible College

Opinion

We have audited the financial statements of Columbia Bible College (the Entity), which comprise:

- the statement of financial position as at April 30, 2025
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes and schedules to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at April 30, 2025 and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

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

We are independent of the Entity 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 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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- 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 Entity'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 Entity 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.
- 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.

KPMG LLP

Chartered Professional Accountants

Abbotsford, Canada

September 18, 2025

COLUMBIA BIBLE COLLEGE

Statement of Financial Position

April 30, 2025, with comparative information for 2024

	2025	2024
Assets		
Current assets:		
Cash (notes 2 and 3)	\$ 1,671,038	\$ 1,831,519
Investments and marketable securities (note 3)	1,342,004	1,230,854
Accounts receivable	158,352	129,806
Inventories	21,800	9,801
Prepaid expenses	201,006	170,758
	<u>3,394,200</u>	<u>3,372,738</u>
Life insurance cash surrender value	54,752	51,207
Tangible capital assets (note 4)	7,945,102	8,320,964
	<u>\$ 11,394,054</u>	<u>\$ 11,744,909</u>
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities (note 5)	\$ 233,904	\$ 214,448
Accrued holiday pay	210,944	186,689
Scholarships payable	97,250	73,000
Refundable deposits and unearned revenue	325,896	444,288
Deferred revenue (note 6)	502,797	474,552
	<u>1,370,791</u>	<u>1,392,977</u>
Deferred capital contributions (note 7)	6,547,305	6,896,915
Net assets:		
Invested in tangible capital assets (note 8(a))	1,397,797	1,424,049
Scholarship endowment principal	1,466,397	1,457,512
Internally restricted (note 10)	275,056	368,175
Unrestricted	336,708	205,281
	<u>3,475,958</u>	<u>3,455,017</u>
Commitments (note 11)		
	<u>\$ 11,394,054</u>	<u>\$ 11,744,909</u>

See accompanying notes to financial statements.

On behalf of the Board:



COLUMBIA BIBLE COLLEGE

Statement of Operations

Year ended April 30, 2025, with comparative information for 2024

	2025	2024
Student revenue:		
Course fees	\$ 2,426,520	\$ 2,469,785
Other student revenue	1,459,628	1,349,467
	<u>3,886,148</u>	<u>3,819,252</u>
Constituency support:		
Donations (note 9)	1,814,303	1,145,157
Conference support revenue (note 9)	300,264	350,773
Programs to assist students (note 6)	189,813	125,600
	<u>2,304,380</u>	<u>1,621,530</u>
Other income:		
Ancillary income (Schedule 1)	412,881	360,447
Lease, investment, and miscellaneous income	144,568	192,617
	<u>557,449</u>	<u>553,064</u>
	<u>6,747,977</u>	<u>5,993,846</u>
Expenses:		
Academic programs	1,982,478	2,002,779
Administration	1,562,289	1,555,336
Ancillary services (Schedule 1)	234,403	193,110
Scholarships and bursaries (Note 6)	391,470	326,580
Student development	1,741,278	1,548,632
Advancement & external relations	345,927	456,892
Marketing and student recruitment	398,041	184,017
	<u>6,655,886</u>	<u>6,267,346</u>
Excess (deficiency) of revenues over expenses before the undernoted	92,091	(273,500)
Amortization of tangible capital assets	(429,645)	(416,355)
Amortization of deferred capital contributions (note 7)	349,610	349,610
	<u>(80,035)</u>	<u>(66,745)</u>
Excess (deficiency) of revenues over expenses	<u>\$ 12,056</u>	<u>\$ (340,245)</u>

See accompanying notes to financial statements.

