

**BOARD OF GOVERNORS
OF THE CANADIAN REFORMED THEOLOGICAL SEMINARY
Report to
General Synod Edmonton, 2019**

October 11, 2018

Esteemed brothers in the Lord,

The Board of Governors of the Theological College of the Canadian Reformed Churches, operating as the Canadian Reformed Theological Seminary (the “Seminary”), hereby submits to your assembly, in accordance with section 6 (1) of the Canadian Reformed Theological College Act 1981 (the “Act”), a report of its work and decisions since the last General Synod held in Dunnville, Ontario, in May of 2016 (“Synod 2016”).

The report is organized with the following sub headings:

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Board of Governors

Synod 2016 appointed to the Board brs. K. VanVeen, P. Vandersluis, and Revs. J. Louwerse, J. Slaa, and J. Poppe with the terms to continue to 2025. At the meeting of September 8, 2016 letters of acceptance were received from these brothers and they subsequently signed the “Declaration of Governors” as found in By-law 12 as well as the “Statement of Compliance” as found in the Handbook of the Seminary.

Since Synod 2016, the Board of Governors has met 6 times. The meetings took place in Hamilton, Ontario in the facilities of the Seminary on the following dates: Sept. 8, 2016, Jan. 14, 2017, Sept. 7, 2017, Jan. 11, 2018, Sept. 6, 2018, and Jan. 17, 2019. Minutes of these meetings of the Board are available for consultation by members of Synod 2019.

The following brothers have completed their term as Board members: Revs. J. Ludwig and R. Aasman, and br. B. Hordyk. The Board would like to express its gratitude for the work done by these brothers during the last nine years. The Board is submitting a proposal to Synod to fill the vacancy in the Finance and Property Committee. Synod will receive background information regarding the qualifications of these brothers. Recommendations to fill the ministerial vacancies may be expected from Regional Synod West 2018 and Regional Synod East 2018

Senate and Faculty

Retired faculty

Our Lord took to Himself Dr. J. DeJong on April 15, 2017. We commend his wife, Margaret, and her family into the care of our heavenly Father. Mrs. Faber was also taken into glory on June 30, 2018. May the Lord comfort her children and grandchildren in their loss. Prof. J. Geertsema, though he has had more treatments for cancer, is in stable condition and enjoying relatively good health. Dr. N. Gootjes remains on long term disability and continues to be cared for at Shalom Manor in Grimsby, Ontario. In addition, Mrs. K. Deddens is doing well, and is grateful to the Lord that her cancer is in remission. In humbleness, we entrust Dr. and Mrs. Gootjes and their family, as well as Prof. J. Geertsema, and Mrs. Deddens into God’s keeping and request the continued prayers of the churches for these individuals. We thank the Lord that Dr. C. Van Dam is able to be active in his retirement — writing, speaking, and attending conferences.

Upcoming Retirement of Dr. G. H. Visscher

Dr. G. H. Visscher has informed the Board that he will retire, D.V., after the 2019-2020 academic year. Therefore, the Board declares a vacancy in the New Testament department beginning September 2020. A Search Committee (consisting of three members of the Academic Committee, one member of the Finance and Property Committee as well as the Principal) was appointed and the work of researching candidates began. Input was received from the Senate and many of the churches. In a separate submission to be provided at a later date, the Board will be seeking the approval of Synod 2019 to appoint a new Professor of New Testament to begin September 2020. Although Dr. Visscher could have retired immediately after Synod 2019, he was interested in teaching a little bit longer, and this also gives the seminary, as well as the new

professor, the opportunity to make a smoother transition. Therefore, the Board supports the timeline suggested by Dr. Visscher.

Faculty milestones

Since 2016, there have been a number of faculty publications. *As You See the Day Approaching: Reformed Perspectives on the Last Things*, edited by T. G. Van Raalte was completed and made available for distribution. This book is a reproduction of the speeches and responses given at the January 2015 CRTS conference. All members of the Senate contributed to this book. Emeriti Dr. VanDam saw his book *The Deacon*, a companion volume to his widely-read *The Elder*, published with Reformation Heritage Books. Dr. Van Raalte saw his doctoral dissertation published with Oxford University Press. The title is *Antoine de Chandieu: The Silver Horn of Geneva's Reformed Triumvirate*. The fruit of another lengthy labour is Dr. Smith's recently completed *Intermediate Hebrew Grammar*. For the moment this book is being published in-house and the next few classes of freshmen students will serve as guinea pigs to fine-tune the work. Turning to more popular literature, the much-anticipated work on the Psalms, edited by Rev. Peter Holtvliwer, is now in distribution. It's called *Christ's Psalms, Our Psalms*. Two faculty members, Dr. de Visser and Dr. Van Vliet, were involved in this project. Dr. Van Vliet also published a three volume work entitled *Growing in the Gospel: Sound Doctrine for Daily Living*, which is being used widely within the churches.

In addition to full-length books, over the past year professors have written popular articles, for example on the pages of *Clarion*, as well as scholarly articles in journals such as *Unio Cum Christo*, the Mid-America Theological Journal, Calvin Theological Journal, the Sixteenth Century Journal, Renaissance and Reformation and chapter contributions to books such as *The Early Sessions of the Synod of Dort* and *The SBL Commentary on the Septuagint*.

Principalship

As decided by Synod 2016, Dr. J. VanVliet was appointed as Principal of the Seminary for a three-year term starting in September 2017. At the September 2018 Board meeting, it was reported that the most recent Principal Evaluation was very positive.

Course work

The Board can report that the work, training, and instruction at the Seminary continued without interruption since the last General Synod. Each September, the Board received an extensive report from the Senate about the work of the previous academic year. These reports indicate that all courses were taught and that the adopted curriculum was fully implemented. In addition, each spring and fall, a team of two Board members visited the lectures for two days and provided a comprehensive report to the Board. These reports indicate that the instruction provided by the faculty is fully Scriptural, in accord with the confessions of the churches, and is academically challenging.

Visits to the Churches by Faculty Members

- a. The following visits were made to the Western churches: Dr. T.G. VanRaalte visited the Alberta churches October 25-29, 2016; Dr. G.H. Visscher visited the churches in British Columbia April 12 to May 1, 2017. Dr. J. Van Vliet will visit the Manitoba churches, D.V., the fall of 2018.
- b. Other trips: Dr. J. Van Vliet went to South Africa June 27 to July 11, 2017 to give lectures to the Free Reformed Churches of South Africa (FRCSA) and its theological students. There is a memorandum of understanding with the FRCSA that a CRTS professor will travel to South Africa once a year to give these lectures (see below “South Africa”). Dr. A.J. de Visser was there from July 5-31, 2018. These trips are paid for by the FRCSA. In December 2017 Dr. T.G. Van Raalte gave lectures in Poland. In October 2017 Dr. J. Van Vliet was invited to visit the Manitoba churches to speak in conjunction with the 500th anniversary of the Reformation. From February 20 to March 3, 2018 Dr. Van Vliet visited the Korean and Chinese churches.
- c. Visits to Ontario Churches: 21 churches have been visited in the last 3 years. 10 churches (including Grand Rapids) need to be visited yet.

Support from Australia

The bond between the Seminary and the Free Reformed Churches of Australia (FRCA) is reflected not only in the student body (presently there are six students from Australia), but also in the significant financial support received from these churches. Synod 2018 of the FRCA decided to provide support at the level of \$90 per communicant member. During the last three years, the Board was also pleased to receive representation from the Deputies for the Training for the Ministry of the FRCA at Board meetings and at the annual Convocation. The Board is very thankful for the continued support of the FRCA.

Staff

Administrative assistants

The Board is grateful for the continued service of Catherine Mechelse in her full-time administrative role. Leanne Kuizenga continues to serve as assistant to the faculty, especially to the Principal and Registrar. Leanne works 20 hours a week.

Librarian

We are grateful for the faithful and professional service of our librarian, Margaret Alkema. Each year, she files a comprehensive Report to the Board about developments and changes in the Library. From these reports, it is abundantly evident that the Library is well-managed and ever responsive to the needs of faculty and students as well to constant changes in technology. The library received \$35,000 each year from the WSA in 2016-2018. This amount has been the same

since 2014. In 2016, the library also received \$5000 from the BOG. This amount was increased to \$6,000 in 2017 and 2018.

There have been no changes to library software. There are currently approx. 34,700 books in the library. There are also over 16,800 articles indexed in the Reformed Periodical Index.

The BOG repaired a humidification unit and added some components to it, to help improve humidity levels in the winter.

The librarian works together with the faculty to provide information literacy sessions for the students so that they will be better library users throughout their time at CRTS and later in the ministry. Last summer a large inventory of the entire library was carried out.

The library catalogue and the Reformed Periodical Index (which includes *Clarion*, *Diakonia*, *Reformed Perspective*, *Preach the Word*, *Lux Mundi*, and past issues of *Koinonia*) can be found here: Library catalogue: <http://vtls-crts-app.iii.com:2391/search/query?theme=CRTS>

RPI Index: <http://vtls-crts-app.iii.com:2391/search/query?theme=RPI>

Student Body

Since Synod Dunnville, twelve students graduated with a Master of Divinity Degree:

- a. Iwan Borst, Jonathan Chase, Jeremy DeHaan, William denHollander, Hilmer Jagersma, HanGil Lee, David Pol, and Jake Torenvliet in 2016.
- b. James Zekveld in 2017.
- c. Darren Feenstra, Cody Swaving and Sungwon Yoon in 2018.

Two students graduated with a Bachelor of Theology degree: John Boekee in 2016, and Scott Bredenhof in 2018.

One student, Robert Smith, graduated in 2018 with a Diploma of Theological Studies.

In the academic year 2018-2019 there are:

- a. 6 freshmen in the M.Div. program. 1 student has been admitted to the Diploma program. 2 Korean M. Div. students are joining us for one year of the M.Div. program.
- b. 7 second-year students: 4 in the M. Div., 2 in the B. Th. and 1 in the Diploma of Theological Studies program
- c. 3 third-year students all in the M. Div. program.
- d. 6 fourth- year students all in the M. Div. program.

Total: 19 M. Div., 2 B.Th., 2 Dip. Th., for a grand total of 23 students plus 2 Koreans joining CRTS for one year.

South Africa

Three CanRC synods (Burlington 2010, Carman 2013 and Dunnville 2016) have encouraged CRTS to consider carefully the needs of Free Reformed Churches in South Africa for theological

training. At the request of the Curators for Theological Education in South Africa, a meeting was held at the seminary on May 25 & 26, 2016. In attendance were two representatives from South Africa, Dr. Pieter Boon and br. Ronald Meeske, the Senate of CRTS, as well as two representatives of the Board, Revs. Richard Aasman and John Ludwig. At this meeting the brothers from South Africa made an earnest request that we would provide them with video recordings of our lectures, in order that a facilitator in South Africa could review this material with some of their theological students and so enhance the Reformed character of their training, especially for the students from the mission churches, most of whom could not realistically come to Canada for seminary training. If there are South African students who can come to Hamilton, the Curators will certainly encourage them to do so.

After prayerful reflection and discussion of many details, and with Board approval, a memorandum of understanding was signed. A pilot project began in September 2016 in the Freshmen classroom, and in September 2017 this was expanded to include the senior classroom as well. Many lectures have been recorded, and Rev. Hannes Breytenbach serves as facilitator in South Africa discussing the lecture material with the students to ensure that they understand what is being taught and also giving opportunity for discussion within the South African context. Although there have been technical hurdles to overcome, in general the program has gone well and the students in South Africa are receiving education that is more Reformed in character. In this way they are better prepared to serve within their own federation and its extensive mission work.

It should be clear that the students who receive video lectures from CRTS do not receive a degree or certificate from CRTS. Neither are they officially enrolled in the seminary. That would involve a whole other level of organization and commitment, both on their side and ours. For the time being, this arrangement is feasible and manageable from both sides.

Part of the memorandum of agreement is that each of the CRTS professors, in turn, would travel to South Africa to give some face-to-face instruction to the students there, as well as speaking within the churches. The Curators for Theological Education felt that it was very important that both the students and the members of their congregations would have a personal relationship with the professors of CRTS. So far Drs. Van Vliet and de Visser have gone and the trips have been greatly appreciated. Although it remains to be seen how this agreement might develop in the future, it is clear that the LORD has already blessed it in many ways.

Finance and Property

Attached to this Report for inclusion in the *Acts of Synod* are the 2016, 2017 and 2018 Annual Reports of the Finance and Property Committee (Appendix 1) along with audited Annual Financial Reports for the fiscal years ending December 31 for each of 2016, 2017 and 2018 (Appendix 2). These Reports indicate that the facilities of the Seminary are functioning very well and are being kept in good repair. The seminary is in the process of receiving a comprehensive building audit from a local architectural firm so that long-term maintenance and upgrades to the

building can be planned out in a responsible and stewardly manner. It is also clear from the F&P Reports that the churches continue to support the Seminary faithfully. Each year the budget could be met. The Board is thankful for the work of Mr. H. Salomons, C.A., who was Auditor for many years. In its January 2018 meeting, the Board appointed a new auditor: DBK Accounting. In addition, the Board also acknowledges with thankfulness the generous annual contributions of the Women's Savings Action.

Pastoral Training Program

The Board can report that the Pastoral Training Program continues to work very well. There is good cooperation from the churches in finding placements for the students, and the students continue to testify that the benefits for them are considerable.

Accreditation with the Association of Theological Schools (ATS)

In 2013, CRTS received accreditation from the Association of Theological Schools (ATS), based in Pittsburgh, PA. This association is comprised of over 270 member-schools of theology, including CRTS, and the goal of the association is to promote the improvement of theological education at the member schools. The accreditation that CRTS received in 2013 is valid until spring 2020. ATS did require some work in the intervening years, most notably in the areas of assessment and shared governance. CRTS submitted a report to ATS at the end of December 2015 regarding shared governance. In this report, CRTS explained the roles of the Board and the faculty in such areas as curriculum development, freedom of inquiry, ongoing evaluation of faculty, and budget preparation. ATS was satisfied with the explanations provided in the report and accepted the report in 2016. In January 2017, CRTS was required to submit a report that demonstrated that CRTS was working with and analyzing its assessment data demonstrating that CRTS was meeting its program outcomes. This report was also accepted by ATS and CRTS was commended for assessing many different aspects of the educational program and the well-crafted assessment tools.

In June 2016, Dr. G. H. Visscher attended the ATS Biennial meeting. Attendance at these meetings is very useful for learning from other schools about best practices, governance matters, and developments in education and educational models at ATS schools, etc. In March 2018, the Assessment Coordinator, Margaret Alkema, attended a workshop at ATS's office to prepare for the next self-study. Work will begin in earnest in September 2018 and conclude with a self-study report in December 2019, D.V. In June 2018, Dr. Jason Van Vliet attended the biennial meeting and at this meeting, the ATS membership voted overwhelmingly to rewrite the standards.

