

BROADWAY NEIGHBOURHOOD CENTRE INC.
Financial Statements
Year Ended March 31, 2021

BROADWAY NEIGHBOURHOOD CENTRE INC.

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Year Ended March 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Broadway Neighbourhood Centre Inc.

Opinion

We have audited the financial statements of Broadway Neighbourhood Centre Inc. (the organization), which comprise the statement of financial position as at March 31, 2021, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2021, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises (ASPE).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the organization in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASPE, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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Independent Auditor's Report to the Shareholders of Broadway Neighbourhood Centre Inc. *(continued)*

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Winnipeg, MB
November 8, 2021



CHARTERED PROFESSIONAL ACCOUNTANTS

BROADWAY NEIGHBOURHOOD CENTRE INC.

Statement of Financial Position

March 31, 2021

	2021	2020
ASSETS		
CURRENT		
Cash	\$ 589,724	\$ 420,150
Accounts receivable	1,100	2,200
Goods and services tax recoverable	2,124	1,509
Prepaid expenses	1,688	2,087
	594,636	425,946
PROPERTY, PLANT AND EQUIPMENT <i>(Net of accumulated amortization)</i>	57,658	32,574
	\$ 652,294	\$ 458,520
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT		
Accounts payable	\$ 16,531	\$ 11,314
Wages payable	5,023	2,280
Deferred income	238,216	171,821
	259,770	185,415
DEFERRED CAPITAL CONTRIBUTION	57,658	32,574
	317,428	217,989
NET ASSETS	334,866	240,531
	\$ 652,294	\$ 458,520

ON BEHALF OF THE BOARD

Director

Director

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE INC.**Statement of Revenues and Expenditures****Year Ended March 31, 2021**

	2021	2020
REVENUES		
City of Winnipeg	\$ 300,201	\$ 326,880
Province of Manitoba	119,288	198,608
Multi media workshop revenue	82,335	140,161
Program Administration	33,766	55,195
Winnipeg Foundation - Nourishing Potential	2,521	5,752
Rental revenue	48,242	56,146
Donations	60,244	21,200
Parking revenue	9,360	11,470
Revenue from deferred capital contributions	10,294	6,756
Revenue - Other	9,519	4,971
Investment income	26,925	2,438
Rotary Circle	2,575	2,296
Winnipeg Foundation	40,122	1,500
Just TV	-	1,500
City of Winnipeg - Utility reimbursement	-	1,500
Core	7,415	-
West Broadway Skate Park revenue	-	1,339
Interest income	1,234	940
Apprenticeship	-	850
Fundraising	-	767
Vending machine revenue	1,263	672
WBCD	4,419	557
Wage Subsidy	33,331	-
MMF Summer Student Program	8,938	-
	801,992	841,498
EXPENSES		
Accounting fees	7,071	6,774
Advertising and promotion	7,207	7,273
Amortization	10,294	6,756
Audit	5,256	4,536
Apprenticeship	1,380	5,218
Conference	-	350
Dues and subscriptions	358	648
Contractors	23,111	53,796
Youth wages	221	5,031
Equipment	3,235	8,038
Food	3,126	9,840
Fundraising	1,000	-
Gain/Loss on investments	-	16,675
Honorariums	8,521	12,671
Internet	2,507	1,742
Manitoba status of women	-	19,460
Equipment rentals	2,483	1,096
Insurance	1,081	10,981
Interest and bank charges	121	(4)
Meals and entertainment	3,120	7,178
Manitoba Justice	-	4,400

(continues)

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE INC.
Statement of Revenues and Expenditures *(continued)*
Year Ended March 31, 2021

	2021	2020
Materials and expenses	-	51
Miscellaneous	9,233	3,650
Administration	48,025	57,042
Office	9,731	6,133
Program costs	87,380	129,041
Cleaning supplies	5,409	7,060
Stipends	2,200	2,266
Rental	6,700	-
Repairs and maintenance	22,503	17,537
Salaries and wages	354,627	392,410
Security	2,323	2,590
Supplies	6,286	9,749
Skateboard Park	2,563	3,990
Telephone	3,219	3,090
Special Events	2,010	2,266
Staff training	1,000	-
Transportation	3,027	5,655
Utilities	26,276	26,723
Walking tour	-	2,121
Sustainability Grant	34,647	-
Vending machine expenses	406	1,976
	<u>707,657</u>	<u>855,809</u>
EXCESS OF REVENUE OVER EXPENDITURES	\$ 94,335	\$ (14,311)

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE INC.
Statement of Changes in Net Assets
Year Ended March 31, 2021

	2021	2020
NET ASSETS - BEGINNING OF YEAR	\$ 240,531	\$ 254,842
EXCESS OF REVENUE OVER EXPENDITURES	<u>94,335</u>	<u>(14,311)</u>
NET ASSETS - END OF YEAR	<u>\$ 334,866</u>	<u>\$ 240,531</u>