COLUMBIA BIBLE COLLEGE

Statement of Changes in Net Assets

Year ended April 30, 2025, with comparative information for 2024

	Invested in tangible capital assets	Scholarship endowment principal	Internally restricted	Unrestricted	2025	2024
Net assets, beginning of year	\$ 1,424,049	\$ 1,457,512	\$ 368,175	\$ 205,281	\$ 3,455,017	\$ 3,781,290
Deficiency of revenues over expenses (note 8(b))	(80,035)	-	-	92,091	12,056	(340,245)
Endowment contributions	-	8,885	-	-	8,885	13,972
Net change in invested in tangible capital assets (note 8(b))	53,783	-	-	(53,783)	-	-
Interfund transfers (note 10)	-	-	(93,119)	93,119	-	-
	\$ 1,397,797	\$ 1,466,397	\$ 275,056	\$ 336,708	\$ 3,475,958	\$ 3,455,017

See accompanying notes to financial statements.

COLUMBIA BIBLE COLLEGE

Statement of Cash Flows

Year ended April 30, 2025, with comparative information for 2024

	2025	2024
Cash provided by (used in):		
Operations:		
Deficiency of revenues over expenses	\$ 12,056	\$ (340,245)
Items not involving cash:		
Amortization of tangible capital assets	429,645	416,355
Amortization of deferred capital contributions	(349,610)	(349,610)
Increase in life insurance cash surrender value	(3,545)	(3,316)
Unrealized gain on investments and marketable securities	(111,150)	(81,598)
Changes in non-cash operating working capital:		
Accounts receivable	(28,546)	68,962
Inventories	(11,999)	8,590
Prepaid expenses	(30,248)	(1,805)
Accounts payable and accrued liabilities	19,456	(46,049)
Accrued holiday pay	24,255	(13,386)
Scholarships payable	24,250	(12,650)
Refundable deposits and unearned revenue	(118,392)	50,743
Deferred revenue	28,245	27,131
	(92,979)	(276,878)
Financing:		
Endowment contributions	8,885	13,972
Investing:		
Purchase of tangible capital assets	(53,783)	-
Decrease in cash	(160,481)	(262,906)
Cash, beginning of year	1,831,519	2,094,425
Cash, end of year	\$ 1,671,038	\$ 1,831,519

See accompanying notes to financial statements.

COLUMBIA BIBLE COLLEGE

Notes to Financial Statements

Year ended April 30, 2025

General:

Columbia Bible College (the "College") is incorporated as a corporation without share capital under the Columbia Bible College Act of British Columbia. The College provides post-secondary education, including Bachelor of Arts degrees, diplomas and certificates to students drawn from Canada and other parts of the world.

The College is a registered charity under the Income Tax Act and accordingly is exempt from income taxes under Paragraph 149(1)(l) of the Income Tax Act.

1. Significant accounting policies:

These financial statements are prepared in accordance with Canadian Accounting Standards for Not-For-Profit Organizations ("ASNPO"). The College's significant accounting policies are as follows:

(a) Revenue recognition:

The College follows the deferral method of accounting for revenue recognition. Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Contributions restricted for the purchase of tangible capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related tangible capital assets. Unrestricted contributions and pledges 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 endowment net assets.

Restricted investment income is deferred and recognized as revenue in the year in which the related expenses are recognized. Unrestricted investment income is recognized as revenue when earned.

Operating subsidies are recognized as revenue when received.

Course fees and ancillary revenues are recognized as revenue when earned.

A substantial number of volunteers contribute a significant amount of their time each year. Due to the difficulty of determining the fair value, contributed services are not recognized in the financial statements.

Gifts-in-kind are valued at their estimated fair value at their time of contribution when a fair value can be determined and the College would otherwise have purchased the items.

COLUMBIA BIBLE COLLEGE

Notes to Financial Statements (continued)

Year ended April 30, 2025

1. Significant accounting policies (continued):

(b) Inventories:

Inventories consisting of food, bookstore merchandise, office and general supplies, is valued at the lower of actual cost and net realizable value, with net realizable value being the estimated selling price less costs to sell. Inventory consisting of office and general supplies is valued at the lower of actual cost and replacement cost.

(c) Life insurance policies:

Life insurance policies are recorded at fair value which is equal to the cash surrender value. Premiums are expensed as incurred. Any final pay-out is recognized as revenue when received.

(d) Tangible capital assets:

Purchased tangible capital assets are recorded at cost. Contributed tangible capital assets are recorded at fair value at the date of contribution. Betterments which extend the estimated life of an asset are capitalized. When a tangible capital asset no longer contributes to the Colleges' ability to provide services, its carrying amount is written down to its residual value, if any.

