

Retirement Plan for Ministers of
the Christian Reformed Church in
Canada
Financial Statements
For the year ended December 31, 2023

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Christian Reformed Church in Canada
Financial Statements**
For the year ended December 31, 2023

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Independent Auditor's Report

To the Administrator of
Retirement Plan for Ministers of the Christian Reformed Church in Canada

Opinion

We have audited the financial statements of the Retirement Plan for Ministers of the Christian Reformed Church in Canada (the "Plan"), which comprise the statement of net assets available for benefits as at December 31, 2023, and the statement of changes in net assets available for benefits for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as at December 31, 2023, and its changes in net assets available for benefits for the year then ended in accordance with the financial reporting provisions of Section 76 of Regulation 909 under the Pension Benefits Act, 1990 (Ontario).

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 report. We are independent of the Plan 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 of our opinion.

Emphasis of Matter Basis of Accounting and Restriction on Use

We draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Administrator of the Plan to meet the requirements of the Financial Services Regulatory Authority of Ontario. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter. Our report is intended solely for the Administrator of the Plan and the Financial Services Regulatory Authority of Ontario and should not be used by parties other than the Administrator of the Plan and the Financial Services Regulatory Authority of Ontario.

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 the financial reporting provisions of Section 76 of Regulation 909 under the Pension Benefits Act, 1990 (Ontario), 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 Plan's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Plan or to cease operations, or has no realistic alternative but to do so.

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



Independent Auditor's Report (Continued)

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 these 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 Plan'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 Plan'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 Plan 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.


BDO CANADA LLP

Chartered Professional Accountants, Licensed Public Accountants
Oakville, Ontario
July 31, 2024

**Retirement Plan for Ministers of the
Christian Reformed Church in Canada
Statement of Net Assets Available for Benefits**

December 31	2023	2022
Assets		
Retirement Plan component		
Cash	\$ 225,194	\$ 1,491,169
Investments (Note 2)	82,206,656	74,463,185
Accrued income	152,441	81,168
Accounts receivables	53,341	16,628
	82,637,632	76,052,150
Special Assistance Fund component		
Cash	1,699,775	395,445
Accounts receivable	-	348
	1,699,775	395,793
	84,337,407	76,447,943
Liabilities		
Retirement Plan component		
Accounts payable and accrued liabilities	439,697	168,220
Due to related party (Note 5)	203,087	93,432
	642,784	261,652
Special Assistance Fund component		
Due to related party (Note 5)	1,274	-
	644,058	261,652
Net assets available for benefits (Note 3)	\$ 83,693,349	\$ 76,186,291

On behalf of the Plan's Administrator:



**Retirement Plan for Ministers of the
Christian Reformed Church in Canada
Statement of Changes in Net Assets Available for Benefits**

For the year ended December 31	2023	2022
Increase in assets		
Retirement Plan component		
Employer contributions - normal	\$ -	\$ 597,290
Other Income	36,550	\$ 44,475
	36,550	641,765
Investment income (loss)		
Realized gain on sale of investments	2,702,966	2,388,339
Unrealized gain (loss) on investments	5,818,095	(12,944,307)
Interest	509,082	432,458
Dividends	1,567,031	1,635,682
	10,597,174	(8,487,828)
	10,633,724	(7,846,063)
Special Assistance Fund component		
Employer contributions - normal	2,077,816	1,457,603
Interest income	24,472	15,817
Ministry shares	7,073	5,924
	2,109,361	1,479,344
Total increase (decrease) in assets	12,743,085	(6,366,719)
Decrease in assets		
Retirement Plan component		
Benefit costs		
Canadian pensionable service	3,365,634	3,186,256
Lump sum disbursements	10,332	-
Retirement contributions and other fringe benefits	11,542	-
Administrative expenses (Note 4)	1,107,077	894,664
	4,494,585	4,080,920
Special Assistance Fund component		
Expenses		
Assistance payments	6,000	31,076
Moving allowances, net of reimbursements	22,000	2,000
Spousal supplemental payments	10,780	1,139
Transfers to the Christian Reformed Church in North America Denominational Services (Note 5)	702,662	1,457,603
	741,442	1,491,818
Total decrease in assets	5,236,027	5,572,738
Increase (decrease) in net assets	7,507,058	(11,939,457)
Net assets available for benefits, beginning of year	76,186,291	88,125,748
Net assets available for benefits, end of year	\$ 83,693,349	\$ 76,186,291

