

BROADWAY NEIGHBOURHOOD CENTRE

Financial Statements

Year Ended March 31, 2019

BROADWAY NEIGHBOURHOOD CENTRE

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Year Ended March 31, 2019

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CHARTERED PROFESSIONAL ACCOUNTANTS
PROFESSIONAL CORPORATION

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INDEPENDENT AUDITOR'S REPORT

To the Members of Broadway neighbourhood centre

We have audited the accompanying financial statements of Broadway neighbourhood centre, which comprise the statement of financial position as at March 31, 2019 and the statements of revenues and expenditures, changes in net assets and cash flow 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 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 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 Broadway neighbourhood centre as at March 31, 2019 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Winnipeg, MB
October 15, 2019

CHARTERED PROFESSIONAL ACCOUNTANTS

BROADWAY NEIGHBOURHOOD CENTRE

Statement of Financial Position

March 31, 2019

	2019	2018
ASSETS		
CURRENT		
Cash	\$ 404,653	\$ 473,185
Accounts receivable	20,939	6,000
Goods and services tax recoverable	3,252	6,240
Prepaid expenses	2,479	5,149
	431,323	490,574
TANGIBLE CAPITAL ASSETS <i>(Net of accumulated amortization)</i>	39,330	44,669
	\$ 470,653	\$ 535,243
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 7,775	\$ 4,856
Wages payable	17,509	19,868
Deferred income	151,197	212,832
	176,481	237,556
DEFERRED CAPITAL CONTRIBUTION	39,330	44,669
PRIOR PERIOD ADJUSTMENT	3,375	-
	219,186	282,225
NET ASSETS	251,467	253,018
	\$ 470,653	\$ 535,243

ON BEHALF OF THE BOARD

Director

Director

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE**Statement of Revenues and Expenditures**

Year Ended March 31, 2019

	2019	2018
REVENUES		
City of Winnipeg	\$ 311,880	\$ 311,880
Multi media workshop revenue	74,926	135,389
Province of Manitoba	170,519	170,142
Rental revenue	67,464	79,743
Donations	32,716	74,547
Winnipeg Foundation	7,500	22,042
Core	-	12,558
Province of Manitoba - Healthy Child	13,191	-
Program Administration	27,794	55,843
Healing fund	1,300	-
Parking revenue	11,030	11,030
West Broadway Skate Park revenue	56,677	193,797
Winnipeg Foundation - Nourishing Potential	-	1,200
BNC Kitchen Renovation	500	500
Manitoba Metis Federation - Summer student	3,627	5,020
Revenue from deferred capital contributions	5,339	5,339
Interest income	1,061	1,050
Vending machine revenue	510	2,597
Rotary Circle	2,628	2,100
Apprenticeship	2,950	1,950
Miscellaneous	3,787	1,101
Assiniboine Credit Union	2,818	-
Revenue - Other	66	-
Fundraising	5,410	-
	803,693	1,087,828
EXPENSES		
Accounting fees	6,440	6,165
Administration	27,418	52,687
Advertising and promotion	7,506	8,085
Amortization	5,339	5,339
Apprenticeship	4,420	-
Audit	6,108	4,204
Cleaning supplies	8,421	8,247
Contractors	35,847	51,035
Donor care	10,530	16,195
Dues and subscriptions	229	150
Equipment	8,581	6,282
Equipment rentals	617	21,684
Food	13,174	11,750
Fundraising	1,087	-
Honorariums	4,971	4,129
Insurance	9,453	7,236
Internet	1,707	1,674
Gain/Loss on investments	(5,645)	5,362
Marketing	2,265	-
Miscellaneous	1,735	2,653

(continues)

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE
Statement of Revenues and Expenditures *(continued)*
Year Ended March 31, 2019

	2019	2018
Office	6,392	8,883
Professional fees	-	9,403
Program costs	112,035	118,753
Repairs and maintenance	23,023	20,730
Salaries and wages	381,331	425,670
Security	12,248	4,493
Skateboard Park	57,050	195,097
Social Enterprise expenses	3,910	-
Special Events	4,340	2,178
Staff training	95	-
Stipends	2,400	884
Supplies	5,778	3,769
Telephone	3,337	3,257
Transportation	5,429	7,722
Utilities	29,535	24,978
Vending machine expenses	2,671	2,263
Vision quest	71	-
Others	3,649	2,267
Youth wages	1,747	450
	<u>805,244</u>	<u>1,043,674</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ (1,551)	\$ 44,154