Strategic Planning Session 2017

On September 6, 2017, Kevin Hutchinson led CRTS's second Strategic Planning Session. Members of the Board, faculty, staff, as well as several alumni and current students came together to discuss the future of CRTS. At the strategic planning session, we reviewed and refreshed the existing strategic plan, had a presentation on distance education and developed new key thrusts and initiatives to be worked on over the next few years.

One significant “key thrust” approved by the Board was distance education. The Board appointed an ad hoc committee to study how CRTS could use the possibilities and potential of technology within the context of distance education with a primary focus on serving our supporting churches, as well as their mission works, in the best possible way without sacrificing the integrity and quality of training for the ministry. Two of the Australian deputies (Rev. Peter K.A. De Boer, Rev. Dirk Poppe) as well as representatives from our sister churches in South Africa (Rev. Hannes Breytenbach, br. Ronald Meeske) were asked to join this committee as their input and suggestions would enhance the discussion and lead to a better and more well-rounded outcome. The following points are being considered:

- a. What are the present needs and future plans of the churches in Australia, South Africa and Canada;
- b. What are the needs and future plans of mission work associated with these churches?
- c. What parameters and options does ATS (CRTS’s present accrediting agency) present to us? What opportunities and restrictions vis-à-vis accrediting, if any, do we need to keep in mind with respect to Australia and South Africa, or mission contexts?
- d. What different models are available for distance education? What are the pros and cons of each model?
- e. What are the main platforms (hardware & software) that educational institutions use for distance education?
- f. How can we ensure the integrity and quality of the program?
- g. How does spiritual formation of students take place through distance education?

The other key initiatives and thrusts being worked on are: spiritual formation with a focus on prayer development, encouraging enrollment, expanding the PTP, improving training for church planting/mission, looking at CRTS’s relationship with the URCNA, and looking at the finances and funding of CRTS.

Second-year Preaching Consent

At the first CRTS strategic planning session held on September 4, 2014, it was decided to “investigate second-year preaching consent and other internship opportunities for students and have recommendations on how to implement.” This issue had arisen in part for two reasons: first, because CRTS now has students from the URCNA, and they are permitted to seek a full-summer preaching internship after only one year of study at CRTS whereas our CanRC students must wait until after their third year; second, CanRC students attend CRTS only eight of the twelve months each year and the first- and second-year students then spend four months in work not related to their vocational goals. A report was prepared on this matter, which was approved by both the Senate and the Board. The report was then sent on to two churches who were interested in pursuing this and it is progressing through the assemblies.

Changes to By-law 12

Since the last Synod, the Board of Governors has dealt with the procedure regarding the appointment of the principal which requires an amendment to the By-laws. This change has been

approved by the Board, but since all By-law changes need to be approved by General Synod we hereby submit it for approval. It is as follows:

Observations

1. The Board of Governors notes that according to the College Act, 5.11
 - a. *The government, conduct, management and control of the College and of its property, revenues, expenditures, business and affairs are vested in the Board and the Board has all powers necessary or convenient to perform its duties and achieve the object and purpose of the College including, without limiting the generality of the foregoing, the power,*
 - (a) *through (f) omitted*
 - (b) (g) *to appoint or remove the Principal;*
2. Meanwhile, Bylaw 12, 10.01 (b) stipulates:
 - a. 10.01 *Composition and Powers – All appointments to the faculty shall be subject to the approval of Synod. The Board of Governors shall seek the advice of Synod with respect to the following matters . . .*
 - (b) *the appointment of the Principal, and his power, function and duty;*
 - (d) *the termination of a member of the faculty or the Principal.*
3. From the above it appears that these two are in conflict with each other, the one maintaining that the Board can appoint the principal, the other maintaining that a General Synod should be consulted beforehand.
4. In recent years CRTS, with Synod involvement, has transitioned from a rotational system (new principal every 3 years) to a more permanent system (with a Principal appointed for up to 9 years (3 renewable terms for 3 years each). See CH 4.5 in Appendix 3. There is general agreement that this new system works well as it allows for some more continuity for some years, without saddling one person with the task permanently.
5. The involvement of a General Synod is, however, somewhat cumbersome with respect to the implementation of the new system for the following reasons.
 - a. The end of each of the three years do not necessarily coincide well with the timing of General Synods with respect to re-appointment.
 - b. One can imagine situations in which the need for a Synod to terminate a faculty member's role as a principal would be problematic.
 - c. Furthermore, if a person who is Principal wishes to be such no longer, or the CRTS community no longer wants him to be such, is it really beneficial and edifying for this to become a matter for a federational discussion through a Synod? Would it not be best to keep such discussions to the smallest circle, especially since the Act 1981 states that "the Board has all powers necessary or convenient to perform its duties and achieve the object and purpose of the College

including, without limiting the generality of the foregoing, the power . . . to appoint or remove the Principal”?

Recommendations

1. That Synod agree that, with a view to the smooth operation of the Seminary, the Board should be allowed to execute the power of the Act, Section 5.11 without limitation, and simply report at a Synod either what it expects will happen and/or report on what has happened with respect to the position of the Principal.
2. That Synod agree to the following changes to Bylaw 12:
 - a. That section (b) of Bylaw 12 10.01 be deleted
 - b. That the words “or the Principal” be deleted from section (d) of Bylaw 12 10.03.
3. That once the above changes are made to the Bylaw, the Board be mandated by Synod to make the necessary consequential changes to the CRTS Handbook (CH).

Form for the Ordination of Professors

The Board accepted the recommendation of the Academic Committee to approve a Form for the Ordination of Professors, to include in the CRTS Handbook. The Board hereby informs Synod that this form has been formulated for the installation of professors when they are installed as a minister in one of the local churches. It is included in this report as CH 5.1.3 in Appendix 3.

Response to Synod Dunnville 2016

A. Statement of Institutional Purpose (SIP)

1. The Board-proposed Basis of the SIP is “CRTS submits to the infallible Word of God and is faithful the ecumenical creeds and the Belgic Confession, the Heidelberg Catechism, and the Canons of Dort”.
 - a. Dunnville Church has suggested that terminology is “faithful to the creeds” can come across a bit presumptuous, but does not clarify what is meant by “presumptuous” or what is objectionable about it.
 - b. Dunnville church suggested the wording should be more in line with wordings used elsewhere (Forms for Baptism, Profession of Faith).
 - c. Synod took over Dunnville’s proposal and approved its wording: “CRTS submits to the infallible Word of God in the Old and New Testaments as summarized in the ecumenical creeds and the Belgic Confession, the Heidelberg Catechism, and the Canons of Dort”.

Considerations

1. Dunnville’s wording is somewhat problematic.
 - a. Could this wording not be understood as saying that CRTS is to submit (only) to a summary of the Word of God? Perhaps (only) to parts that are mentioned in the creeds and confessions? While this is surely not the intention of Dunnville church nor Dunnville Synod, it could be read as binding the CRTS community to a truncated version of the Word of God rather than the fully Scriptures.

- b. Dunnville church and Synod directs the Board to the wording of the Baptism Form and the Profession of Faith form. But neither of these forms adopt the wording Synod Dunnville has now adopted. Rather than speaking about a summary of Scripture, they speak of a summary “of the doctrine of Scripture.”
- 2. It should be noted that Synod, rather than encouraging the Board to do so, actually adopted Dunnville church’s proposal (art. 76, 4.6.3), but at the same time motioned the Board towards Toronto’s suggestion that the SIP should be an internal CRTS document.
 - a. There is wisdom in the advice of Toronto and it is best not to disturb in any way the present legislative basis of CRTS, but rather understand the SIP as an internal document. The College Act (1981) already has a Basis, namely, “The College shall be carried on as a Christian institute of theology whose basis shall be the infallible Word of God as interpreted by the Belgic Confession, the Heidelberg Catechism and the Canons of Dordt as adhered to by the churches.” (CH 2.1).
 - b. It can also be noted that the wording originally proposed by the Board to Synod Dunnville (“CRTS submits to the infallible Word of God and is faithful the ecumenical creeds and the Belgic Confession, the Heidelberg Catechism, and the Canons of Dort”) is clear and avoids the problems identified above; subscription is then to the totality of the Scriptures. This proposed SIP should be perfectly acceptable to a seminary that wishes to be solidly reformed. Given the sentiment expressed to and at Synod Dunnville, it may be prudent, however, not to press the point but acquiesce with respect to wording commonly used in the federation.

Recommendations

In conclusion

- 1. In agreement with the advice of Toronto, the SIP is best understood as an internal policy document.
- 2. With respect to the SIP the Board informs Synod 2019 that it
 - a. Adopts the wording, “CRTS submits to the doctrine of the infallible Word of God as summarized in the ecumenical creeds and the Belgic Confession, the Heidelberg Catechism, and the Canons of Dort.”
 - b. Agrees to regard the SIP as an internal document, intended to support and in no way contradict the Act of 1981.

B. Re Tenure

The church at Toronto also recommended to Synod 2016 that it mandate a comprehensive review of the tenure policy of CRTS and a proposal at the next Synod re tenure; Synod mandated the Board to consider the input of Toronto. The Board provides the following response to Synod Dunnville (and Toronto):

- 1. Many seminaries across North America have abandoned the practice of granting tenure as it opened up a way for abuse by those to whom it was granted; instead, all faculty are considered to be perpetually under review.
- 2. CRTS hires as professors only those who are ministers of the Word and function in both an academic and ecclesiastical context.
- 3. While CRTS does indeed not have a “full tenure policy,” its present policy does allow beneficially for a six-year period after the appointment of a professor in which the

professor, senate, and Board can affirm the validity and desirability of the original appointment.

4. A full tenure policy such as universities often have necessarily involves:
 - a. Different levels of professorial status (assistance, associate, full)
 - b. Differing pay grades commensurate with these varying levels of professional status.
 - c. Differing levels of both status and pay would potentially be problematic with a view to equality among office-bearers (Art. 74 CO), and the CRTS policy and practice of remunerating professors in a manner commensurate with local ministers (cf. CH 5.3.1).
 - d. Adopting a full tenure approach is not beneficial in a small seminary context but could introduce unhealthy tension, rivalry, etc.
 - e. Adequate provisions and encouragement with respect to development of gifts and production of publications have been made in recent additions to the CH (5.1, 5.6, 5.10) as well as by means of the role of the academic dean, who is to discuss these matters with colleagues in accordance with internal faculty guidelines.
 - f. Seminary professors are ministers of the Word committed to their families, the seminary, and the church federation. Should there be any evidence of a reduced commitment to the seminary and professional development, there are adequate means to address such without necessitating a more elaborate tenure structure.

Recommendations

1. To receive this report and all its appendices.
2. To acknowledge the expiration of the terms of office of Revs. J. Ludwig, R. Aasman, and br. B. Hordyk and to express gratitude for their work.
3. Pursuant to Section 5(2) of the Act and Section 3.04 of By-Law 3
 - a. To appoint, elect or re-appoint six active ministers to hold office until the next General Synod and to appoint at least three substitutes from each Regional Synod area, keeping in mind that the By-laws prohibit anyone from serving more than three consecutive terms and also keeping in mind that:
 - i. The following brothers were appointed by Synod 2016 and are eligible to be reappointed for two more terms: from Regional Synod West, Rev. J Poppe and Rev. J. Slaa; from Regional Synod East, Rev. J. Louwerse.
 - ii. The following brother was appointed by Synod 2013 and is eligible for reappointment for one more term: from Regional Synod East, Rev. M. VanLuik;
 - b. To reappoint brs. K. Van Veen and P. Vandersluis as Governors for a term lasting until the second subsequent General Synod.
 - c. To reappoint br. C. Medemblik and F. Oostdyk as Governors for a term lasting from the date of re-appointment until the next subsequent General Synod.
 - d. To appoint one new non-ministerial Governor for a term lasting from the date of appointment until the third subsequent General Synod, with a standby replacement candidate as well. The Board's recommendation for these appointments can be found in a separate letter which also contain curricula vitae.

4. To request the churches to continue to remember in their prayers the needs of Mrs. K. Deddens, Mrs. M. DeJong, Dr. and Mrs. N.H. Gootjes and Prof. J. Geertsema.
5. To appoint Dr. J. VanVliet as Principal for the years 2019-2022;
6. To approve the change to the By-laws described in this report;
7. To maintain the current procedure of granting tenure to professors;
8. To approve all other decisions and actions of the Board and of its committees for the years 2016, 2017 and 2018 until the date of this Report;
9. To express gratitude for the support from the Free Reformed Churches in Australia.
10. To consider the audited financial statements and the report of the Auditors for the previous fiscal periods; to relieve the Treasurer of the Board of all responsibilities for these fiscal periods; to support and recommend the reappointment of DBK Accounting as Auditor until the next General Synod, subject to the discretion and direction of the Board.
11. To acknowledge with gratitude the financial contributions of the Women's Savings Action to the well-being of the Seminary.

The Appendices of this report are listed below and are attached hereto:

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| Appendix 1 | Annual Reports of the Finance and Property Committee for 2016, 2017 & 2018 |
| Appendix 2 | Audited Financial Statements for CRTS for the fiscal years ended December 31 st for each of 2015, 2016 & 2017 |
| Appendix 3 | Relevant Portions of the CRTS Handbook |

Appendix 1

Annual Reports of the Finance and Property Committee

2016

2017

2018

September 8, 2016

The Board of Governors of the Theological College
Of the Canadian Reformed Churches
(operating as the Canadian Reformed Theological Seminary)

Esteemed Brothers:

The Finance and Property Committee (the “committee”) of the Board of the CRTS of the Canadian Reformed Churches is pleased to submit the Thirty Fifth Annual Report covering the period June 10, 2015 to June 12, 2016.

1. General Activities

The committee is pleased to report that the Lord enabled the members to meet four times over the year under review [November 2015, January 2016, March 2016 and June of 2016]. The committee consisted of A. Bax, Chairman, B. Hordyk, Secretary, H. C. Kampen, Treasurer and two members at large, C. Medemblik and F. Oostdyk. At the June 2016 meeting the two new members appointed by General Synod 2016 were in attendance, P. Vandersluis and K. Van Veen. At the same meeting A. Bax and H.C. Kampen were thanked for all their contribution to the committee during their respective terms. F. Oostdyk was chosen as the new Chairman and C. Medemblik as the new Treasurer.

Consistent with our bylaws, all of the meetings were attended by the Principal, Dr. G.H. Visscher.

The minutes of our meetings have been circulated to the Deputies for the Training for the Ministry of the Free Reformed Churches of Australia.

2. Physical Property and Maintenance

The facilities of the Seminary continue to serve the community of the Seminary and broader church community very well.

In addition to routine maintenance, the following projects were attended to:

- a. Proposals have been received for a retaining wall along the north side walkway and a south side walkway as required for emergency exit. A patio is also being considered for the south side when the sidewalk is installed.
- b. Review of the flat roof over the admin section of the building. Engineering proposals for further study are being requested.