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE INC.**Statement of Cash Flows
Year Ended March 31, 2021**

	2021	2020
OPERATING ACTIVITIES		
Excess of revenue over expenditures	\$ 94,335	\$ (14,311)
Items not affecting cash:		
Amortization of property, plant and equipment	10,294	6,756
Recognition of deferred capital contributions	<u>(10,294)</u>	<u>(6,756)</u>
	<u>94,335</u>	<u>(14,311)</u>
Changes in non-cash working capital:		
Accounts receivable	1,100	18,739
Accounts payable	5,217	3,539
Deferred income	66,395	20,624
Prepaid expenses	399	392
Goods and services tax payable	(615)	1,743
Wages payable	<u>2,743</u>	<u>(15,229)</u>
	<u>75,239</u>	<u>29,808</u>
Cash flow from operating activities	<u>169,574</u>	<u>15,497</u>
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(35,379)	-
Proceeds from deferred capital contributions	<u>35,379</u>	<u>-</u>
Cash flow from investing activities	<u>-</u>	<u>-</u>
INCREASE IN CASH FLOW	169,574	15,497
CASH - BEGINNING OF YEAR	<u>420,150</u>	<u>404,653</u>
CASH - END OF YEAR	<u>\$ 589,724</u>	<u>\$ 420,150</u>

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE INC.

Notes to Financial Statements

Year Ended March 31, 2021

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 Inc. 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. SUBSEQUENT EVENTS

In March 2020, the World Health Organization declared a global pandemic due to the novel coronavirus (COVID-19). The situation is constantly evolving, and the measures put in place are having multiple impacts on local, provincial, national and global economies.

The organization is aware of changes in its operations as a result of the COVID-19 crisis.

The overall effect of these events on the organization and its operations is too uncertain to be estimated at this time. The impacts will be accounted for when they are known and may be assessed.

BROADWAY NEIGHBOURHOOD CENTRE INC.

Notes to Financial Statements

Year Ended March 31, 2021

4. 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, 2021.

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.

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.

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.

5. DEFERRED REVENUE

	<u>2021</u>	<u>2020</u>
<u>Deferred revenue consists of :</u>		
Aboriginal Youth Strategy	\$ 3,448	\$ 20,690
After school leaders	27,438	20,131
Core Funding	10,042	10,042
Winnipeg foundation	44,920	-
Greenspace	97,648	97,648
Nourishing Potential	18,406	4,248
Province of MB -Girls Group and Youth Programs	4,425	14,550
Social Enterprise projects	31,889	4,513
	<u>\$ 238,216</u>	<u>\$ 171,822</u>

6. COMPARATIVE FIGURES

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

BROADWAY NEIGHBOURHOOD CENTRE INC.**Notes to Financial Statements****Year Ended March 31, 2021**

7. STATEMENT OF OPERATIONS - COMBINED REVENUES AND EXPENSES

	Revenues	Expenses	2021	2020
Core	\$ 414,978	\$ 323,022	\$ 91,956	\$ (13,718)
Girls Group	13,500	13,544	(44)	-
Just TV	183,795	184,008	(213)	(1,078)
Lighthouse	12,000	12,000	-	(82)
Nourishing Potential	2,521	2,521	-	-
Rotary Circle	2,575	2,600	(25)	(266)
Social Enterprise	82,335	79,048	3,287	4,993
Urban Green Team	9,284	9,284	-	(372)
Youth Program	3,321	3,321	-	(3,788)
After School Leaders	77,683	78,309	(626)	-
	<u>\$ 801,992</u>	<u>\$ 707,657</u>	<u>\$ 94,335</u>	<u>\$ (14,311)</u>

BROADWAY NEIGHBOURHOOD CENTRE INC.

Core

(Schedule 1)

Year Ended March 31, 2021

	2021	2020
REVENUES		
City of Winnipeg	\$ 120,500	\$ 120,500
Rental revenue	48,242	56,146
Province of Manitoba	6,821	27,620
Donations	60,244	21,200
Parking revenue	9,360	11,470
Winnipeg Foundation	40,122	-
Revenue from deferred capital contributions	10,294	6,756
Revenue - Other	9,519	4,971
Investment income	26,925	2,438
West Broadway Skate Park revenue	-	1,339
City of Winnipeg - Utility reimbursement	-	1,500
Interest income	1,234	940
Fundraising	-	767
MMF Summer Student Program	8,938	-
Vending machine revenue	1,263	672
WBCD	4,419	557
Wage Subsidies	33,331	-
PROGRAM ADMINISTRATION		
Just TV - Admin	14,000	18,000
Southern Chief - Admin	8,573	11,428
Music Camp - Admin	-	5,550
Mistecture - Admin	-	4,822
Wpg Police - Complex Trauma	-	4,500
Summer Jobs Funding	7,063	3,665
Cultural Inclusion / Sensitivity	-	1,280
Plug In Art Gallery	-	1,779
Blinks Garden - Admin	-	980
Community futures	-	900
Unity gathering	-	818
First Person Startegy	-	750
Art Kitchen - Admin	-	388
Vision Quest - Admin	-	250
Aboriginal health and wellness	2,080	-
Youth Vignette - Admin	-	86
WBCO Video - Admin	2,050	-
	414,978	312,072
EXPENSES		
Accounting fees	7,071	6,774
Amortization	10,294	6,756
Audit	5,256	4,536
Interest and bank charges	119	-
Cleaning supplies	5,409	7,060
Dues and subscriptions	358	648
Equipment rentals	1,494	1,096
Gain/Loss on investments	-	16,675
Honorariums	1,885	7,788