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

Retirement Plan for Ministers of the Christian Reformed Church in Canada

Notes to Financial Statements

December 31, 2023

1. Significant Accounting Policies

Purpose of the Plan

The purpose of the Plan is to provide benefits to members upon pension eligibility. The Plan is comprised of a Retirement Plan component and a Special Assistance Fund component. Retirement plan funds are invested in accordance with the Plan's Statement of Investment Policies and Procedures.

Basis of Presentation

These financial statements have been prepared in accordance with the significant accounting policies set out below to comply with the accounting requirements prescribed by the Financial Services Regulatory Authority of Ontario for financial statements in accordance with the financial reporting provisions of Section 76 of Regulation 909 under the Pension Benefits Act, 1990 (Ontario). These regulations require pension plans to adhere to the provisions of *Section 4600 – Pension Plans in Part IV – Accounting Standards for Pension Plans* of the Chartered Professional Accountants (CPA) Canada Handbook, although they permit the exclusion of the actuarial liabilities of the Plan. Consequently, these financial statements do not purport to show the adequacy of the Plan's assets to meet its pension obligations. For accounting policies that do not relate to the Plan's investment portfolio, the Plan has elected to apply Canadian accounting standards for private enterprises.

Contributions

In accordance with the provisions of the Plan, the minister's annual pension amount at normal retirement age is 1.1% of the Plan's pensionable salary multiplied by the minister's years of pensionable service in Canada prior to January 1, 1985 plus 1.46% of the Plan's pensionable salary for service performed after December 31, 1984 through December 31, 2010, plus 1.3% of the plan's pensionable salary for service performed after December 31, 2010.

Based on the periodic actuarial valuations, the sponsor is required to provide the funding necessary to ensure that benefits will be fully provided for on retirement. Based on an actuarial valuation of the Plan prepared as at December 31, 2022, no contributions are required for the year ending December 31, 2023 for the Retirement Plan component. All contributions in excess of those required to fund the Retirement Plan component are allocated to the Special Assistance Fund component.

Investments

Investments of the Plan are stated at fair market value, where available.

The fair value of cash and short-term investments approximates cost plus accrued interest due to their short-term nature.

The Plan holds units in various real estate and private equity investment funds which hold the underlying investments. The units are not publicly traded. Investment values are calculated from financial statements which include fair values based on periodic, independent appraisals of the underlying assets. The Plan's calculation of the fair value of these funds are based on the units it holds multiplied by the value per unit as reported in the audited financial statements of the funds.

Investments held in pension eligible pooled funds are stated at fair value on a trade-date basis. Pooled fund investments are valued at unit values supplied by the pooled fund administrator, which represent the Plan's proportionate share of underlying net assets at fair values determined using closing quoted market prices. The investment income recognized is the increase or decrease in the value of the pooled funds. Dividends and interest are reinvested within the pooled funds.

Retirement Plan for Ministers of the Christian Reformed Church in Canada

Notes to Financial Statements

December 31, 2023

1. Significant Accounting Policies (Continued)

Investments (continued)

The realized gain (loss) on sale of investments is determined by the excess (shortfall) of proceeds over average cost of investments sold.

The unrealized gain (loss) on investments represents the unrealized appreciation (depreciation) in fair value of investments held at the year end less the related unrealized appreciation (depreciation) as at the previous year end.

Pension Benefits and Funding Policy

Benefit payments to participants are recorded upon distribution.

Actuarial valuations are prepared and filed as required by the Pension Benefits Act (Ontario) to estimate the surplus or deficit for the Plan and to determine required contributions. The last actuarial valuation was completed by Eckler Ltd. and filed as of December 31, 2022. The actuarial basis used in the valuation was the projected unit credit method prorated on service. Reference should be made to this actuarial valuation with respect to the most recently calculated actuarially determined going concern and solvency funding positions.