3. Finances relating to the Faculty and Staff

Consistent with Synod directives the salaries were reviewed. Adjustments were made to maintain Synod’s intent that these salaries provide a disposable income comparable to that of ministers in the Hamilton/Burlington area. The result was an approximately 1.9% increase in salaries for 2016

At present support is provided to four professors emeritus [Dr. C. Van Dam, Dr. N.H. Gootjes Prof G. Geertsema and Dr J. DeJong]. Support also continues for Mrs. Faber, widow of the late Dr. J. Faber.

Ms. Catharine Mechelse (Office Administrator) and Mrs. Leanne Kuizenga (Part-time Faculty Administrative Assistant) continue to serve us well. Mrs. Kuizenga is increasing her part-time commitment to four days per week and will be taking on additional bookkeeping responsibilities.

Mrs. Margaret Alkema continues to serve us as our Librarian, and plays a significant role in coordinating matters at the Seminary in regard to our accreditation with the Association of Theological Schools. She currently serves as Assessment Coordinator.

The staff salaries were reviewed and adjusted in accordance with the established schedules. Annual performance reviews were completed for all support staff.

A review of staff salary and benefits was undertaken. As a result some modifications to the salary grid were approved. The compensation for the librarian was also adjusted in consideration of the additional responsibilities she has. A review of benefits is also planned in the coming months.

4. Finances

It is with deep gratitude and thankfulness that the churches continue their support of the Seminary faithfully. We note in particular the ongoing substantial support of our sister churches in Australia. Mr. Henry Salomons, C.A. continued as our auditor for the fiscal period ending December 31, 2015 and financial statements were issued and filed for such period. Mr. Salomons has been appointed our auditor for the fiscal period ending December 31, 2016.

You will have received the financial statements for the period ending December 31, 2015 and the budget for fiscal 2016.

The Seminary remains in good standing with the Canada Revenue Agency and maintains its status as a charitable institution.

5. Tuition Fees

The tuition fees for the academic year starting September 2016 are \$2,100.00 for the Diploma of Theological Studies and \$2,200 for the Bachelor of Theological program. The fees for part-time courses are raised to \$80 per credit hour.

6. Budget

A draft budget for 2016 was presented to the Board of Governors and approved at their meeting of September 10, 2015. The 2016 budget includes an increase in the assessments to the churches of about 3.8% going from \$82.00 to \$85.00 per communicant member. The 2017 budget includes an increase in assessments to the churches for 2017 of about 5.9% going from \$85.00 to \$90 per communicant member.

7. Conclusion

With thankfulness and in humility we render all honour and glory to Christ, the Head of the Church, who again was pleased to enable the entire Seminary community to work for the benefit of our congregations, especially in Canada, the Unites States, Australia and abroad in the mission fields.

This report is respectfully submitted this 8th day of September, 2016, A. D.

With Brotherly Greetings

Yours in Christ

The Finance and Property Committee

Of the Board of Governors

Of the Canadian Reformed Theological Seminary

September 6, 2018

The Board of Governors of the Theological College Of the Canadian Reformed Churches
(operating as the Canadian Reformed Theological Seminary)

Esteemed Brothers:

The Finance and Property Committee (the “committee”) of the Board of the CRTS of the Canadian Reformed Churches is pleased to submit the Thirty Sixth Annual Report covering the period June 12, 2016 to June 13, 2017.

1. General Activities

The committee is pleased to report that the Lord enabled the members to meet five times over the year under review [June 2016, September 2016, November 2016, March 2017 and June 2017]. The committee consisted of F. Oostdyk, Chairman, B. Hordyk, Secretary, C. Medemblik, Treasurer and two members at large, P. Vandersluis and K. Van Veen.

Consistent with our bylaws, all of the meetings were attended by the Principal of the Seminary, Dr. G.H. Visscher.

The minutes of our meetings have been circulated to the Deputies for the Training for the Ministry of the Free Reformed Churches of Australia.

2. Physical Property and Maintenance

The facilities of the Seminary continue to serve the community of the Seminary and broader church community very well.

In addition to routine maintenance, the following projects were attended to:

- a. Walkway replacement
- b. External security lighting upgrades
- c. Roof repairs and maintenance

In order to ensure the facilities are properly maintained, ongoing review and upkeep was completed.

The committee also intends to retain the services of an architectural firm to conduct a facilities audit to assist in budgeting and planning purposes.

3. Finances relating to the Faculty and Staff

Consistent with Synod directives the salaries were reviewed. Adjustments were made to maintain Synod’s intent that these salaries provide a disposable income comparable to that of ministers in the Hamilton/Burlington area. The result was an approximately 1.9% increase in salaries for 2017.

In the 2016 financial year, support was provided to five professors emeritus [Dr. C. Van Dam, Dr. N.H. Gootjes Prof G. Geertsema and Dr J. DeJong] along with ongoing support for sr. Faber, widow of the late Dr. J. Faber.

Ms. Catharine Mechelse (Office Administrator), Mrs. Leanne Kuizenga (Part-time Faculty Administrative Assistant) and Mrs. Margaret Alkema (Librarian) continue to serve us well in their competent support of our seminary, ensuring the organization and various committees run smoothly.

The staff salaries were reviewed and adjusted in accordance with the established schedules and annual performance reviews were completed for all support staff.

4. Finances

It is with deep gratitude and thankfulness that the churches continue their support of the Seminary faithfully. We note in particular the ongoing substantial support of our sister churches in Australia. Mr. Henry Salomons, C.A. continued as our auditor for the fiscal period ending December 31, 2016 and financial statements were issued and filed for such period. Mr. Salomons had also been appointed our auditor for the fiscal period ending December 31, 2017.

You will have received the financial statements for the period ending December 31, 2016 and the budget for fiscal 2017.

The Seminary remains in good standing with the Canada Revenue Agency and maintains its status as a charitable institution.

5. Tuition Fees

The tuition fees for the academic year starting September 2017 are \$2,100.00 for the Diploma of Theological Studies and \$2,200 for the Bachelor of Theological program and \$2,300.00 for Masters of Divinity program. The fees for part-time courses remained \$80 per credit hour.

6. Budget

A draft budget for 2017 was presented to the Board of Governors and approved at their meeting of September 7, 2016. The 2017 budget resulted in no change to the assessments to the churches at \$90 per communicant member. The 2018 budget also resulted in no change to the assessments to the churches, remaining at \$90.00 per communicant member.

7. Conclusion

With thankfulness and in humility we render all honour and glory to Christ, the Head of the Church, who again was pleased to enable the entire Seminary community to work for the benefit of our congregations, especially in Canada, the United States, Australia and abroad in the mission fields.

This report is respectfully submitted this 6th day of September, 2018, A. D. with brotherly greetings.

Yours in Christ

The Finance and Property Committee Of the Board of Governors
Of the Canadian Reformed Theological Seminary

September 6, 2018

The Board of Governors of the Theological College Of the Canadian Reformed Churches
(operating as the Canadian Reformed Theological Seminary)

Esteemed Brothers:

The Finance and Property Committee (the “committee”) of the Board of the CRTS of the Canadian Reformed Churches is pleased to submit the Thirty Seventh Annual Report covering the period June 13, 2017 to June 18, 2018.

1. General Activities

The committee is pleased to report that the Lord enabled the members to meet six times over the year under review [June 2017, September 2017, December 2017, January 2018, April 2018 and June 2018]. The committee consisted of F. Oostdyk, Chairman, B. Hordyk, Secretary, C. Medemblik, Treasurer and two members at large, P. Vandersluis and K. Van Veen. In September 2017, br. K. Van Veen assumed the Secretary duties from B. Hordyk.

Consistent with our bylaws, all of the meetings were attended by the Principal of the Seminary. Dr. G.H. Visscher attended as Principal for the June 2017 and was accompanied by Dr. J. Van Vliet for the meeting of September 2017. For the meetings of April and June 2018 Dr. A. de Visser, as acting principal during Dr. Van Vliet’s sabbatical, also attended the meetings.

The minutes of our meetings have been circulated to the Deputies for the Training for the Ministry of the Free Reformed Churches of Australia.

2. Physical Property and Maintenance

The facilities of the Seminary continue to serve the community of the Seminary and broader church community very well.

In addition to routine maintenance, the following projects were attended to:

- a. Chapel roof replacement
- b. Library humidification system was replaced
- c. Piano purchased for the chapel

In order to ensure the facilities are properly maintained and capital expenses can be adequately planned and budgeted, the committee has retained the services of Grinham Architects of Guelph to conduct a comprehensive facilities review. It is the expectation that this review will be initiated in late 2018.

3. Finances relating to the Faculty and Staff

Consistent with Synod directives the salaries were reviewed. Adjustments were made to maintain Synod’s intent that these salaries provide a disposable income comparable to that of ministers in the Hamilton/Burlington area. The result was an approximately 2.05% increase in salaries for 2018.

In the past financial year, support was provided to four professors emeritus [Dr. C. Van Dam, Dr. N.H. Gootjes Prof G. Geertsema and Dr J. DeJong]. On April 15, 2017, our Lord took br. DeJong into glory and as such our support of sr. DeJong will continue. Our support was also provided to our sr. Faber, widow of the late Dr. J. Faber until June 30, 2018 when she too was taken home to be with our Lord and Saviour.

Ms. Catharine Mechelse (Office Administrator), Mrs. Leanne Kuizenga (Part-time Faculty Administrative Assistant) and Mrs. Margaret Alkema (Librarian) continue to serve us well in their competent support of our seminary, ensuring the organization and various committees run smoothly.

The staff salaries were reviewed and adjusted in accordance with the established schedules and annual performance reviews were completed for all support staff.

4. Finances

It is with deep gratitude and thankfulness that the churches continue their support of the Seminary faithfully. We note in particular the ongoing substantial support of our sister churches in Australia. In November 2017 we received notification from Mr. Henry Salomons, C.A. that his services as auditor were no longer offered and new auditors needed to be appointed. In order to continue to function with audited financial statements, research for appropriate auditors was conducted and a proposal was tabled and approved at the January 11, 2018 Board of Governors meeting appointing DBK Accounting of Hamilton as auditors for the fiscal period ending December 31, 2017. Financial statements were issued and filed for such period.

You will have received the financial statements for the period ending December 31, 2017 and the budget for fiscal 2018.

The Seminary remains in good standing with the Canada Revenue Agency and maintains its status as a charitable institution.

5. Tuition Fees

The tuition fees for the academic year starting September 2018 are \$2,100.00 for the Diploma of Theological Studies and \$2,200 for the Bachelor of Theological program and \$2,300.00 for Masters of Divinity program. The fees for part-time courses remained \$80 per credit hour.

6. Budget

A draft budget for 2018 was presented to the Board of Governors and approved at their meeting of September 7, 2017. The 2018 budget resulted in no change to the assessments to the churches at \$90 per communicant member. The 2019 budget was also able to maintain the assessments to the churches at \$90.00 per communicant member.

7. Conclusion

With thankfulness and in humility we render all honour and glory to Christ, the Head of the Church, who again was pleased to enable the entire Seminary community to work for the benefit of our congregations, especially in Canada, the United States, Australia and abroad in the mission fields.

This report is respectfully submitted this 6th day of September, 2018, A. D. with brotherly greetings.

Yours in Christ

The Finance and Property Committee Of the Board of Governors
Of the Canadian Reformed Theological Seminary

Appendix 2

**Audited Financial Statements for CRTS
for the fiscal years ended December 31st for each of**

2015

2016

2017

**THEOLOGICAL COLLEGE
of the Canadian Reformed Churches
(Operating as Canadian Reformed Theological Seminary)
FINANCIAL STATEMENTS**

DECEMBER 31, 2015



Henry Salomons, CPA
Professional Corporation

Chartered Professional Accountant

www.henrycpa.ca

THEOLOGICAL COLLEGE of the Canadian Reformed Churches
(Operating as Canadian Reformed Theological Seminary)
FINANCIAL STATEMENTS
DECEMBER 31, 2015

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INDEPENDENT AUDITOR'S REPORT

To the Governors of The Theological College of the Canadian Reformed Churches (Operating as Canadian Reformed Theological Seminary):

We have audited the accompanying financial statements of The Theological College of the Canadian Reformed Churches (operating as Canadian Reformed Theological Seminary), which comprise the statement of financial position as at December 31, 2015, the statements of operations and net assets and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in my audit is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Theological College of the Canadian Reformed Churches (operating as Canadian Reformed Theological Seminary) as at December 31, 2015 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.

**BEAMSVILLE, Canada
June 21, 2016**

**HENRY SALOMONS, CPA
PROFESSIONAL CORPORATION
LICENSED PUBLIC ACCOUNTANT**



THEOLOGICAL COLLEGE of the Canadian Reformed Churches
 (Operating as Canadian Reformed Theological Seminary)
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2015

	General Fund	Bursary Funds	Publication Foundation	Library Fund	Sabbatical Fund	Dec 31, 2015	Dec 31, 2014
ASSETS							
Current assets							
Cash and cash equivalents	29,279	33,946	12,149	829	2,833	79,036	105,737
Term deposits (Note 4)	178,413	116,043	8,111	-	-	302,567	267,669
Trade and other receivables	22,137	20,219	2,407	-	-	44,763	56,164
Government sales taxes refundable	6,952	-	-	-	-	6,952	12,292
Prepaid expenses and sundry assets	51,460	-	-	-	-	51,460	49,305
Interfund amounts receivable (Note 5)	-	-	77	1,174	11,180	-	-
	288,241	170,208	22,744	2,003	14,013	484,778	491,167
Investments (Note 4)	106,116	150,025	-	-	-	256,141	350,173
Capital assets (Note 6)	1,429,921	-	-	-	-	1,429,921	1,459,710
Reference collection (Note 6)	-	-	-	127,167	-	127,167	126,816
	1,824,278	320,233	22,744	129,170	14,013	2,298,007	2,427,866
LIABILITIES AND NET ASSETS							
Current liabilities							
Accounts payables and accrued liability	17,452	-	-	-	-	17,452	22,029
Government remittances payable	19,596	-	-	-	-	19,596	1,389
Deferred revenue	21,311	-	-	-	-	21,311	17,036
Interfund amounts (Note 5)	12,431	-	-	-	-	-	-
	70,790	-	-	-	-	58,359	40,454
Deferred capital contributions (Note 7)	2,164	-	-	-	-	2,164	3,230
	72,954	-	-	-	-	60,523	43,684
Net assets							
Invested in capital assets	1,427,757	-	-	127,167	-	1,554,924	1,586,526
Externally restricted	-	320,233	22,744	-	-	342,977	349,559
Internally restricted	-	-	-	2,003	14,013	16,016	33,993
Unrestricted	323,567	-	-	-	-	323,567	414,104
	1,751,324	320,233	22,744	129,170	14,013	2,237,484	2,384,182
	1,824,278	320,233	22,744	129,170	14,013	2,298,007	2,427,866