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE

Statement of Changes in Net Assets

Year Ended March 31, 2019

	Unrestricted surplus	2019	2018
NET ASSETS - BEGINNING OF YEAR	\$ 253,018	\$ 253,018	\$ 208,864
Deficiency of revenues over expenses	(1,551)	(1,551)	44,154
NET ASSETS - END OF YEAR	\$ 251,467	\$ 251,467	\$ 253,018

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE

Statement of Cash Flow

Year Ended March 31, 2019

	2019	2018
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ (1,551)	\$ 44,154
Item not affecting cash:		
Amortization of property, plant and equipment	<u>5,339</u>	<u>5,339</u>
	<u>3,788</u>	<u>49,493</u>
Changes in non-cash working capital:		
Accounts receivable	(14,939)	4,487
Accounts payable	2,919	(21,973)
Deferred income	(61,635)	(16,988)
Prepaid expenses	2,670	1,359
Goods and services tax payable	2,988	(3,380)
Wages payable	<u>(2,359)</u>	<u>(817)</u>
	<u>(70,356)</u>	<u>(37,312)</u>
Cash flow from (used by) operating activities	<u>(66,568)</u>	<u>12,181</u>
INVESTING ACTIVITY		
Deferred capital contribution	<u>(5,339)</u>	<u>(5,338)</u>
OTHER CASH FLOW ITEMS		
Prior period adjustments	<u>3,375</u>	<u>-</u>
INCREASE (DECREASE) IN CASH FLOW	(68,532)	6,843
Cash - beginning of year	<u>473,185</u>	<u>466,342</u>
CASH - END OF YEAR	<u>\$ 404,653</u>	<u>\$ 473,185</u>

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE

Notes to Financial Statements

Year Ended March 31, 2019

1. DESCRIPTION OF OPERATIONS

Broadway Neighbourhood Centre Inc. is a not-for-profit organization under the name of Broadway Neighbourhood Centre and is exempt from income tax under the Income Tax Act of Canada. The centre receives the majority of its funding from The City of Winnipeg and its purpose is to administer the facility, programs and activities in the building located at 185 Young Street, Winnipeg, Manitoba.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO). Canadian accounting standards for not-for-profit organizations are part of Canadian GAAP.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

Revenue recognition

Broadway neighbourhood centre follows the deferral 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 received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

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

3. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of March 31, 2019.

(continues)

BROADWAY NEIGHBOURHOOD CENTRE

Notes to Financial Statements

Year Ended March 31, 2019

3. FINANCIAL INSTRUMENTS *(continued)*

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers. In order to reduce its credit risk, the organization reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of customers which minimizes concentration of credit risk.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long-term debt, obligations under capital leases, contributions to the pension plan, and accounts payable.

(c) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.

4. DEFERRED REVENUE

	2019	2018
Deferred revenue consists of :		
Economic Edge - Winnipeg Foundation	\$ -	\$ 14,396
Aboriginal Youth Strategy - City of Winnipeg	-	20,690
After school leaders - Province of Manitoba	35,670	34,000
Core funding - City of Winnipeg	10,042	10,042
Greenspace - City of Winnipeg	97,648	84,148
MB Justice - Lighthouse	-	4,000
Social enterprise projects	2,437	12,056
Housing and Community Development - Province of Manitoba	5,400	13,500
Social Enterprise - Multimedia	-	20,000
	\$ 151,197	\$ 212,832

5. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

BROADWAY NEIGHBOURHOOD CENTRE

Notes to Financial Statements

Year Ended March 31, 2019

6. STATEMENT OF OPERATIONS - COMBINED REVENUES AND EXPENSES

	Revenues	Expenses	2019	2018
Core	\$ 359,790	\$ 361,354	\$ (1,564)	\$ 39,426
Girls Group	13,500	13,500	-	3
Just TV	195,830	194,255	1,575	1,898
Lighthouse	34,942	34,942	-	-
Nourishing Potential	-	-	-	110
Rotary Circle	2,628	2,628	-	-
Social Enterprise	74,926	64,763	10,163	10,945
Urban Green Team	14,270	14,270	-	-
Youth Program	-	11,725	(11,725)	(8,477)
After School Leaders	107,808	107,808	-	249
	\$ 803,694	\$ 805,245	\$ (1,551)	\$ 44,154