Tangible capital assets are amortized on a straight-line basis using the following annual rates:

Asset	Rate
Building and improvements	40 years
Furniture, fixtures, and equipment	8 years
Vehicles	5 years

In the year of acquisition, amortization is taken at one-half of the above rates.

(e) Use of estimates:

The preparation of the financial statements 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 revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amount of tangible capital assets and accrued liabilities. Actual results could differ from those estimates.

COLUMBIA BIBLE COLLEGE

Notes to Financial Statements (continued)

Year ended April 30, 2025

1. Significant accounting policies (continued):

(f) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The College has elected to carry investments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the College determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the College expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future year, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

2. Cash:

The College has a credit facility with the BMO Bank of Montreal for \$500,000 bearing interest at prime plus 0.5%. As at April 30, 2025, there was no amount drawn on this facility (2024 - nil).

COLUMBIA BIBLE COLLEGE

Notes to Financial Statements (continued)

Year ended April 30, 2025

3. Restricted assets:

Included within cash and investments and marketable securities are the following restricted assets which are segregated and held for the purpose of funding the following obligations:

	2025		2024	
Scholarship endowment principal	\$	1,466,397	\$	1,457,512
Deferred revenue		502,797		474,552
Internally restricted		275,056		368,175
	\$	2,244,250	\$	2,300,239
Represented by:				
Cash	\$	962,708	\$	1,115,839
Mutual funds investments		1,281,542		1,184,400
	\$	2,244,250	\$	2,300,239

Mutual funds investments are included within the Investments and marketable securities in the Statement of Financial Position.

4. Tangible capital assets:

			2025		2024	
	Cost	Accumulated amortization	Net book value	Net book value		
Land	\$ 1,494,291	\$ -	\$ 1,494,291	\$ 1,494,291		
Buildings and improvements	15,187,525	8,941,885	6,245,640	6,573,305		
Furniture, fixtures, equipment and vehicles	2,327,743	2,122,572	205,171	253,368		
	\$ 19,009,559	\$ 11,064,457	\$ 7,945,102	\$ 8,320,964		

The Certificate of Title for the land on which the College operates is held in escrow for a period of 50 years, ending on January 1, 2050.

COLUMBIA BIBLE COLLEGE

Notes to Financial Statements (continued)

Year ended April 30, 2025

5. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of \$59,146 (2024 - \$56,301), which includes amounts payable for payroll related taxes and employer health taxes.

6. Deferred revenue:

Deferred revenue represents externally restricted donations and restricted investment income received for the purpose of programs assisting students. Specifically, the distribution of student scholarships and bursaries.

	Gym maintenance reserve	Programs assisting students	2025	2024
Balance, beginning of year	\$ 90,702	\$ 383,850	\$ 474,552	\$ 447,421
Add amounts received:				
Donations	-	109,396	109,396	72,005
Investment income	-	113,371	113,371	91,559
Student fees	26,840	-	26,840	22,160
	117,542	606,617	724,159	633,145
Less amounts recognized as revenue in the year, used for:				
Bursaries and scholarships awarded	-	(189,813)	(189,813)	(125,600)
Gym maintenance	(31,549)	-	(31,549)	(32,993)
	\$ 85,993	\$ 416,804	\$ 502,797	\$ 474,552

Total bursaries and scholarships expense of \$391,470 (2024 - \$326,580) includes disbursements of \$189,813 (2024 - \$125,600) from deferred revenue.

7. Deferred capital contributions:

Deferred capital contributions represent the unamortized amount of donations received for the purchase of tangible capital assets. The amortization of capital contributions is recorded as revenue in the statement of operations.