The attached notes to the financial statements are an integral part of these statements

Approved:

 Governor

 Governor



THEOLOGICAL COLLEGE of the Canadian Reformed Churches
 (Operating as Canadian Reformed Theological Seminary)
STATEMENT OF FUND OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2015

	2015							Total 2015	Total 2014
	General Budget (unaudited)	General Fund	Bursary Funds	Publication Foundation	Library Fund	Sabbatical Fund			
REVENUE									
Allotments from churches	896,000	889,590	-	-	-	-	889,590	849,933	
Gifts and collections	30,000	2,705	850	-	-	-	3,555	46,520	
Gifts - Sister churches	165,400	152,960	-	-	-	-	152,960	160,718	
Student fees	41,400	44,910	-	-	-	-	44,910	41,880	
Superannuation pension	147,000	148,957	-	-	-	-	148,957	145,466	
Women's Savings Action	35,000	35,000	-	-	-	-	35,000	37,000	
Sundry and investment income	5,000	5,252	3,291	4,648	-	-	13,191	13,501	
	1,319,800	1,279,374	4,141	4,648	-	-	1,288,163	1,295,018	
EXPENDITURES									
Faculty	964,200	1,017,538	-	-	-	-	1,017,538	930,431	
Property	71,000	72,790	-	-	-	-	72,790	68,511	
Administration	144,100	149,056	113	-	-	-	149,253	151,137	
Library	85,500	88,771	-	-	-	-	88,771	100,852	
Subscriptions	-	-	-	-	21,820	-	21,820	17,979	
Depreciation capital assets	-	43,694	-	-	25,709	-	69,403	69,748	
Bursaries paid out	-	-	14,045	-	-	-	14,045	2,075	
Publication costs	-	28	-	1,213	-	-	1,241	24,101	
Sabbatical costs	-	-	-	-	-	-	-	5,000	
	1,264,800	1,371,877	14,158	1,213	47,529	84	1,434,861	1,369,834	
Excess of revenues over expenditures	55,000	(92,503)	(10,017)	3,435	(47,529)	(84)	(146,698)	(74,816)	

The attached notes to the financial statements are an integral part of these statements



THEOLOGICAL COLLEGE of the Canadian Reformed Churches
 (Operating as Canadian Reformed Theological Seminary)
 STATEMENT OF CHANGES IN NET ASSETS
 FOR THE YEAR ENDED DECEMBER 31, 2015

	Unrestricted		Externally restricted			Internally restricted			Total 2015	Total 2014
	General Fund	Invested in Capital Assets	Bursary Funds	Publication Foundation	Capital Fund	Library Fund	Sabbatical Fund			
Balance, beginning of year	414,104	1,586,526	330,250	19,309	10,012	9,884	14,097	2,384,182	2,458,998	
Excess of revenues over expenditures	(92,503)	-	(10,017)	3,435	-	(47,529)	(84)	(146,698)	(74,816)	
Purchase of capital assets	(14,970)	41,031	-	-	-	(26,061)	-	-	-	
Deferred capital contributions	2,164	(2,164)	-	-	-	-	-	-	-	
Interfund transfers										
Budget appropriations	(40,000)	-	-	-	-	40,000	-	-	-	
Depreciation of capital assets	44,760	(70,469)	-	-	-	25,709	-	-	-	
Transfers	10,012	-	-	-	(10,012)	-	-	-	-	
Balance, end of year	323,567	1,554,924	320,233	22,744	-	2,003	14,013	2,237,484	2,384,182	

The attached notes to the financial statements are an integral part of these statements

THEOLOGICAL COLLEGE of the Canadian Reformed Churches
(Operating as Canadian Reformed Theological Seminary)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2015

	2015	2014
	\$	\$
Cash flows from operations		
Excess of revenue over expenditures	(146,698)	(74,816)
Non-cash items		
Depreciation	69,403	69,748
	(77,295)	(5,068)
Change in non-cash operating working capital		
Term deposits	(34,898)	83,951
Trade and other receivables	11,401	(7,509)
Government sales taxes refundable	5,340	3,727
Prepays	(2,155)	(2,806)
Accounts payables and accrued liability	(4,578)	(6,740)
Government remittances payable	18,207	99
Deferred revenue	4,275	5,536
	(79,703)	71,190
Cash flows from investing activities		
Purchase of capital assets	(14,970)	(6,703)
Purchase of reference collection	(26,060)	(23,850)
Redemption (acquisition) of investments	94,032	(107,501)
	53,002	(138,054)
Cash flows from financing activities		
Deferred capital contributions	-	3,230
Net increase in cash and cash equivalents	(26,701)	(63,634)
Cash and cash equivalents, beginning of year	105,737	169,371
Cash and cash equivalents, end of year	79,036	105,737
Interest received	11,388	6,588

The attached notes to the financial statements are an integral part of these statements

THEOLOGICAL COLLEGE of the Canadian Reformed Churches
(Operating as Canadian Reformed Theological Seminary)
EXPENDITURE DETAIL - GENERAL FUND
AS AT DECEMBER 31, 2015

	2015 <u>Budget</u> (unaudited)	2015 <u>Actual</u>	2014 <u>Actual</u>
Faculty			
Salaries - professors	512,700	512,710	503,071
Pension - professors	263,000	265,208	245,298
Employee benefits	115,000	170,144	108,078
Superannuation	50,500	50,373	45,794
Professional development	15,500	15,393	19,840
Extra teaching staff	7,500	3,710	8,350
	<u>964,200</u>	<u>1,017,538</u>	<u>930,431</u>
Property			
Caretaking, maintenance, and security	45,000	44,873	43,260
Building Improvements	-	1,828	294
Insurance	8,000	8,495	7,975
Utilities	18,000	17,594	16,982
	<u>71,000</u>	<u>72,790</u>	<u>68,511</u>
Administration			
Travel and meetings	13,000	14,127	13,698
Office supplies and general	8,000	5,462	5,269
Salary - administrative assistants	81,500	82,726	77,554
Employee benefits	13,000	12,922	12,439
Professional services	9,000	9,099	8,531
Telephone	2,400	1,871	1,946
Accreditation	3,000	5,497	4,625
Bank charges and interest	2,000	1,380	1,768
Office equipment maintenance and rental	1,200	730	1,579
Public relations	11,000	13,176	15,297
Web-site	-	2,066	8,264
	<u>144,100</u>	<u>149,056</u>	<u>150,970</u>
Library			
Supplies	2,000	1,818	3,299
Salary - librarian	71,000	70,841	69,510
Employee benefits	12,500	12,065	11,315
Software	-	4,047	16,728
	<u>85,500</u>	<u>88,771</u>	<u>100,852</u>
Total General Fund	<u>1,264,800</u>	<u>1,328,155</u>	<u>1,250,764</u>

The attached notes to the financial statements are an integral part of these statements



THEOLOGICAL COLLEGE of the Canadian Reformed Churches
(Operating as Canadian Reformed Theological Seminary)
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2015

1. Purpose of the Organization

The Theological College of the Canadian Reformed Churches, the "College", which operates by authority of the Theological College of Canadian Reformed Churches Act, 1981, provides training for the ministry. As a registered charity, the College is exempt from income tax and may issue receipts for charitable donations.

2. Significant Accounting Policies

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canadian Handbook and include the following significant accounting policies:

Fund Accounting

Revenues and expenses for the College's general operations are reported in the General Fund.

Bursary Contributions are reported in the Bursary Fund (Faber-Holwerda Bursary, Selles Bursary, and Foreign Student Bursary). Interest income is reported in the Bursary Fund.

Revenues and expenses related to publishing theological works are reported in the Publication Foundation Fund. Interest income is reported in the Publication Foundation Fund.

The Capital Fund reports the assets, liabilities, revenues and expenses related to capital assets.

Revenues and expenses related to library disbursements (including the Book Centre) are reported in the Library Fund.

The Sabbatical Fund accounts for the costs associated with sabbaticals granted to the professors.

Revenue Recognition

The College follows the restricted fund method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received. Allotments from churches are recognized as revenue in the year they are assessed.

Investment income in the Bursary Fund and Publication Foundation Fund includes interest income and realized investment gains and losses on sale of investments.

Unrestricted interest income is recognized as revenue when earned.

THEOLOGICAL COLLEGE of the Canadian Reformed Churches
(Operating as Canadian Reformed Theological Seminary)
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2015

2. Significant Accounting Policies (continued)

Revenue Recognition

Tuition fees related to academic terms occurring after December 31st are recorded as deferred revenue.

The College is named as a beneficiary in certain wills. Revenue on these arrangements, whether interest or capital, is recognized on receipt.

Capital Assets

Capital assets are recorded at cost. The building, parking lot, computer equipment, and furniture and fixtures are amortized using the straight-line method at the following rates:

Building	2.5%
Parking Lot	10.0%
Computer equipment	33.3%
Other equipment, furniture and fixtures	10.0%
Reference collection	10.0%

Reference collection

The College maintains a collection of reference books. These books are recognized at cost. Included in the collection are a number of books that the College considers to be rare and precious and do not depreciate in value. The costs to obtain these books are not amortized and are recorded at \$ 2,547 (2014 - \$ 2,547).

Employee future benefits

Faculty are covered by a defined benefit multiemployer pension plan for which contributions are recognized as a salary expense in the income statement. Participation in this plan is mandatory and is based on an established assessment criteria. Benefits and contributions are determined and administered by the Foundation for Superannuation of the Canadian Reformed Churches. Since the College does not control the plan, it is not possible to estimate the potential contributions that could be required to fund the College's proportionate share of the plan's unfunded vested benefit. Thus, the College is unable to account for this plan as a defined benefit plan and uses defined contribution plan accounting instead.

THEOLOGICAL COLLEGE of the Canadian Reformed Churches
(Operating as Canadian Reformed Theological Seminary)
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2015

2. Significant Accounting Policies (continued)

Employee future benefits (continued)

The College also makes regular contributions to a Group Registered Retirement Savings Plan ("RRSP") administered by a third party, on behalf of each eligible employee. Group RRSP contributions are charged to operations in the year made.

Financial Instruments

The College initially measures its financial assets and financial liabilities at fair value. The College subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash, trade and other receivables, government remittances receivable, prepaids, and investments.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and government remittances payable.

Cash and cash equivalents

The College's policy is to present bank balances and term deposits with a maturity period of 3 months or less from the date of acquisition under cash and cash equivalents. No term deposits are included in the current and prior year cash.

Contributed services

Because of the difficulty of determining the fair value, contributed goods and services are not recognized in the financial statements.

Estimates

The preparation of 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 dates of the financial statements and the reported amounts of revenue and expenditures during the year. Actual results could differ from those estimates. Balances for which estimates were used are capital assets (depreciation) and accrued liabilities.

THEOLOGICAL COLLEGE of the Canadian Reformed Churches
(Operating as Canadian Reformed Theological Seminary)
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2015

3. Interfund Transfers

In order to fund disbursements and to offset capital asset acquisitions, the following transfers were made. These internally restricted amounts are not available for any other purpose without the approval of the Board of Governors.

	2015	2014
	\$	\$
Capital fund	(10,012)	15,000
Library fund	40,000	40,000
Sabbatical fund	-	10,000
Transfer from General fund	<u>29,988</u>	<u>65,000</u>

4. Investments

	2015	2014
	\$	\$
General Fund: Term deposits, 1.2% to 1.8%, maturing September, 2015 to October, 2016, measured at amortized cost	284,529	312,790
Bursary Fund: Term deposits, 1.1% to 2.95%, maturing February, 2015 to February, 2019, measured at amortized cost	243,869	274,806
Bursary Fund: Marketable securities, maturing November 19, 2016, measured at amortized cost. Fair market value is \$39,874 (2013 - \$38,987)	22,199	22,199
Publication Fund: Term deposit, 0.8%, maturing November, 2015, measured at amortized cost	<u>8,111</u>	<u>8,047</u>
	558,708	617,842
Less: current portion	<u>302,567</u>	<u>267,669</u>
	<u>256,141</u>	<u>350,173</u>

5. Interfund Amounts Receivable

Interfund amounts receivable bear no interest and are not governed by terms of repayment.

THEOLOGICAL COLLEGE of the Canadian Reformed Churches
(Operating as Canadian Reformed Theological Seminary)
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2015

6. Capital Assets

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>2015 Net Book Value</u>	<u>2014 Net Book Value</u>
			\$	\$
Land	305,110	-	305,110	305,110
Building	1,135,530	85,165	1,050,365	1,078,753
Parking lot	34,365	7,679	26,686	19,075
Computer equipment	43,646	36,073	7,573	7,604
Equipment and furniture	256,631	216,444	40,187	49,168
	<u>1,775,282</u>	<u>345,361</u>	<u>1,429,921</u>	<u>1,459,710</u>
Reference collection	<u>744,360</u>	<u>617,193</u>	<u>127,167</u>	<u>129,086</u>
Additions:				
Parking lot			10,521	-
Computer equipment			4,449	6,704
Equipment and furniture			-	-
Reference collection			26,061	23,850
			<u>41,031</u>	<u>30,554</u>

7. Deferred Capital Contributions

	<u>2015</u>	<u>2014</u>
	\$	\$
Balance, beginning of the year	3,230	-
Plus amounts received related to capital additions	-	3,230
Less amounts amortized to revenue	(1,066)	-
Balance, end of the year	<u>2,164</u>	<u>3,230</u>

Deferred capital contributions represent the unamortized amount of donations received for the purchase of capital assets. Amortization of deferred capital contributions is recorded in sundry and investment income on the statement of revenue and expenditures.

THEOLOGICAL COLLEGE of the Canadian Reformed Churches
(Operating as Canadian Reformed Theological Seminary)
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2015

8. Related Party Transactions

The College is operated by a Federation of Churches, and solicits revenues and procures goods and services from members of these Churches at market rates.

The College has provided loans to current and retired professors to assist with the purchase of housing or special circumstances.

At year end the amount of loans receivable (included in trade and other receivables) owing from the current and retired professors was as follows:

	2015	2014
	\$	\$
Loans receivable	<u>16,254</u>	<u>19,135</u>

9. Financial Instruments

The College is exposed to various risks through it's financial instruments. The following analysis presents the College's exposure to significant risk at the reporting date December 31, 2015.

Credit risk

The College is exposed to credit risk with respect to term deposits, trade and other receivables and government remittances receivable. The College assesses, on a continuous basis, trade and other receivables on the basis of amounts it is virtually certain to receive. The credit risk with respect to term deposits is insignificant since they are held in large financial institutions.

Interest rate risk

The College is exposed to interest rate risk on its fixed interest rate financial instruments. Fixed rate instruments subject the College to risk of changes in fair value. The College is exposed to this type of risk as a result of its investments. However, the risk associated with investments is reduced to a minimum since these assets are invested in guaranteed income certificates.