Foreign Currency Translation

Foreign currency accounts are translated to Canadian dollars as follows:

At the transaction date, each asset, liability, revenue or expense is translated into Canadian dollars by the use of the exchange rate in effect at that date. At the year end date, monetary assets and liabilities, including investments which are carried at fair value, are translated into Canadian dollars by using the exchange rate in effect at that date and the resulting foreign exchange gains and losses are included in income in the current period.

Use of Estimates

The preparation of financial statements requires the Plan Administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities at the financial statement date and the reported amounts of changes in net assets available for benefits during the reporting period. Actual results could differ from those estimates as additional information becomes available in the future.

Income Tax Status

The Plan is registered pursuant to the Pension Benefits Act and the Income Tax Act (Canada), and is not subject to income taxes.

Retirement Plan for Ministers of the Christian Reformed Church in Canada Notes to Financial Statements

December 31, 2023

2. Investments

(a) Investments by Investment Manager

	2023		2022	
	Fair Value	Cost	Fair Value	Cost
Advisory Research				
Cash and short-term investments	\$ 2,752	\$ 2,631	\$ 5,303	\$ 4,934
Apex Investments				
Cash and short-term investments	147,965	151,630	89,844	88,084
Foreign equities	2,850,741	2,286,036	2,376,172	2,210,726
	2,998,706	2,437,666	2,466,016	2,298,810
Bahl Gaynor				
Cash and short-term investments	63,005	64,461	123,435	122,484
Foreign equities	5,515,547	4,001,767	5,270,419	3,738,059
	5,578,552	4,066,228	5,393,854	3,860,543
Boston Partners LCV				
Cash and short-term investments	179,465	182,872	283,213	282,158
Canadian equities	207,350	147,581	194,429	109,046
Foreign equities	5,786,885	4,326,279	6,012,286	4,635,019
	6,173,700	4,656,732	6,489,928	5,026,223
Earnest Partners				
Cash and short-term investments	59,926	61,637	114,403	112,985
Foreign equities	3,090,454	2,617,177	2,697,401	2,445,407
	3,150,380	2,678,814	2,811,804	2,558,392
Edgewood Management LLC				
Cash and short-term investments	111,816	114,980	42,269	41,979
Foreign equities	5,796,655	3,550,598	4,321,093	3,385,796
	5,908,471	3,665,578	4,363,362	3,427,775
Fidelity				
Fixed income	12,369,803	13,816,199	11,525,249	13,132,190
Fiera Capital				
Foreign equities	16,635,010	8,744,128	15,599,104	9,683,737
Real estate	3,511,481	3,040,033	3,578,177	2,877,512
	20,146,491	11,784,161	19,177,281	12,561,249

Retirement Plan for Ministers of the Christian Reformed Church in Canada Notes to Financial Statements

December 31, 2023

2. Investments (Continued)

(a) Investments by Investment Manager - (continued)

	2023		2022	
	Fair Value	Cost	Fair Value	Cost
Guardian Capital				
Cash and short-term investments	480,802	480,802	338,131	338,129
Canadian equities	16,370,458	12,428,257	14,557,084	12,142,736
Foreign equities	177,160	219,738	140,396	192,408
	17,028,420	13,128,797	15,035,611	12,673,273
Merrill Lynch				
Cash and short-term investments	127,845	127,845	9,613	9,613
Private equity	5,692,077	5,548,926	4,689,969	4,403,673
	5,819,922	5,676,771	4,699,582	4,413,286
Principal Group				
Cash and short-term investments	64,921	67,091	51,623	51,335
Canadian equities	292,136	274,595	188,440	203,205
Foreign equities	2,672,402	2,059,750	2,255,132	2,178,422
	3,029,459	2,401,436	2,495,195	2,432,962
Total investments	\$ 82,206,656	\$ 64,315,013	\$ 74,463,185	\$ 62,389,637

Retirement Plan for Ministers of the Christian Reformed Church in Canada Notes to Financial Statements

December 31, 2023

2. Investments (Continued)

(b) Investment Allocation

The individual investments that exceed 1% of the fair value of the Plan are as follows:

	2023		2022	
	Fair Value	Cost	Fair Value	Cost
Fixed income				
Fidelity Canadian Bond Core Plus Trust	\$12,369,803	\$13,816,199	\$11,525,249	\$13,132,190
Canadian equity investments				
Canadian Natural Resources Ltd.	1,013,420	677,430	653,777	434,772
Bank of Montreal	1,193,888	1,002,418	682,480	579,524
Royal Bank of Canada	1,013,576	665,938	903,193	596,734
Suncor Energy Inc	989,255	579,620	1,019,289	590,265
Other (less than 1% individually)	12,659,805	9,925,027	11,681,214	10,253,692
Total Canadian equity investments	16,869,944	12,850,433	14,939,953	12,454,987
Cash and short-term investments				
Other (less than 1% individually)	1,238,497	1,253,949	1,057,834	1,051,701
Foreign equity investments				
Fiera International Equity Fund	16,635,010	8,744,128	15,599,104	9,683,737
Other (less than 1% individually)	25,889,844	19,061,345	23,072,899	18,785,837
Total foreign equity investments	42,524,854	27,805,473	38,672,003	28,469,574
Private equity investments				
BCP VIII Access Fund (Offshore) L.P.	971,103	899,368	785,972	730,458
Carlyle Buyout VII - Access Fund (Offshore) L.P.	1,553,455	1,339,298	1,495,278	1,369,778
KKR Custom Equity - Opportunities Cayman Fund LP	1,101,185	1,075,067	1,234,466	1,099,534
TPG Growth V Access Fund (Offshore) L.P.	1,416,724	1,501,151	960,728	967,181
Other (less than 1% individually)	649,610	734,042	213,525	236,722
	5,692,077	5,548,926	4,689,969	4,403,673
Real estate investments				
Fiera Real Estate Core Fund LP	3,511,481	3,040,033	3,578,177	2,877,512
Total investments	\$82,206,656	\$64,315,013	\$74,463,185	\$62,389,637

Retirement Plan for Ministers of the Christian Reformed Church in Canada Notes to Financial Statements

December 31, 2023

2. Investments (Continued)

(b) Investment Allocation - (continued)

Percentage of investments at fair value:

	Fund Policy %	Target Allocation %	2023 %	2022 %
Fixed income	15 - 30	25	15	15
Canadian equities	15 - 30	20	20	20
Foreign equities	30 - 60	40	52	52
Cash and short-term investments	0 - 20	-	2	2
Private equity	0 - 15	10	7	6
Real estate	0 - 10	5	4	5
		<u>100</u>	<u>100</u>	<u>100</u>

(c) Investment Commitments

As at December 31, 2023, the Plan has the following investment commitments, denominated in \$USD:

	Aggregate Commitment	Capital Calls to December 31, 2023	Balance Outstanding
BCP VIII - Access Fund (Offshore) L.P.	\$ 1,000,000	\$ 680,000	\$ 320,000
Carlyle Buyout VIII - Access Fund (Offshore) L.P.	1,000,000	555,000	445,000
Coller Secondaries Access Fund IX (Offshore) LP	1,500,000	-	1,500,000
TPG Growth V Access Fund (Offshore) L.P.	1,000,000	980,000	20,000
	<u>\$ 4,500,000</u>	<u>\$ 2,215,000</u>	<u>\$ 2,285,000</u>

Retirement Plan for Ministers of the Christian Reformed Church in Canada Notes to Financial Statements

December 31, 2023

3. Net Assets Available for Benefits

Net assets available for benefits is comprised of:

	2023	2022
Retirement Plan component	\$ 81,994,848	\$ 75,790,499
Special Assistance Fund component	1,698,501	395,792
	\$ 83,693,349	\$ 76,186,291

4. Administrative Expenses

Administrative expenses are comprised of:

	2023	2022
Actuarial fees	\$ 59,824	\$ 27,930
Audit	46,243	21,687
Investment management and custodial fees	602,767	574,592
Office expense - coordinated services and other fees (Note 5)	398,243	270,455
	\$ 1,107,077	\$ 894,664

5. Related Party Transactions and Balances

The Christian Reformed Church in North America Denominational Services administers the Plan and pays the shared expenses of the Plan and is reimbursed. In the current year, an amount of \$398,243 (2022 - \$270,455) was allocated to the Plan and is included in administrative expenses at its exchange value (the amount of consideration established and agreed to by the parties).