7. GRANTS

	2019	2018
City of Winnipeg		
Operating Grant - Just T.V.	\$ 150,000	\$ 150,000
Operating Grant - Core	120,500	120,500
Aboriginal youth strategy - Just T.V.	41,380	41,380
West Broadway skate park - Core	56,677	193,797
	368,557	505,677
Province of Manitoba		
After school leaders	107,808	108,411
Urban Green Team	14,270	14,271
Neighbourhoods Alive - Girls Group	16,318	13,500
Manitoba Justice - Lighthouse Project	34,942	33,960
	173,338	170,142
The Winnipeg Foundation		
Community liason project - Nourishing Potential	-	1,200
	-	1,200
Manitoba Metis Federation - Core	3,627	5,020
	\$ 545,522	\$ 682,039

BROADWAY NEIGHBOURHOOD CENTRE

Core

(Schedule 1)

Year Ended March 31, 2019

	2019	2018
REVENUE		
City of Winnipeg	\$ 120,500	\$ 120,500
Rental revenue	67,464	79,743
Donations	32,716	74,547
Parking revenue	11,030	11,030
West Broadway Skate Park revenue	56,677	193,797
Manitoba Metis Federation - Summer student	3,627	5,020
Revenue from deferred capital contributions	5,339	5,339
Interest income	1,061	1,048
Vending machine revenue	510	2,597
Miscellaneous	3,787	1,101
Winnipeg Foundation	6,000	15,121
BNC Kitchen Renovation	500	500
Program administration		
Just TV - Admin	18,011	18,000
Boys and Girls Club - Admin	-	7,800
MMF summer	3,765	-
After school leaders - Admin	-	4,896
Province of Manitoba - Healthy Child	13,191	-
EDVIP - Admin	1,000	-
Healing	1,300	-
Assiniboine credit union	2,818	-
Fundraising	5,410	-
Vision Quest - Admin	250	-
Remembering Assiniboia	-	1,250
Royal Society of Canada College	1,068	1,221
Ircm	-	1,512
Advantage Conditioning	-	613
Aboriginal Health and Wellness	-	7,470
Cultural inclusion/sensitivity	-	1,000
Plug in Art Gallery	3,700	5,545
End Homelessness Winnipeg	-	6,000
MB foster Family Network Video	-	1,969
South East CFS	-	4,038
First Person Strategy	-	2,329
Others	66	-
	359,790	573,986
EXPENSES		
Accounting fees	6,440	6,165
Amortization	5,339	5,339
Audit	6,108	4,204
Cleaning supplies	8,421	8,247
Dues and subscriptions	229	150
Equipment rentals	617	21,684
Apprenticeship	1,620	-
Honorariums	4,351	3,611

(continues)

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE*Core (continued)**(Schedule 1)***Year Ended March 31, 2019**

	2019	2018
Insurance	9,453	7,236
Internet	1,707	1,674
Contractors	7,242	-
Gain/Loss on investments	(5,645)	5,362
Miscellaneous	1,625	961
Office	5,392	7,883
Fundraising	175	-
Repairs and maintenance	23,023	20,730
Salaries and wages	176,610	201,146
Security	12,248	4,493
Skateboard Park	57,050	195,097
Special Events	4,340	2,178
Staff training	95	-
Supplies	200	-
Telephone	3,337	3,257
Transportation	5,170	6,102
Utilities	23,535	18,978
Vending machine expenses	2,671	2,263
	361,353	526,760
EXCESS OF REVENUES OVER EXPENSES	\$ (1,563)	\$ 47,226

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE

Girls Group

(Schedule 2)