THEOLOGICAL COLLEGE of the Canadian Reformed Churches
(Operating as Canadian Reformed Theological Seminary)
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2015

10. Bursary Funds

	Foreign Students	Other Bursaries	2015	2014
			\$	\$
Balance, beginning of year	235,981	94,269	330,250	326,091
Contributions	50	800	850	700
Investment income	5,121	170	5,291	5,617
	<u>241,152</u>	<u>95,239</u>	<u>336,391</u>	<u>332,408</u>
Bursaries paid out	(12,195)	(1,850)	(14,045)	(2,075)
Operating expenditures	(88)	(25)	(113)	(83)
Balance, end of year	<u>228,869</u>	<u>93,364</u>	<u>322,233</u>	<u>330,250</u>
As follows:				
Cash	15,909	2,994	18,903	10,738
Investments	209,005	72,106	281,111	297,004
Interest receivable	1,955	18,264	20,219	22,508
	<u>226,869</u>	<u>93,364</u>	<u>320,233</u>	<u>330,250</u>

**THEOLOGICAL COLLEGE
of the Canadian Reformed Churches
(Operating as Canadian Reformed Theological Seminary)
FINANCIAL STATEMENTS**

DECEMBER 31, 2016



**Henry Salomons, CPA
Professional Corporation**

Chartered Professional Accountant

www.henrycpa.ca

THEOLOGICAL COLLEGE of the Canadian Reformed Churches
(Operating as Canadian Reformed Theological Seminary)
FINANCIAL STATEMENTS
DECEMBER 31, 2016

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INDEPENDENT AUDITOR'S REPORT

To the Governors of The Theological College of the Canadian Reformed Churches (Operating as Canadian Reformed Theological Seminary):

We have audited the accompanying financial statements of The Theological College of the Canadian Reformed Churches (operating as Canadian Reformed Theological Seminary), which comprise the statement of financial position as at December 31, 2016, the statements of operations and net assets and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.


An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in my audit is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Theological College of the Canadian Reformed Churches (operating as Canadian Reformed Theological Seminary) as at December 31, 2016 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.

BEAMSVILLE, Canada
June 5, 2017



HENRY SALOMONS, CPA
PROFESSIONAL CORPORATION
LICENSED PUBLIC ACCOUNTANT

THEOLOGICAL COLLEGE of the Canadian Reformed Churches
 (Operating as Canadian Reformed Theological Seminary)
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2016

	General Fund	Bursary Funds	Publication Foundation	Library Fund	Dec 31, 2016	Dec 31, 2015
ASSETS						
Current assets						
Cash and cash equivalents	116,774	11,823	21,514	2,817	152,928	79,036
Term deposits (Note 4)	81,931	156,300	-	-	238,231	302,567
Trade and other receivables	27,504	4,817	1,600	-	33,921	44,763
Government sales taxes refundable	5,160	12	173	766	6,111	6,952
Prepaid expenses and sundry assets	877	-	-	-	877	51,460
Interfund amounts receivable (Note 5)	-	-	-	-	-	12,431
	232,246	172,952	23,287	3,583	432,068	497,209
Investments (Note 4)	150,000	143,378	-	-	293,378	256,141
Capital assets (Note 6)	1,396,246	-	-	-	1,396,246	1,429,921
Reference collection (Note 6)	-	-	-	117,738	117,738	127,167
	1,778,492	316,330	23,287	121,321	2,239,430	2,310,438
LIABILITIES AND NET ASSETS						
Current liabilities						
Accounts payables and accrued liabilities	13,645	-	175	-	13,820	17,452
Government remittances payable	20,074	-	-	-	20,074	19,596
Deferred revenue	21,454	-	-	-	21,454	21,311
Interfund amounts payable (Note 5)	-	-	-	-	-	12,431
	55,173	-	175	-	55,348	70,790
Deferred capital contributions (Note 7)	1,098	-	-	-	1,098	2,164
	56,271	-	175	-	56,446	72,954
Net assets						
Invested in capital assets	1,395,148	-	-	117,738	1,512,886	1,554,924
Externally restricted	-	316,330	23,112	-	339,442	342,977
Internally restricted	-	-	-	3,583	3,583	16,016
Unrestricted	327,073	-	-	-	327,073	323,567
	1,722,221	316,330	23,112	121,321	2,182,984	2,237,484
	1,778,492	316,330	23,287	121,321	2,239,430	2,310,438

The attached notes to the financial statements are an integral part of these statements

Approved: _____

Governor

Governor

THEOLOGICAL COLLEGE of the Canadian Reformed Churches
 (Operating as Canadian Reformed Theological Seminary)
STATEMENT OF FUND OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2016

	2016						Total 2016	Total 2015
	General Budget (unaudited)	General Fund	Bursary Funds	Publication Foundation	Library Fund	Total		
REVENUE								
Allotments from churches	935,000	939,694	-	-	-	939,694	889,590	
Gifts and collections	45,000	23,945	950	3,357	-	28,252	3,555	
Gifts - sister churches	207,920	207,860	-	-	-	207,860	152,960	
Student fees	40,250	42,070	-	-	-	42,070	44,910	
Superannuation pension	151,700	150,447	-	-	-	150,447	148,957	
Women's Savings Action	35,000	35,000	-	-	-	35,000	35,000	
Sundry and investment income	6,000	7,682	5,369	735	-	13,786	13,191	
	1,420,870	1,406,698	6,319	4,092	-	1,417,109	1,288,163	
EXPENDITURES								
Faculty	1,049,815	1,036,148	-	-	-	1,036,148	1,017,538	
Property	69,075	65,140	-	-	-	65,140	72,790	
Administration	167,662	155,706	92	25	242	156,065	149,253	
Library	89,318	101,574	-	-	-	101,574	88,771	
Subscriptions	40,000	-	-	-	-	22,589	21,820	
Depreciation of capital assets	-	44,897	-	-	25,018	69,915	69,403	
Bursaries paid out	-	-	10,130	-	-	10,130	14,045	
Publication costs	-	-	-	-	-	3,699	1,241	
Sabbatical costs	5,000	6,349	-	-	-	6,349	-	
	1,420,870	1,409,814	10,222	3,724	47,849	1,471,609	1,434,861	
Excess (deficiency) of revenues over expenditures	-	(3,116)	(3,903)	368	(47,849)	(54,500)	(146,698)	

The attached notes to the financial statements are an integral part of these statements

THEOLOGICAL COLLEGE of the Canadian Reformed Churches
 (Operating as Canadian Reformed Theological Seminary)
 STATEMENT OF CHANGES IN NET ASSETS
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Unrestricted		Externally restricted			Internally restricted		Total 2016	Total 2015
	General Fund	Invested in Capital Assets	Bursary Funds	Publication Foundation	Library Fund	Sabbatical Fund			
Balance, beginning of year	323,567	1,554,924	320,233	22,744	2,003	14,013	2,237,484	2,384,182	
Excess (deficiency) of revenues over expenditures	(3,116)	-	(3,903)	368	(47,849)	-	(54,500)	(146,698)	
Purchase of capital assets	(12,288)	27,877	-	-	(15,589)	-	-	-	
Deferred capital contributions	-	-	-	-	-	-	-	-	
Interfund transfers									
Budget appropriations	(40,000)	-	-	-	40,000	-	-	-	
Depreciation of capital assets	44,897	(69,915)	-	-	25,018	-	-	-	
Transfers	14,013	-	-	-	-	(14,013)	-	-	
Balance, end of year	327,073	1,512,886	316,330	23,112	3,583	-	2,182,984	2,237,484	

The attached notes to the financial statements are an integral part of these statements

THEOLOGICAL COLLEGE of the Canadian Reformed Churches
(Operating as Canadian Reformed Theological Seminary)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2016

	2016	2015
	\$	\$
Cash flows from operations		
Deficiency of revenue over expenditures	(54,500)	(146,698)
Non-cash items		
Depreciation	69,915	69,403
	<u>15,415</u>	<u>(77,295)</u>
Change in non-cash operating working capital		
Term deposits	64,336	(34,898)
Trade and other receivables	10,842	11,401
Government sales taxes refundable	841	5,340
Prepays	50,583	(2,155)
Accounts payables and accrued liabilities	(3,633)	(4,578)
Government remittances payable	478	18,207
Deferred revenue	143	4,275
	<u>139,005</u>	<u>(79,703)</u>
Cash flows from investing activities		
Purchase of capital assets	(12,288)	(14,970)
Purchase of reference collection	(15,589)	(26,060)
Redemption (acquisition) of investments	(37,236)	94,032
	<u>(65,113)</u>	<u>53,002</u>
Net increase (decrease) in cash and cash equivalents	73,892	(26,701)
Cash and cash equivalents, beginning of year	<u>79,036</u>	<u>105,737</u>
Cash and cash equivalents, end of year	<u>152,928</u>	<u>79,036</u>
Interest received	<u>24,257</u>	<u>11,388</u>

The attached notes to the financial statements are an integral part of these statements

THEOLOGICAL COLLEGE of the Canadian Reformed Churches

(Operating as Canadian Reformed Theological Seminary)

EXPENDITURE DETAIL - GENERAL FUND

AS AT DECEMBER 31, 2016

	2016 <u>Budget</u> (unaudited)	2016 <u>Actual</u>	2015 <u>Actual</u>
Faculty			
Salaries - professors	521,905	521,905	512,710
Pension - professors	270,000	270,166	265,208
Employee benefits	179,000	172,734	170,144
Superannuation	55,410	55,410	50,373
Professional development	15,500	8,552	15,393
Extra teaching staff	8,000	7,381	3,710
	<u>1,049,815</u>	<u>1,036,148</u>	<u>1,017,538</u>
Property			
Caretaking, maintenance, and security	40,000	39,849	44,873
Building Improvements	2,575	3,544	1,828
Insurance	8,500	3,033	8,495
Utilities	18,000	18,714	17,594
	<u>69,075</u>	<u>65,140</u>	<u>72,790</u>
Administration			
Travel and meetings	13,000	12,349	14,127
Office supplies and general	10,000	10,508	5,462
Salary - administrative assistants	94,642	86,644	82,726
Employee benefits	13,290	13,264	12,922
Professional services	12,000	9,958	9,099
Telephone	2,400	1,965	1,871
Accreditation	4,000	7,875	5,497
Bank charges and interest	1,830	1,240	1,380
Office equipment maintenance and rental	1,500	894	730
Public relations	15,000	10,549	13,176
Website	-	460	2,066
	<u>167,662</u>	<u>155,706</u>	<u>149,056</u>
Library			
Supplies	-	1,798	1,818
Salary - librarian	72,112	82,929	70,841
Employee benefits	13,206	12,995	12,065
Software	4,000	3,852	4,047
	<u>89,318</u>	<u>101,574</u>	<u>88,771</u>
Total General Fund	<u>1,375,870</u>	<u>1,358,568</u>	<u>1,328,155</u>

The attached notes to the financial statements are an integral part of these statements

THEOLOGICAL COLLEGE of the Canadian Reformed Churches

(Operating as Canadian Reformed Theological Seminary)

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2016

1. Purpose of the Organization

The Theological College of the Canadian Reformed Churches, (the "College"), which operates by authority of the Theological College of Canadian Reformed Churches Act, 1981, provides training for the ministry. As a registered charity, the College is exempt from income tax and may issue receipts for charitable donations.

2. Significant Accounting Policies

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canadian Handbook and include the following significant accounting policies:

Fund Accounting

Revenues and expenses for the College's general operations are reported in the General Fund.

Bursary Contributions are reported in the Bursary Fund (Faber-Holwerda Bursary, Selles Bursary, and Foreign Student Bursary). Interest income is reported in the Bursary Fund.

Revenues and expenses related to publishing theological works are reported in the Publication Foundation Fund. Interest income is reported in the Publication Foundation Fund.

The Capital Fund reports the assets, liabilities, revenues and expenses related to capital assets.

Revenues and expenses related to library disbursements (including the Book Centre) are reported in the Library Fund.

The Organization has agreed to close the Sabbatical fund and include the annual costs in the General Fund.

Revenue Recognition

The College follows the restricted fund method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received. Allotments from churches are recognized as revenue in the year they are assessed.

Investment income in the Bursary Fund and Publication Foundation Fund includes interest income and realized investment gains and losses on sale of investments.

Unrestricted interest income is recognized as revenue when earned.

THEOLOGICAL COLLEGE of the Canadian Reformed Churches
(Operating as Canadian Reformed Theological Seminary)
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2016

2. Significant Accounting Policies (continued)

Revenue Recognition (continued)

Tuition fees related to academic terms occurring after December 31st are recorded as deferred revenue.

The College is named as a beneficiary in certain wills. Revenue on these arrangements, whether interest or capital, is recognized on receipt.

Capital Assets

Capital assets are recorded at cost. The building, parking lot, computer equipment, and furniture and fixtures are amortized using the straight-line method at the following rates:

Building	2.5%
Parking lot	10.0%
Computer equipment	33.3%
Other equipment, furniture and fixtures	10.0%
Reference collection	10.0%

Reference Collection

The College maintains a collection of reference books. These books are recognized at cost. Included in the collection are a number of books that the College considers to be rare and precious and do not depreciate in value. The costs to obtain these books are not amortized and are recorded at \$ 2,547 (2015 - \$ 2,547).

Employee Future Benefits

Faculty are covered by a defined benefit multiemployer pension plan for which contributions are recognized as a salary expense in the income statement. Participation in this plan is mandatory and is based on an established assessment criteria. Benefits and contributions are determined and administered by the Foundation for Superannuation of the Canadian Reformed Churches. Since the College does not control the plan, it is not possible to estimate the potential contributions that could be required to fund the College's proportionate share of the plan's unfunded vested benefit. Thus, the College is unable to account for this plan as a defined benefit plan and uses defined contribution plan accounting instead.

THEOLOGICAL COLLEGE of the Canadian Reformed Churches
(Operating as Canadian Reformed Theological Seminary)
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2016

2. Significant Accounting Policies (continued)

Employee Future Benefits (continued)

The College also makes regular contributions to a group registered retirement savings plan ("RRSP") administered by a third party, on behalf of each eligible employee. Group RRSP contributions are charged to operations in the year made.

Financial Instruments

The College initially measures its financial assets and financial liabilities at fair value. The College subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash, trade and other receivables, government remittances receivable, prepaids, and investments.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and government remittances payable.

Cash and Cash Equivalents

The College's policy is to present bank balances and term deposits with a maturity period of 3 months or less from the date of acquisition under cash and cash equivalents. No term deposits are included in the current and prior year cash.

Contributed Services

Because of the difficulty of determining the fair value, contributed goods and services are not recognized in the financial statements.