The following amounts are due to the Christian Reformed Church in North America Denominational Services at December 31:

	2023	2022
Retirement Plan component	\$ 203,087	\$ 93,432
Special Assistance Fund component	1,274	-

In the current year, the Board of Trustees approved transfers of \$702,662 (2022 - \$1,457,603) from the Special Assistance Fund component to the Christian Reformed Church in North America Denominational Services.

Retirement Plan for Ministers of the Christian Reformed Church in Canada Notes to Financial Statements

December 31, 2023

6. Financial Instruments and Risk Management

The Plan's investing activities exposed it to a variety of direct and indirect financial risks: credit risk, liquidity risk and market risk (including interest rate risk, currency risk and other price risk). These risks have not changed from the prior year.

Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation that is entered into with the Plan. The Plan's cash and short-term investments are subject to credit risk. The Plan also has credit risk relating to its investment in a pooled bond fund, but the Plan manages this risk as the pooled fund invests in investment-grade and government bonds.

Liquidity Risk

The Plan is also exposed to *liquidity risk* in the event that investments must be sold quickly. The Plan manages its liquidity risk by investing mainly in active markets with assets that can be readily disposed as liquidity needs arise, assuming orderly markets, however, the private equity and real estate investments are susceptible to increased liquidity risk.

Market Risk

Market risk is the risk of loss that results from fluctuations in equity prices, interest and exchange rates. The Plan is exposed to market risk from its investing activities. The level of risk to which the Plan is exposed varies depending on market conditions and the composition of the asset mix.

Interest rate risk refers to the effect on the fair value of the Plan's fixed income investment assets due to fluctuations in interest rates. As of December 31, 2023, had prevailing interest rates increased or decreased by 1% with all other variables held constant, net assets available for benefits would have decreased or increased, respectively, by approximately \$124,000 (2022 - \$115,000). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign currencies. As of December 31, 2023, had the Canadian dollar appreciated or depreciated by 5% relative to other currencies with all other variables held constant, net assets available for benefits would have decreased or increased, respectively, by approximately \$2,126,000 (2022 - \$1,934,000). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices, other than those arising from interest rate risk or currency risk, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in a market. The Plan manages the price risk primarily through diversifying the investments across industry sectors and through investments strategies. As of December 31, 2023, had equity prices increased or decreased by 10% with all other variables held constant, the net assets available for benefits would have increased or decreased, respectively, by approximately \$5,939,000 (2022 - \$5,361,000).

Retirement Plan for Ministers of the Christian Reformed Church in Canada

Notes to Financial Statements

December 31, 2023

6. Financial Instruments and Risk Management (Continued)

Market Risk (continued)

Financial Instruments Fair Value Hierarchy

Disclosure of a three-level hierarchy for fair value measurements is based upon transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

Level 1 - For securities valued based on unadjusted quoted prices in active markets for identical assets.

Level 2 - For securities valued based on inputs, other than quoted prices included in Level 1, that are observable for the asset, either directly or indirectly.

Level 3 - For securities valued based on inputs that are based on unobservable market data.

As at December 31, the following table represents a summary of investments held by level:

	2023	2022
Level 1 - Cash and equities	\$ 60,633,295	\$ 54,669,790
Level 2 - Bonds and other interest-bearing investments	12,369,803	11,525,249
Level 3 - Private equity and real estate investments	9,203,558	8,268,146
	\$ 82,206,656	\$ 74,463,185

The schedule below presents a reconciliation of Level 3 investments measured at fair value using unobservable inputs during the year. Realized and unrealized gains are included in investment income.

	2023	2022
Balance, beginning of year	\$ 8,268,146	\$ 7,131,666
Purchases	1,307,774	867,571
Realized gain on sale of investments	-	227,595
Unrealized gain (loss) on investments	(372,362)	41,314
	\$ 9,203,558	\$ 8,268,146

7. Capital Management

The Plan considers its capital to be its net assets available for benefits. The Plan's objective when managing its capital is to accumulate funds to provide retirement benefits to Plan members, as further described in Note 8.