Year Ended March 31, 2019

	2019	2018
REVENUE		
Province of Manitoba	\$ 13,500	\$ 13,500
Donations	3	-
	<u>13,503</u>	<u>13,500</u>
EXPENSES		
Honorariums	170	320
Program costs	5,837	5,370
Salaries and wages	7,433	7,665
Transportation	60	145
	<u>13,500</u>	<u>13,500</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 3</u>	<u>\$ -</u>

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE

Just Tv

(Schedule 3)

Year Ended March 31, 2019

	2019	2018
REVENUE		
City of Winnipeg	\$ 191,380	\$ 191,380
Winnipeg Foundation	1,500	6,921
Apprenticeship	2,950	1,950
Core	-	12,558
	<u>195,830</u>	<u>212,809</u>
EXPENSES		
Administration	18,000	18,000
Advertising and promotion	7,506	8,085
Equipment	8,581	6,282
Honorariums	450	198
Miscellaneous	21	-
Office	1,000	1,000
Salaries and wages	147,542	166,821
Supplies	5,155	3,050
Utilities	6,000	6,000
Transportation	-	1,475
	<u>194,255</u>	<u>210,911</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 1,575</u>	<u>\$ 1,898</u>

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE

Lighthouse project

(Schedule 4)

Year Ended March 31, 2019

	2019	2018
REVENUE		
Province of Manitoba	\$ 34,942	\$ 33,960
EXPENSES		
Food	13,174	10,660
Salaries and wages	21,768	23,300
	34,942	33,960
EXCESS (DEFICIENCY) OF EXPENSES OVER REVENUES	\$ -	\$ -

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE

Nourishing Potential

(Schedule 5)

Year Ended March 31, 2019

	2019	2018
REVENUE		
Winnipeg Foundation - Nourishing Potential	\$ -	\$ 1,200
EXPENSES		
Food	-	1,090
EXCESS (DEFICIENCY) OF EXPENSES OVER REVENUES	\$ -	\$ 110

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE

Rotary Circle

(Schedule 6)

Year Ended March 31, 2019

	2019	2018
REVENUE		
Rotary Circle	\$ 2,628	\$ 2,100
EXPENSES		
Program costs	228	1,216
Stipends	2,400	884
	2,628	2,100
EXCESS (DEFICIENCY) OF EXPENSES OVER REVENUES	\$ -	\$ -

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE**Social Enterprise****(Schedule 7)****Year Ended March 31, 2019**

	2019	2018
REVENUE		
Multi media workshop revenue	\$ 74,926	\$ 135,389
EXPENSES		
Administration	9,418	34,687
Apprenticeship	2,800	-
Hearts for the City	3,649	2,267
Contractors	28,604	51,035
Donor care	10,530	16,195
Fundraising	912	-
Miscellaneous	-	1,692
City of Wpg - Water bill	-	9,403
Program costs	-	3,955
Salaries and wages	2,832	4,156
Supplies	290	604
Social enterprises	3,910	-
Vision quest	71	-
Youth wages	1,747	450
	64,763	124,444
EXCESS OF REVENUES OVER EXPENSES	\$ 10,163	\$ 10,945

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE

Urban green team

(Schedule 8)

Year Ended March 31, 2019

	2019	2018
REVENUE		
Province of Manitoba	\$ 14,270	\$ 14,271
EXPENSES		
Miscellaneous	89	-
Salaries and wages	14,181	14,271
	14,270	14,271
EXCESS OF REVENUES OVER EXPENSES	\$ -	\$ -

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE

Youth programs

(Schedule 9)

Year Ended March 31, 2019

	2019	2018
EXPENSES		
Program costs	\$ 428	\$ 50
Salaries and wages	10,964	8,312
Supplies	133	115
Transportation	200	-
	<hr/>	<hr/>
	\$ 11,725	\$ 8,477

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE

Economic Edge

(Schedule 10)

Year Ended March 31, 2019

	2019	2018
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BROADWAY NEIGHBOURHOOD CENTRE

After School Leaders

(Schedule 11)

Year Ended March 31, 2019

	2019	2018
REVENUE		
Province of Manitoba	\$ 107,808	\$ 108,411
EXPENSES		
Program costs	<u>107,808</u>	<u>108,162</u>
INCOME FROM OPERATIONS	<u>\$ -</u>	<u>\$ 249</u>

See notes to financial statements