COLUMBIA BIBLE COLLEGE

Notes to Financial Statements (continued)

Year ended April 30, 2025

7. Deferred capital contributions (continued):

	2025	2024
Balance, beginning of year	\$ 6,896,915	\$ 7,246,525
Less: amounts amortized to revenue	(349,610)	(349,610)
Balance, end of year	\$ 6,547,305	\$ 6,896,915

8. Invested in tangible capital assets:

(a) Invested in tangible capital assets is calculated as follows:

	2025	2024
Tangible capital assets - net book value	\$ 7,945,102	\$ 8,320,964
Amounts financed by:		
Deferred capital contributions	(6,547,305)	(6,896,915)
	\$ 1,397,797	\$ 1,424,049

(b) Change in invested in tangible capital assets is calculated as follows:

	2025	2024
Deficiency of revenue over expenses:		
Amortization of deferred capital contributions	\$ 349,610	\$ 349,610
Amortization of tangible capital assets	(429,645)	(416,355)
	\$ (80,035)	\$ (66,745)

	2025	2024
Net change in invested in tangible capital assets:		
Purchase of tangible capital assets	\$ 53,783	\$ -

COLUMBIA BIBLE COLLEGE

Notes to Financial Statements (continued)

Year ended April 30, 2025

9. Related parties:

During the year, the College received subsidies from the Mennonite Church BC (MCBC) and the B.C. Conference of Mennonite Brethren Churches (BCMBC) as follows:

	2025	2024
Mennonite Church BC	\$ 46,666	\$ 100,000
B.C. Conference of Mennonite Brethren Churches	253,598	250,773
	<u>\$ 300,264</u>	<u>\$ 350,773</u>

MCBC and BCMBC are related parties by virtue of their ability to elect members to the College's Board.

In addition the College received donations of \$413,430 (2024 - \$538,138) from members of the College's Board. The amount is included within total donations in the Statement of Operations.

10. Internally restricted:

On an annual basis, the Board of Directors will internally restrict up to 2.5% of operating revenues as a capital reserve. These internally restricted funds are not available for other purposes without the approval of the Board of Directors.

	2025	2024
Balance, beginning of year	\$ 368,175	\$ 438,300
Permitted expenditures	(93,119)	(70,125)
Balance, end of year	<u>\$ 275,056</u>	<u>\$ 368,175</u>

COLUMBIA BIBLE COLLEGE

Notes to Financial Statements (continued)

Year ended April 30, 2025

11. Commitments:

The College is committed to minimum lease payments for office equipment. The estimated lease payments up to the end of the lease terms are as follows:

2026	\$	16,548
2027		16,548
2028		16,548
2029		3,119

12. Financial risks and concentration of risk:

(a) Liquidity risk:

Liquidity risk is the risk that the College will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The College manages its liquidity risk by monitoring its operating requirements. The College prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. Management does not believe there is a significant credit risk. The College monitors on a regular basis the credit risk to which the College is exposed in relation to its financial assets and takes steps to minimize the risk of loss.

(c) Investment risk:

The College manages its investment portfolio to earn investment income and invests according to an Investment Policy Statement approved by the Board. The College is not involved in any hedging relationships through its operations and does not hold or use any derivative financial instruments for trading purposes.

The College manages interest-rate risk, market, credit and cash flow risk from its investments by investing in a diversified portfolio.

There has been no change to the financial risk exposure from prior year.

COLUMBIA BIBLE COLLEGE

Notes to Financial Statements (continued)

Year ended April 30, 2025

13. Comparative information:

Certain comparative information has been reclassified to conform with the financial statement presentation adopted in the current year. These reclassifications do not impact the excess (deficiency) of revenue over expenses in the prior year or net assets.

COLUMBIA BIBLE COLLEGE

Schedule 1 - Ancillary Services

Year ended April 30, 2025, with comparative information for 2024

	Hospitality	Biblical Museum	2025	2024
Revenues	\$ 411,032	\$ 1,849	\$ 412,881	\$ 360,447
Expenses	(224,231)	(10,172)	(234,403)	(193,110)
	\$ 186,801	\$ (8,323)	\$ 178,478	\$ 167,337

COLUMBIA BIBLE COLLEGE

Schedule of Private Training Act ("PTA") tuition

Year ended April 30, 2025, with comparative information for 2024

	2025	2024
PTA tuition revenue from approved programs	\$ 324,875	\$ 322,165
PTA unearned tuition from approved programs	5,750	5,750