Estimates

The preparation of 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 dates of the financial statements and the reported amounts of revenue and expenditures during the year. Actual results could differ from those estimates. Balances for which estimates were used are capital assets (depreciation) and accrued liabilities.

THEOLOGICAL COLLEGE of the Canadian Reformed Churches
(Operating as Canadian Reformed Theological Seminary)
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2016

3. Interfund Transfers

In order to fund disbursements and to offset capital asset acquisitions, the following transfers were made. These internally restricted amounts are not available for any other purpose without the approval of the Board of Governors.

	2016	2015
	\$	\$
Capital fund - closed to general	-	(10,012)
Library fund	40,000	40,000
Sabbatical fund - closed to general	(14,013)	-
Transfer from General fund	<u><u>25,987</u></u>	<u><u>29,988</u></u>

4. Investments

	2016	2015
	\$	\$
General Fund: Term deposits, 1.1% to 1.70%, maturing September, 2017 to October, 2018, measured at amortized cost	231,931	284,529
Bursary Fund: Term deposits, 1.2% to 2.55%, maturing June, 2017 to March, 2019, measured at amortized cost	299,678	243,869
Bursary Fund: Marketable securities, maturing November 19, 2016, measured at amortized cost. Fair market value is \$Nil, (2015 - \$39,874)	-	22,199
Publication Fund: Term deposit, 0.8%, maturing November, 2016, measured at amortized cost	-	8,111
	<u><u>531,609</u></u>	<u><u>558,708</u></u>
Less: current portion	<u><u>238,231</u></u>	<u><u>302,567</u></u>
	<u><u>293,378</u></u>	<u><u>256,141</u></u>

5. Interfund Amounts Receivable

Interfund amounts receivable bear no interest and are not governed by terms of repayment.

THEOLOGICAL COLLEGE of the Canadian Reformed Churches
(Operating as Canadian Reformed Theological Seminary)
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2016

6. Capital Assets

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>2016 Net Book Value</u>	<u>2015 Net Book Value</u>
			\$	\$
Land	305,110	-	305,110	305,110
Building	1,135,530	113,553	1,021,977	1,050,365
Parking lot	44,263	11,611	32,652	26,686
Computer equipment	46,036	40,735	5,301	7,573
Equipment and furniture	256,631	225,425	31,206	40,187
	<u>1,787,570</u>	<u>391,324</u>	<u>1,396,246</u>	<u>1,429,921</u>
Reference collection	<u>759,949</u>	<u>642,211</u>	<u>117,738</u>	<u>127,167</u>
Additions:				
Parking lot			9,897	10,521
Computer equipment			2,391	4,449
Reference collection			15,589	26,061
			<u>27,877</u>	<u>41,031</u>

7. Deferred Capital Contributions

	<u>2016</u>	<u>2015</u>
	\$	\$
Balance, beginning of the year	2,164	3,230
Plus: amounts received related to capital additions	-	-
Less: amounts amortized to revenue	(1,066)	(1,066)
Balance, end of the year	<u>1,098</u>	<u>2,164</u>

Deferred capital contributions represent the unamortized amount of donations received for the purchase of capital assets. Amortization of deferred capital contributions is recorded in sundry and investment income on the statement of revenue and expenditures.

THEOLOGICAL COLLEGE of the Canadian Reformed Churches
(Operating as Canadian Reformed Theological Seminary)
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2016

8. Related Party Transactions

The College is operated by a Federation of Churches, and solicits revenues and procures goods and services from members of these Churches at market rates.

The College has provided loans to current and retired professors to assist with the purchase of housing or special circumstances.

At year end the amount of loans receivable (included in trade and other receivables) owing from the current and retired professors was as follows:

	2016	2015
	\$	\$
Loans receivable	<u>10,173</u>	<u>16,254</u>

9. Financial Instruments

The College is exposed to various risks through its financial instruments. The following analysis presents the College's exposure to significant risk at the reporting date December 31, 2016.

Credit risk

The College is exposed to credit risk with respect to term deposits, trade and other receivables and government remittances receivable. The College assesses, on a continuous basis, trade and other receivables on the basis of amounts it is virtually certain to receive. The credit risk with respect to term deposits is insignificant since they are held in large financial institutions.

Interest rate risk

The College is exposed to interest rate risk on its fixed interest rate financial instruments. Fixed rate instruments subject the College to risk of changes in fair value. The College is exposed to this type of risk as a result of its investments. However, the risk associated with investments is reduced to a minimum since these assets are invested in guaranteed income certificates.

THEOLOGICAL COLLEGE of the Canadian Reformed Churches
(Operating as Canadian Reformed Theological Seminary)
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2016

10. Bursary Funds

	Foreign Students	Other Bursaries	2016	2015
			\$	\$
Balance, beginning of year	226,869	93,364	320,233	330,250
Contributions	50	900	950	850
Investment income	2,727	2,642	5,369	3,291
	<u>229,646</u>	<u>96,906</u>	<u>326,552</u>	<u>334,391</u>
Bursaries paid out	(9,230)	(900)	(10,130)	(14,045)
Operating expenditures	-	(92)	(92)	(113)
Balance, end of year	<u>220,416</u>	<u>95,914</u>	<u>316,330</u>	<u>320,233</u>
As follows:				
Cash	8,828	2,995	11,823	33,946
Term Deposits	80,810	75,490	156,300	116,043
Investments	128,092	15,286	143,378	150,025
HST Receivable	12	-	12	-
Interest receivable	2,674	2,143	4,817	20,219
	<u>220,416</u>	<u>95,914</u>	<u>316,330</u>	<u>320,233</u>

THEOLOGICAL COLLEGE OF THE CANADIAN REFORMED CHURCHES
(OPERATING AS CANADIAN REFORMED THEOLOGICAL SEMINARY)

FINANCIAL STATEMENTS
DECEMBER 31, 2017

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INDEPENDENT AUDITOR'S REPORT

To the Governors of
Theological College of the Canadian Reformed Churches

We have audited the accompanying financial statements of Theological College of the Canadian Reformed Churches, which comprise the balance sheet as at December 31, 2017, and the statement of revenues and expenses, statement of fund balances and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the College's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Theological College of the Canadian Reformed Churches as at December 31, 2017, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.



DBK Accounting Professional Corporation
Authorized to practice public accounting by the Chartered
Professional Accountants of Ontario

Hamilton, Ontario
June 12, 2018

**THEOLOGICAL COLLEGE OF THE CANADIAN REFORMED CHURCHES
(OPERATING AS CANADIAN REFORMED THEOLOGICAL SEMINARY)**

**BALANCE SHEET
AS AT DECEMBER 31, 2017**

	General Fund	Bursary Fund	Publication Foundation	Library Fund	Total 2017	Total 2016
ASSETS						
CURRENT ASSETS						
Cash	\$ 169,046	\$ 31,440	\$ 11,276	\$ 6,786	\$ 218,548	\$ 152,928
Accounts receivable	12,195	4,179	-	-	16,374	33,921
Marketable securities (Note 3)	201,304	269,623	-	-	470,927	531,609
Government sales tax recoverable	8,415	-	-	-	8,415	6,111
Prepaid expenses and sundry assets	898	-	-	-	898	877
	<u>391,858</u>	<u>305,242</u>	<u>11,276</u>	<u>6,786</u>	<u>715,162</u>	<u>725,446</u>
CAPITAL ASSETS (Note 4)	<u>1,397,391</u>	<u>-</u>	<u>-</u>	<u>108,196</u>	<u>1,505,587</u>	<u>1,513,984</u>
	<u><u>\$ 1,789,249</u></u>	<u><u>\$ 305,242</u></u>	<u><u>\$ 11,276</u></u>	<u><u>\$ 114,982</u></u>	<u><u>\$ 2,220,749</u></u>	<u><u>\$ 2,239,430</u></u>
LIABILITIES						
CURRENT LIABILITIES						
Accounts payable and accrued liabilities	\$ 18,099	\$ -	\$ -	\$ -	\$ 18,099	\$ 13,820
Government remittances payable	20,525	-	-	-	20,525	20,074
Deferred revenue	29,080	-	-	-	29,080	21,454
	<u>67,704</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>67,704</u>	<u>55,348</u>
DEFERRED CAPITAL CONTRIBUTIONS	<u>32</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32</u>	<u>1,098</u>
	<u><u>67,736</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>67,736</u></u>	<u><u>56,446</u></u>
FUND BALANCES						
BALANCE (Note 5)	324,154	305,242	11,276	6,786	647,458	751,060
INVESTED IN CAPITAL ASSETS	1,397,359	-	-	108,196	1,505,555	1,431,924
	<u>1,721,513</u>	<u>305,242</u>	<u>11,276</u>	<u>114,982</u>	<u>2,153,013</u>	<u>2,182,984</u>
	<u><u>\$ 1,789,249</u></u>	<u><u>\$ 305,242</u></u>	<u><u>\$ 11,276</u></u>	<u><u>\$ 114,982</u></u>	<u><u>\$ 2,220,749</u></u>	<u><u>\$ 2,239,430</u></u>

Approved on behalf of the board

Governor, _____

Governor, _____

**THEOLOGICAL COLLEGE OF THE CANADIAN REFORMED CHURCHES
(OPERATING AS CANADIAN REFORMED THEOLOGICAL SEMINARY)**

**STATEMENT OF FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>General Fund</u>	<u>Bursary Fund</u>	<u>Publication Fund</u>	<u>Library Fund</u>	<u>Total 2017</u>	<u>Total 2016</u>
BALANCE, BEGINNING OF YEAR	\$ 1,722,220	\$ 316,330	\$ 23,113	\$ 121,321	\$ 2,182,984	\$ 2,237,484
Excess (deficiency) of revenues over expenses	9,293	(11,088)	(11,837)	(16,339)	(29,971)	(54,500)
Fund transfers (Note 6)	<u>(10,000)</u>	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>-</u>
BALANCE, ENDING OF YEAR	<u>\$ 1,721,513</u>	<u>\$ 305,242</u>	<u>\$ 11,276</u>	<u>\$ 114,982</u>	<u>\$ 2,153,013</u>	<u>\$ 2,182,984</u>

**THEOLOGICAL COLLEGE OF THE CANADIAN REFORMED CHURCHES
(OPERATING AS CANADIAN REFORMED THEOLOGICAL SEMINARY)**

**STATEMENT OF REVENUES AND EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2017**

	General Budget 2017	General Fund 2017	Bursary Fund 2017	Publication Foundation 2017	Library Fund 2017	Total 2017	Total 2016
REVENUES							
Allotments from churches	\$ 1,003,950	\$ 1,004,345	\$ -	\$ -	\$ -	\$ 1,004,345	\$ 939,694
Gifts - sister churches	213,290	214,348	-	-	-	214,348	207,860
Superannuation pension	152,000	149,096	-	-	-	149,096	150,447
Student fees	35,550	40,770	-	-	-	40,770	42,070
Women's Savings Action	35,000	-	-	-	35,000	35,000	35,000
Gifts and collections	30,000	24,200	1,225	2,189	-	27,614	28,252
Sundry and investment income	5,000	3,360	4,048	1,020	412	8,840	15,428
	<u>1,474,790</u>	<u>1,436,119</u>	<u>5,273</u>	<u>3,209</u>	<u>35,412</u>	<u>1,480,013</u>	<u>1,418,751</u>
EXPENSES							
Faculty (page 4)	1,077,090	1,036,799	-	-	5,624	1,042,423	1,036,148
Administration & library (page 4)	274,700	269,407	161	25	522	270,115	257,636
Property (page 4)	77,000	74,614	-	-	-	74,614	65,141
Amortization	-	46,006	-	-	24,066	70,072	69,916
Subscriptions	25,000	-	-	-	21,539	21,539	24,232
Publication costs	16,000	-	-	15,021	-	15,021	3,699
Sabbatical costs	5,000	-	-	-	-	-	6,349
Bursaries paid out	-	-	16,200	-	-	16,200	10,130
	<u>1,474,790</u>	<u>1,426,826</u>	<u>16,361</u>	<u>15,046</u>	<u>51,751</u>	<u>1,509,984</u>	<u>1,473,251</u>
Excess (deficiency) of revenues over expenses	<u>\$ -</u>	<u>\$ 9,293</u>	<u>\$ (11,088)</u>	<u>\$ (11,837)</u>	<u>\$ (16,339)</u>	<u>\$ (29,971)</u>	<u>\$ (54,500)</u>

**THEOLOGICAL COLLEGE OF THE CANADIAN REFORMED CHURCHES
(OPERATING AS CANADIAN REFORMED THEOLOGICAL SEMINARY)**

**SCHEDULE OF GENERAL EXPENSES
DECEMBER 31, 2017**

	Budget 2017	Total 2017	Total 2016
Faculty			
Salaries - professors	\$ 531,713	\$ 531,713	\$ 521,905
Pension - professors	275,900	273,647	270,166
Employee benefits	185,000	159,001	172,734
Superannuation	60,977	57,072	55,410
Professional development	15,500	9,196	5,291
Extra teaching staff	8,000	6,170	7,381
	<u>\$ 1,077,090</u>	<u>\$ 1,036,799</u>	<u>\$ 1,032,887</u>
Property			
Caretaking, maintenance and security	\$ 43,000	\$ 42,796	\$ 39,849
Utilities	18,500	17,513	18,715
Insurance	9,500	10,065	3,033
Building improvements	6,000	4,240	3,544
	<u>\$ 77,000</u>	<u>\$ 74,614</u>	<u>\$ 65,141</u>
Administration and library			
Salary and benefits	\$ 208,700	\$ 199,689	\$ 195,832
Public relations	15,000	20,648	10,549
Travel and meetings	15,000	12,145	12,349
Office supplies and general	10,000	10,317	14,313
Professional services	10,500	8,860	9,958
Accreditation	4,000	8,135	7,875
Software and support	4,000	4,320	1,842
Bank charges and interest	2,000	1,260	1,599
Telephone	2,000	1,755	1,965
Website	2,500	1,241	460
Office equipment maintenance and rental	1,000	1,037	894
	<u>\$ 274,700</u>	<u>\$ 269,407</u>	<u>\$ 257,636</u>

**THEOLOGICAL COLLEGE OF THE CANADIAN REFORMED CHURCHES
(OPERATING AS CANADIAN REFORMED THEOLOGICAL SEMINARY)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	2017	2016
OPERATING ACTIVITIES		
Deficiency of revenues over expenses	\$ (29,971)	\$ (54,500)
Adjustments for		
Amortization of capital assets	70,072	69,916
Deferred income recognition	(1,066)	(1,066)
	39,035	14,350
Change in non-cash working capital items		
Accounts receivable	17,547	10,842
Marketable securities	60,682	27,100
Government sales tax recoverable	(2,304)	841
Prepaid expenses and sundry assets	(21)	50,583
Accounts payable and accrued liabilities	4,279	(3,634)
Government remittances payable	451	478
Deferred revenue	7,626	1,209
	127,295	101,769
INVESTING ACTIVITIES		
Purchase of capital assets	(47,151)	(12,288)
Purchase of reference collection	(14,524)	(15,589)
	65,620	73,892
Increase in cash	65,620	73,892
Cash, beginning of year	152,928	79,036
Cash, end of year	\$ 218,548	\$ 152,928

THEOLOGICAL COLLEGE OF THE CANADIAN REFORMED CHURCHES (OPERATING AS CANADIAN REFORMED THEOLOGICAL SEMINARY)

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2017

1. PURPOSE OF THE ORGANIZATION

Theological College of the Canadian Reformed Churches, (the "College"), which operates by authority of the Theological College of Canadian Reformed Churches Act, 1981, provides training for the ministry. As a registered charity, the College is exempt from income tax and may issue receipts for charitable donations.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are detailed as follows:

(a) FUND ACCOUNTING

Revenues and expenses for the College's general operations are reported in the General Fund.