Retirement Plan for Ministers of the Christian Reformed Church in Canada

Notes to Financial Statements

December 31, 2023

7. Capital Management (Continued)

Based on periodic actuarial valuations, the sponsor is required to provide the funding, in accordance with applicable regulatory requirements, to ensure that benefits will be fully provided for on retirement. The Plan's investment assets are invested in accordance with the Plan's Statement of Investment Policies and Procedures, most recently amended and approved September 2023 that reflects the new target asset allocations, and within the applicable regulatory limits. The Plan's Statement of Investment Policies and Procedures is reviewed at least annually.

The investment managers appointed by the Trustees are directed to achieve a long-term rate of return through a diversified portfolio, consistent with acceptable risks and prudent management. The long-term investment objective of the Plan is to achieve a minimum rate of return of 3% per annum in excess of the increase in the Consumer Price Index, before investment management fees. Actual results related to the Plan's investment portfolio are disclosed in the Statement of Changes in Net Assets Available for Benefits.

The investment policy includes guidelines on asset mix and risk allocation. The document lists the investment constraints, for example, the maximum exposure permitted for a single issuer, the liquidity requirements and currency management. The policy also identifies the authorized counterparties and includes the approval requirements.

The objective of risk management is to achieve a diversifying of risks and returns in order to minimize the likelihood of an overall reduction in total Plan value and maximize the opportunity for gains over the entire portfolio. The trustees also manage the liquidity risk so that there is sufficient liquidity to meet current benefit payments, and to give the Plan the ability to adjust the asset mix in response to changes in the market conditions.

The Canadian Pension Trustees meet regularly to assess the investment risk associated with the portfolio and determine action plans, if required.

The risk management strategy of the Plan did not change during the year ended December 31, 2023.

There has been no change in what the Plan considers to be its capital and there have been no significant changes to the Plan's capital management objectives, policies and processes in the year.

8. Plan Information

The following description of the Retirement Plan for Ministers of the Christian Reformed Church in Canada (the "Retirement Plan") and the Special Assistance Fund for Ministers of the Christian Reformed Church in Canada (the "Special Assistance Fund") is only a summary. For more complete information, reference should be made to the Retirement Plan and Special Assistance Fund documents.

The Plan is a defined benefit pension plan established for ministers in Canada of The Christian Reformed Church in North America (the "Church"). The Plan is registered with the Financial Services Regulatory Authority of Ontario (registration #458596). The Plan is administered by the Canadian Pension Trustees in accordance with the terms of the Trust Deed. The Plan also provides for a disability pension prior to age 65 in circumstances as defined by the Plan. A minister becomes eligible for the Plan on his service commencement date in the Church. The Plan provides for 100% vesting of the Church's contribution upon Plan registration.

Retirement Plan for Ministers of the Christian Reformed Church in Canada Notes to Financial Statements

December 31, 2023

8. Plan Information (Continued)

All organized churches are required to pay church assessments determined at an amount per professing member age 18 years and older or, if greater, the direct costs of their first or only pastor's participation in the Retirement Plan. These amounts are collected by means of monthly billings to each organized church based on reported membership statistics.

All emerging churches and each other ministry that employs a minister or endorsed chaplain as a missionary, professor, teacher or in any other capacity are required to pay the annual cost of participation in the Retirement Plan. Grant of credited service for pastors in the employ of agencies, churches and other organizations is contingent on timely payment of amounts billed.

The Church maintains a similar plan for ministers serving in the United States of America. The Synod of the Christian Reformed Church (the "Synod") has established that the total pension obligation to ministers and their dependents in Canada and the United States of America is an across-the-board denominational responsibility requiring joint financing.

The Special Assistance Fund provides to any retired minister, their surviving spouse or orphan, assistance payments for needs that are recognized as a necessity of life and are of an unusual and emergency nature. The Special Assistance Fund also provides for payment of a defined amount to a retired minister or their surviving spouse for one-time moving expenses. The Synod provides financing for the Special Assistance Fund through denominational ministry shares and contributions.

The Plan provides for five trustees who are appointed by the Synod.

9. Comparative Figures

Certain of the comparative amounts have been reclassified to conform with the current year's financial statement presentation.