The Bursary Fund reports externally restricted contributions used for specific purposes related to providing bursaries, grants and gifts to eligible candidates. It includes the Faber-Holwerda Bursary, Selles Bursary, and Foreign Student Bursary.

The Publication Fund, an externally restricted fund, reports revenues and expenses related to publishing theological works.

The Library Fund, an internally restricted fund, reports revenues and expenses related to library disbursements (including the Book Centre).

(b) REVENUE RECOGNITION

The College follows the restricted fund method of accounting for contributions. Restricted contributions relating to specifically set up Funds are recognized as revenue in the year they are received. Other restricted funds are recognized in the General fund when the related expenses are incurred.

Unrestricted contributions are recognized as revenue in the General Fund when they are received.

Allotments from churches are recognized as revenue in the year they are assessed.

Student fees related to academic terms occurring after year end are recorded as deferred revenue.

Student fees and interest income are recognized when earned.

The College is named as a beneficiary in certain wills. Revenue on these arrangements, whether interest or capital, is recognized on receipt.

(c) CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash and short-term investments with maturities of three months or less from their date of acquisition, which are readily convertible into a known amount of cash, and are subject to an insignificant risk to changes in their fair value.

(d) INVESTMENTS

The College has elected to classify all of its investments as held-for-trading, and accordingly they are recorded at fair value. Changes in fair values during the year are included in revenue or expenses on the statement of revenues and expenses.

Quoted market prices were used to determine the fair value of the investments as at the year end date.

**THEOLOGICAL COLLEGE OF THE CANADIAN REFORMED CHURCHES
(OPERATING AS CANADIAN REFORMED THEOLOGICAL SEMINARY)**

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017**

2. SIGNIFICANT ACCOUNTING POLICIES, continued

(e) CAPITAL ASSETS

Capital assets are recorded at cost. The College provides for amortization using the straight-line method at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates are as follows:

Building	Straight-line	2.5%
Parking lot	Straight-line	10%
Equipment and furniture	Straight-line	10%
Reference collection	Straight-line	10%
Computer equipment	Straight-line	33.3%

The College maintains a collection of reference books. These books are recognized at cost. Included in the collection are a number of books that the College considers to be rare and precious and do not depreciate in value. The costs to obtain these books are not amortized and are recorded at \$ 2,547 (2016 - \$ 2,547).

(f) EMPLOYEE FUTURE BENEFITS

Faculty are covered by a defined benefit multi-employer pension plan for which contributions are recognized as a salary expense in the statement of revenues and expenses. Participation in this plan is mandatory and is based on an established assessment criteria. Benefits and contributions are determined and administered by the Foundation for Superannuation of the Canadian Reformed Churches. Since the College does not control the plan, it is not possible to estimate the potential contributions that could be required to fund the College's proportionate share of the plan's unfunded vested benefit. Thus, the College is unable to account for this plan as a defined benefit plan and uses defined contribution plan accounting instead.

The College also makes regular contributions to a group registered retirement savings plan ("RRSP") administered by a third party, on behalf of each eligible employee. Group RRSP contributions are charged to operations in the year made.

(g) FINANCIAL INSTRUMENTS

The College's financial instruments consist of cash, marketable securities, accounts receivable, government sales tax recoverable, accounts payable and accrued liabilities and government remittances payable.

The College initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The College subsequently measures all its financial assets and financial liabilities at amortized cost. Financial assets measured at amortized cost are cash, marketable securities, accounts receivable and government sales tax recoverable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and government remittances payable.

At the end of reporting period, the College assesses whether there are any indications that a financial asset may be impaired. When there is an indication of impairment, the carrying amount of the asset is reduced and the amount of the reduction is recognized as an impairment loss in the statement of revenues and expenses.

**THEOLOGICAL COLLEGE OF THE CANADIAN REFORMED CHURCHES
(OPERATING AS CANADIAN REFORMED THEOLOGICAL SEMINARY)**

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017**

2. SIGNIFICANT ACCOUNTING POLICIES, continued

(h) CONTRIBUTED SERVICES

Directors and committee members volunteer their time to assist in the College's activities. While these services benefit the College considerably, a reasonable estimate of their amount and fair value cannot be made and, accordingly, these contributed services are not recognized in the financial statements.

(i) 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 at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty. The effect of changes in such estimates on the financial statements in future periods could be significant. Accounts specifically affected by estimates in these financial statements are amortization of capital assets and accounts payable and accrued liabilities.

3. MARKETABLE SECURITIES

	General Fund 2017	Bursary Fund 2017	Total 2017	Total 2016
Guaranteed Investment Certificates, 1.2% - 2.55%, maturing August 2018 - October 2019, measured at amortized cost	\$ 146,789	\$ 269,623	\$ 470,927	\$ 531,609
MFC Income Fund, mutual fund, measured at fair market value	54,515	-	-	-
	<u>\$ 201,304</u>	<u>\$ 269,623</u>	<u>\$ 470,927</u>	<u>\$ 531,609</u>

4. CAPITAL ASSETS

	2017 Cost	2017 Accumulated amortization	2017 Cost	2017 Accumulated amortization	2017 Cost	2017 Accumulated amortization	2016 Total
	General	General	Library Fund	Library Fund	Total	Total	Total
Land	305,110	-	-	-	305,110	-	305,110
Building	1,172,954	142,409	-	-	1,172,954	142,409	1,021,977
Parking lot	44,263	16,037	-	-	44,263	16,037	32,652
Equipment and furniture	87,929	60,423	-	-	87,929	60,423	31,206
Reference collection	-	-	771,926	666,277	771,926	666,277	117,738
Rare and precious books	-	-	2,547	-	2,547	-	-
Computer equipment	24,371	18,367	-	-	24,371	18,367	5,301
	<u>1,634,627</u>	<u>237,236</u>	<u>774,473</u>	<u>666,277</u>	<u>2,409,100</u>	<u>903,513</u>	<u>1,513,984</u>
	<u>\$ 1,397,391</u>	<u>\$ 108,196</u>	<u>\$ 1,505,587</u>	<u>\$ 1,505,587</u>	<u>\$ 1,505,587</u>	<u>\$ 1,505,587</u>	<u>\$ 1,505,587</u>

**THEOLOGICAL COLLEGE OF THE CANADIAN REFORMED CHURCHES
(OPERATING AS CANADIAN REFORMED THEOLOGICAL SEMINARY)**

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017**

5. BURSARY FUND BALANCES

Included in the Bursary Fund balance are three separate funds. The breakdown of these funds is as follows:

	2017	2016
Selles Bursary	\$ 3,212	\$ 2,480
Faber Holwerda	94,045	93,433
Foreign Student Bursary Fund	207,985	220,417
	\$ 305,242	\$ 316,330

6. INTERFUND TRANSFERS

During the year, the Board of Governors approved an interfund transfer of \$10,000 from the General Fund to the Library Fund.

7. RELATED PARTY TRANSACTIONS

The College is operated by a Federation of Churches, and solicits revenues and procures goods and services from members of these Churches at market rates.

The College has provided loans to current and retired professors to assist with the purchase of housing or special circumstances.

At year end the amount of loans receivable (accounts receivable) owing from the current and retired professors was as follows:

	2017	2016
Loans receivable	\$ 3,292	\$ 10,173

8. COMPARATIVE FIGURES

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year revenues and expenses.

**THEOLOGICAL COLLEGE OF THE CANADIAN REFORMED CHURCHES
(OPERATING AS CANADIAN REFORMED THEOLOGICAL SEMINARY)**

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017**

9. FINANCIAL INSTRUMENTS

(a) CREDIT RISK

The College is exposed to credit risk with respect to marketable securities, accounts receivable and government remittances receivable. The College assesses, on a continuous basis, trade and other receivables on the basis of amounts it is virtually certain to receive. The credit risk with respect to term deposits is insignificant since they are held in large financial institutions.

(b) LIQUIDITY RISK

Liquidity risk arises through having excess financial obligations over available financial assets at any point in time. The College's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The College achieves this by maintaining sufficient cash and cash equivalents.

(c) INTEREST RATE RISK

The College is exposed to interest rate risk on its fixed interest rate financial instruments. Fixed rate instruments subject the College to risk of changes in fair value. The College is exposed to this type of risk as a result of its investments. However, the risk associated with investments is reduced to a minimum since these assets are invested in guaranteed income certificates and mutual funds.

Appendix 3

Relevant Sections of the CRTS Handbook

CH 4.5– The Principal

CH 5.1 – Qualifications and Appointment of Faculty

CH 5.1.3 – Form for the Ordination (or Installation) of Ministers of the Word

CH 5.3.1 - Salary

CH 5.6 – Faculty Evaluation and Development

CH 5.6.1 – Tenure Policy

CH 5.10 – Support for Teaching and Administrative Skills

The Principal

The Principal supervises the affairs of the College [ACT, Art. 8] and is appointed by the Board of Governors [ACT, Art. 5.11(g)] at the advice of Synod. [Bylaw 12:10.01(b)]

- 1. The role of the Principal is to:** [By-Law 12:11.6]
 - 1.1 execute general supervision of the College, the faculty, adjunct professors or lecturers, the administration and the students.
 - 1.2 act as Chancellor of the College and as Chancellor confer all degrees and diplomas.
 - 1.3 serve as an *ex officio* advisory member of all Senate and Board committees, except the Executive Committee.
 - 1.4 act in the Senate as Chairman of the Senate, and as the Academic Dean;
 - 1.5 report to the Board annually with regard to his function and the work of the Senate.

- 2. The term of the Principal**
 - 2.1 Appointment to the Principalship will be for a three year period.
 - 2.2 The Board will conduct regular reviews and an extensive review in the third year of the Principal's work.
 - 2.3 A Faculty member appointed as Principal may be reappointed for up to two additional three year terms (9 years). Only under exceptional circumstances would a person serve beyond 9 years.
 - 2.4 The Board will provide appropriate teaching relief and appropriate administrative support to allow the Principal to function properly in his role as Principal.

Approved by the Board of Governors: September 5, 2002

Revised: September 4, 2003, September 6, 2012

Revised: January 15, 2014

Qualifications and Appointment of Faculty

The following provisions in the Act and By-Laws apply:

Act 5.11(d) provides that the Board of Governors has the power to “appoint, in accordance with the policies established by Synod, members of the faculty who are in full accord with the basis of the College as set out in section 4”.

By-Law 12:7.01(a) requires that the Academic Committee “make recommendations concerning all matters pertaining to the Principal, faculty, Registrar, library and librarian”.

By-Law 12:10.01 states that “All appointments to the faculty shall be subject to the approval of Synod”.

1. Qualifications

1.1 Form of Subscription

The members of the faculty must be members in good standing of one of the Canadian Reformed Churches or of one of the churches with which the Canadian Reformed Churches maintain ecclesiastical fellowship. Before their appointment is effective, they shall sign the Form of Subscription as contained in CH - 5.2.

Ordinarily, the signing of the form shall take place during the first public Convocation following the new faculty member’s appointment.

1.2 Other qualifications to be considered include:

- the candidate’s character;
- knowledge of the subjects to be taught;
- experience in the pastoral ministry;
- academic preparation;
- teaching ability.

1.3 Degree requirement

The Board favours faculty who have earned an appropriate academic degree, whenever possible. The Board will encourage faculty to obtain the post-graduate degrees required to continue teaching at the Seminary. The Th.M. degree is the minimum standard for professor, with the Th.D/Ph.D being the preferred degree.

2. Appointment Procedure

2.1 The procedure regarding the role of the Senate, the Academic Committee and the Board of Governors is described in detail in CH 5.1.1.

3. Role of General Synod

3.1 General Synod meets in closed restricted session to discuss the recommendation. If approved, the decision is communicated by the chairman of the Board of Governors to the professor designate, and made public. The Board of Governors formally appoints the new faculty member. The professor designate is given approximately ten days to return his decision.

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3.2 Depending on the timing of the appointment process in relation to the date of the next General Synod, the Board may deem it preferable either to make an interim part-time appointment or arrange for a visiting lecturer, or to petition the churches for a special assembly of Synod to deal with the professorial appointment. [Act 6(2)]

4. Rank of Appointee

4.1 All full-time members of the teaching faculty have the rank of professor.

5. Tenure

5.1 The Seminary has a Tenure Policy. Please refer to CH - 5.6.

Approved by the Board of Governors: September 9, 2004
Revised on: September 10, 2009

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FORM FOR THE ORDINATION (OR INSTALLATION) OF MINISTERS OF THE WORD¹

The consistory has now twice published the name of our brother to learn if anyone had objections against his installation to the ministry of the Word (or: ordination as minister in this church). Since no one has brought forward anything lawful against his doctrine and life, we will now in the name of the Lord proceed to his installation (or: ordination). We recognize that our brother has been set aside by the federation as a professor of theology and will not serve this congregation as a full-time minister. In this service then he will be installed as a minister of the Word, also so that he can serve in that capacity among us, and at the convocation of the Canadian Reformed Theological Seminary he will be installed as a professor of theology.

Let us first hear what Holy Scripture teaches about the office of ministers of the Word.

Institution by Christ

The exalted Christ gathers his church through his Word and Spirit, and in his grace uses the ministry of man. The apostle Paul indicates this when he says, And he gave the apostles, the prophets, the evangelists, the shepherds and teachers, to equip the saints for the work of ministry, for building up the body of Christ (Eph. 4:11-12). As the Chief Shepherd, who unceasingly cares for his flock, he appoints shepherds to take heed to the flock in his name. They are to take care of the sheep of Christ by means of the proclamation of the Word, by the administration of the sacraments, and by prayers and pastoral supervision. In this way the flock is tended and led in the right paths.

In the early Christian church this task was fulfilled by the apostles. They, in turn, under the guidance of the Holy Spirit, appointed elders in every church. According to I Timothy 5:17 there were elders who ruled the congregation. Some of them were also called to labour in preaching and teaching. The latter are now called ministers of the Word. They have received the ministry of reconciliation, of which Paul speaks, saying, All this is from God, who through Christ reconciled us to himself and gave us the ministry of reconciliation; that is, in Christ God was reconciling the world to himself, not counting their trespasses against them, and entrusting to us the message of reconciliation. Therefore, we are ambassadors for Christ, God making his appeal through us. We implore you on behalf of Christ, be reconciled to God (2 Cor 5:18-20).

1 To be suggested to a church that has called a minister from outside the Canadian Reformed federation to serve as professor for CRTS. This Form recognizes that the Installation of the brother as professor will happen at the CRTS Convocation, and thus concentrates on installing such a brother as minister of the Word, and thus is not to confused with the Form found in CH 5.1.2 called "Installation Form for Professors." As a minister called to be professor from within the Canadian Reformed Churches remains a minister of the churches he last served, in his case installation through the above form is not necessary; they will only be installed as professors at the CRTS Convocation.

CH - 5.1.3

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Duties of the Minister

The task of the minister of the Word can be described as follows:

First, he must declare the whole counsel of God, proclaiming the Word according to the command of the apostle Paul: I charge you in the presence of God and of Christ Jesus, who is to judge the living and the dead, and by his appearing and his kingdom: preach the word; be ready in season and out of season; reprove, rebuke, and exhort, with complete patience and teaching (2 Tim 4: 1,2). After the example of the apostle he is to perform this duty in public. He shall expose all errors and heresies as unfruitful works of darkness, and exhort the membership to walk as children of the light. He shall teach the Word of God to the youth of the church and to others whom God calls, for the Holy Scriptures are able to instruct them for salvation through faith in Jesus Christ. Thus comforting and admonishing, he shall call the people of God to the redemption which is in Christ Jesus.

Second, he is called to administer the sacraments, because Christ has joined this administration to the preaching of the gospel. It is therefore the duty of the ministers of the Word to administer holy baptism according to the command of Christ, Go therefore and make disciples of all nations, baptizing them in the name of the Father and of the Son and of the Holy Spirit (Mt 28:19). He also is to administer the holy supper as instituted by Christ when he said, Do this in remembrance of me (1 Cor 11:24).

Third, it is his duty to call upon the name of the Lord in public worship with supplications, prayers, intercessions, and thanksgivings (1 Tim 2.1,2).

Fourth, it is the duty of the ministers of the Word, with the elders as stewards of the house of God, to see to it that in the churches all things are done in peace and good order. As the apostle Peter said: shepherd the flock of God, . . . not domineering over those in your charge, but being examples to the flock (1 Pet 5:2, 3). From all this we see what glorious work the ministers of the Word may perform. When the Chief Shepherd is manifested they as faithful servants will obtain the unfading crown of glory.

Ordination (or: Installation)

Beloved brother, you are now about to enter upon your office. We ask you to answer the following questions before God and his holy church.

First, do you feel in your heart that God himself, through his congregation, has called you to this holy ministry?

Second, do you believe the Old and the New Testament to be the only Word of God and the complete doctrine of salvation? Do you reject all doctrines conflicting with it?

Third, do you promise faithfully to discharge the duties of your office and to adorn the doctrine of God with a godly life? Do you also promise to submit to the discipline of the church in case you should become delinquent in doctrine or life?

What is your answer? Answer: I do.

Laying On of Hands*

CH - 5.1.3

Installation as Minister Form - 2 -

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God, our heavenly Father, who has called you to this holy office, enlighten you with his Spirit and so govern you in your ministry that you may fulfil it obediently and that it may bear fruit to the honour of his name and the expansion of the kingdom of his Son Jesus Christ. Amen.

Charge to the Minister

Beloved brother in Christ, God our Father has obtained the church for himself with the blood of his own Son, our Lord Jesus Christ. The Holy Spirit has made you pastor and teacher. Love Christ, feed his lambs and tend his sheep, not under compulsion, but willingly, as God would have you; not for shameful gain, but eagerly (1 Pet 5:2). Keep watch over yourself; set the believers an example in speech, in conduct, in love, in faith, in purity (1 Tim 4:12).

Preach the pure doctrine, so that by your preaching and teaching God's people may be kept in obedience to the Word of God. Share in suffering as a good soldier of Christ Jesus (2 Tim 2:3). Do not neglect the gift you have (1 Tim 4:14), with which the Lord has endowed you for this ministry. Devote yourself to your duties with all your strength and with perseverance, for by so doing you will save both yourself and your hearers (1 Tim 4:16).

Charge to the Congregation

Beloved brothers and sisters, the Lord has granted us this servant. Receive him with all joy. How beautiful upon the mountains are the feet of him who brings good news (Is 52:7). Take heed to receive the Word of God, which you shall hear from him, and accept his words, spoken according to the Holy Scriptures, not as the word of men but as what it really is, the word of God (1 Thess. 2:13).

Obey your leaders and submit to them, for they are keeping watch over your souls, as those who will have to give an account. Let them do this with joy and not with groaning for that would be of no advantage to you (Heb 13:17).

If we thus receive this servant from the Lord the peace of God will come upon us, and we will inherit eternal life through Christ.

Since we of ourselves are not capable of all this, we will call upon the almighty God.

Prayer

Merciful Father, it pleases you to gather to yourself out of the whole human race a church chosen to life eternal. We thank you that you gather the church by the ministry of men and that you give this minister of the Word to service within this federation of churches. We pray that by your Spirit you will equip him for the task to which you have called him. Enlighten his mind that he may understand the Scriptures, and open his mouth that he may proclaim the mysteries of the gospel with boldness. Grant him wisdom and faithfulness to teach students in a manner that pleases you, that by his good leadership your churches may be preserved and increased.

Encourage and comfort him by your Spirit, so that he may remain steadfast in troubles and temptations, and, finally, with all your faithful servants, may enter into the joy of his Lord.

CH - 5.1.3

Installation as Minister Form - 3 -

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Grant that those entrusted to his care may acknowledge this servant as sent by you. Give that they may receive the instruction and admonition of Christ which this shepherd shall bring to them and that they may joyfully submit to his direction. Grant that through his labours all may believe in Christ and thus inherit eternal life.

Hear us, O Father, through Jesus Christ your Son, who with you and the Holy Spirit, one only God, lives and reigns forever. Amen.

**The laying on of hands shall not take place in the case of those who are already in the ministry.*

Adopted by the Board of Governors on September 7, 2017

Salary

1. Synod directs

Subject to the direction of Synod, the Board of Governors shall fix the salaries payable to all professors and the stipends payable to all lecturers annually. [By-law 12:13.03]

The most recent Synod to address this subject was Synod Burlington, 1986. Article 154, C5 (a) to (d) reads as follows:

It is fair that the Board of Governors, via its Finance and Property Committee, looks for ways and means to compensate [for a perceived financial disadvantage vis-a-vis ministers] the professors at the College by:

- a. fixing the salaries of the professors in such a manner that they are the equivalent of an average salary of a minister in the Hamilton/Burlington area with its living conditions, to which should be added an amount of cash equal to the cash consideration for the following compensations and benefits enjoyed by such a minister:
 1. 50% of the average car allowance;
 2. The equivalent of benefits for dwelling and utilities
- b. adjusting (grossing up) the addition of these benefits (1. and 2. above) assuming a marginal tax rate of 35% for the taxation increase resulting from those amounts becoming taxable income;
- c. adjusting the salaries annually, as a rule on January 1st by applying the Canadian Consumer Priced (sic) Index Change for the last twelve-month period ending October 31st;
- d. establishing the average benefits and average minister's salaries (sic) in the Hamilton/Burlington area. The Finance and Property Committee shall, from time to time, but at least once per two years, survey the stipend and benefits paid to ministers in the Hamilton/Burlington area.

2. The Board administers via the Finance and Property Committee

Annually, towards the end of the year, the salary of the professors will be reviewed by the Committee—and increased as appropriate—using the following methodology:

- a. determine the average salary of a minister in the Hamilton/Burlington area., either from published church budgets or by contacting the respective church treasurers, by adding those salaries and dividing the sum by the number of ministers included in the survey;
- b. with the assistance of a Chartered Accountant determine the amount of income tax due on the resulting average salary, based on a husband/spouse combination;
- c. Deducting (b) from (a) produces the average disposable income of a minister;
- d. next, with the Chartered Accountant, the income tax payable on a professor's salary is determined, again based on a husband/spouse combination;

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- e. amounts representing the housing allowance (as determined by the Finance and Property Committee), the average dwelling insurance, property tax, 50% of the average car allowance equivalency, and utilities (all determined from church budgets), as well as the total income tax payable, are deducted from the professor's salary. This produces the disposable income of a professor;
- f. should the figure in (e) be found lower than the figure in (c), then the professor's salary is adjusted, effective the first day of the new year, to equalize the two figures.

(please refer to next page for sample calculation using 2003 figures)

3. Other matters relating to salaries or remuneration

By-law Number 12 also contains clauses with respect to the following aspects of remuneration:

- a. The Board of Governors may direct the payment of additional remuneration to a professor in respect of any special office held by him. 12:13.04(b)
- b. In addition there may be paid for the benefit of a professor such other benefits as the Board of Governors may determine. 12:13.04(c)
- c. A lecturer shall receive an annual stipend. 12:13.05
- d. Continuation of Salary in case of early retirement or in case of death. 12:13.06(a-c)
- e. Professor's Pension. 12:13.03(a-b)
- f. Widow's Pension. 12:13.08
- g. Dependant's Allowance. 12:13.09
- h. Amounts of Professor's and Widow's Pensions. 12:13.10(a-c)
- i. Discretionary Payments to a professor (before or after retirement), to his widow, to the benefit of any of his dependants, or to a person who is partially dependant upon a professor for support. 12:13.11
- j. Periodic Payments or Deductions. 12:13.12
- k. Suspension of Lecturer's Stipend. 12:13.13

Approved by Board of Governors: September 9, 2004

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Finance and Property Committee
Salary Administration - Professors

Calculation 2003

Ministers' average salary (from church budgets)		38,750
Income tax payable - at 14.49%		<u>5,615</u>
 Average disposable income - minister (A)		 33,135
 Professor's salary		 76,142
Income tax payable - at 24.70%		<u>18,807</u>
 Disp. income - prof. before allowances (B)		 57,335
 Deduct		
housing allowance	15,000	
dwelling insurance	550	
property tax	3,794	
utilities	3,660	
car allowance	<u>3,500</u>	<u>26,504</u>
 Net Disposable Income - professor (C)		 30,831
 Adjustment necessary to equalize disposable incomes:		
 Minister (A)		 33,135
Professor (C)		<u>30,831</u>
 Difference between (A) and (C)		 2,304
 Conclusion:		
 The professor's salary needs to be increased by \$2,304 to		 \$ 78,446

Faculty Evaluation and Development

1. Background

CRTS is committed to continued faculty evaluation and development. Several documents within the CRTS Handbook illustrate this, such as CH 5.5 (Conference Attendance and Funding), CH 5.7 (Sabbatical Leave), and CH 5.10 (Support for Teaching and Administrative Skills).

In order to ensure that progress and development continues throughout a professor's years of service at CRTS, a periodic review of each faculty member will be conducted. With respect to new professors, such reviews are meant to assist them in the challenges of teaching, research, and development with the goal of receiving tenure (see CH 5.6.1). With respect to tenured professors, such reviews are not meant to nullify or jeopardize tenure but rather to create a regular opportunity to assess, discuss, and encourage the professors in their teaching, research, and development.

2. Procedure

- a. After the first and third years of teaching, a review process will be undertaken by the Academic Dean in which the teaching, research, and development of the professor will be assessed.
- b. Approaching the sixth year of teaching, the review process described in the tenure policy (CH 5.6.1) will be conducted.
- c. Every six years after a professor has been granted tenure, a review process will be undertaken by the Academic Dean in which the teaching, research, and development of the professor will be assessed.
- d. In the reviews mentioned in a) and c) above, the process will include:
 - i. Self-evaluation
 - ii. Course evaluation reports
 - iii. Visits to the classroom
 - iv. Any research and writings of the professor in the period being discussed
 - v. Opportunity for colleagues to comment on the work of the professor.
- e. The Academic Dean will initiate and conduct these reviews at the appropriate time. In the case of the reviews of the Academic Dean's role as professor, the Vice-principal will initiate and conduct the review.
- f. A brief written report regarding each of these reviews will be presented to the Academic Committee.

3. Criteria

- a. The following criteria will be considered in this review
 - i. Faithfulness to Scripture and adherence to the Three Forms of Unity
 - ii. Level of expertise displayed in lectures and in writings
 - iii. Degree to which the professor is appreciated by his colleagues and his students
 - iv. Preparation, organization, and delivery of courses and lecture material
 - v. Ability to respond to students in and out of class
 - vi. Ability and willingness to make use of technology
 - vii. Willingness to make improvement in any necessary area.

Approved by the Board of Governors: September 10, 2015

Tenure Policy

1. Definition

- 1.1 The granting of tenure means that a professor's teaching responsibilities at the Seminary continue indefinitely.
- 1.2 In accepting tenure, a professor indicates a commitment to continue to meet the academic standards and to strive for excellence in his discipline. Should this not be the case, the Board of Governors would need to decide whether the status of tenure should be revoked and the professor in question dismissed.

2. Criteria

The following criteria are important in the granting of tenure:

- 2.1 The educational background and formal academic upgrading (if desirable and necessary) of the professor. He should be equipped, and continue to equip himself, to furnish scholarly lectures.
- 2.2 The lectures must not only be faithful to the Scriptures and be confessionally sound, but must also be scholarly.
- 2.3 The professor must be able to communicate his discipline in a satisfactory manner.
- 2.4 The professor must enjoy the respect of his colleagues and of the students.
- 2.5 The professor must exhibit the ability to respond to student feedback and colleague input for improving his courses or method of teaching.
- 2.6 The professor must give evidence of his scholarship through publications, public lectures and participation in activities, especially within the Canadian Reformed community.

3. Procedure

- 3.1 By January 1st of the year in which a Synod will be held, the faculty member involved will submit to the Academic Dean an up-to-date activity list (or curriculum vitae) as well as written self-evaluation, in which he also notes, for example, his contributions to the Seminary.
- 3.2 Keeping in mind the target date of six years from the initial appointment, the Academic Committee of the Board of Governors will carefully monitor classroom reports as submitted by the academic governors, as well as input from the Academic Dean (who will pass on appropriate evaluations from colleagues and also have access to student evaluations). The faculty member involved will be kept fully informed.
- 3.3 Before the Synod that is to deal with the granting of the tenure, the Academic Committee will propose the granting of tenure to the Board of Governors for adoption by the full Board.
- 3.4 This proposal will go to the next Synod for implementation, that is that Synod direct the Board of Governors to grant tenure to the professor involved.

Adopted by Synod Abbotsford 1995, Art. 97