(continues)

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE INC.*Core (continued)**(Schedule 1)***Year Ended March 31, 2021**

	2021	2020
Insurance	1,081	10,981
Internet	2,507	1,742
Miscellaneous	10,898	3,650
Office	9,508	5,633
Repairs and maintenance	22,505	17,534
Salaries and wages	174,085	195,451
Security	2,323	2,590
Skateboard Park	2,563	3,990
Special Events	1,681	2,266
Sustainability Grant	34,647	-
Telephone	3,067	3,090
Transportation	2,649	4,831
Utilities	20,276	20,723
Vending machine expenses	406	1,976
Advertising and promotion	2,940	-
	323,022	325,790
INCOME (LOSS) FROM OPERATIONS	\$ 91,956	\$ (13,718)

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE INC.**Girls Group****(Schedule 2)****Year Ended March 31, 2021**

	2021	2020
REVENUE	\$ 13,500	\$ 11,700
EXPENSES		
Salaries and wages	4,378	8,234
Program costs	8,466	2,902
Honorariums	500	511
Administration	-	40
Transportation	200	13
	13,544	11,700
LOSS FROM OPERATIONS	\$ (44)	\$ -

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE INC.**Just TV****(Schedule 3)****Year Ended March 31, 2021**

	2021	2020
REVENUE		
City of Winnipeg	\$ 176,380	\$ 191,380
Winnipeg Foundation	-	1,500
Just TV	-	1,500
Apprenticeship	-	850
Core	7,415	-
	183,795	195,230
EXPENSES		
Administration	14,000	18,000
Advertising and promotion	4,267	7,273
Equipment	1,715	7,661
Honorariums	236	-
Miscellaneous	(2,415)	-
Office	76	500
Salaries and wages	155,360	151,867
Supplies	4,769	4,601
Transportation	-	406
Utilities	6,000	6,000
	184,008	196,308
LOSS FROM OPERATIONS	\$ (213)	\$ (1,078)

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE INC.

Lighthouse Project

(Schedule 4)

Year Ended March 31, 2021

	<u>2021</u>	<u>2020</u>
REVENUE	\$ 12,000	\$ 12,000
EXPENSES		
Food	3,126	4,088
Salaries and wages	<u>8,874</u>	<u>7,994</u>
	<u>12,000</u>	<u>12,082</u>
LOSS FROM OPERATIONS	\$ -	\$ (82)

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE INC.**Nourishing Potential****(Schedule 5)****Year Ended March 31, 2021**

	2021	2020
REVENUE	\$ 2,521	\$ 5,752
EXPENSES		
Equipment	1,521	-
Food	-	5,752
Staff training	1,000	-
	2,521	5,752
INCOME FROM OPERATIONS	\$ -	\$ -

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE INC.

Rotary Circle

(Schedule 6)

Year Ended March 31, 2021

	2021	2020
REVENUE	\$ 2,575	\$ 2,296
EXPENSES		
Program costs	400	296
Stipends	2,200	2,266
	2,600	2,562
LOSS FROM OPERATIONS	\$ (25)	\$ (266)

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE INC.**Social Enterprise****(Schedule 7)****Year Ended March 31, 2021**

	2021	2020
REVENUE		
Multi media workshop revenue	\$ 82,335	\$ 140,161
EXPENSES		
Administration	34,025	39,002
Apprenticeship	1,380	5,218
Conference	-	350
Contractors	23,111	53,796
Fundraising	1,000	-
Equipment rentals	989	-
Miscellaneous	750	-
Honorariums	5,900	4,372
Rental	6,700	-
Program costs	3,951	-
Salaries and wages	-	250
Supplies	938	740
Youth wages	221	5,031
Equipment	-	377
Materials and expenses	-	51
Manitoba Justice	-	4,400
Manitoba status of women	-	19,460
Walking tour	-	2,121
Transportation	83	-
	79,048	135,168
INCOME FROM OPERATIONS	\$ 3,287	\$ 4,993

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE INC.

Urban Green Team

(Schedule 8)

Year Ended March 31, 2021

	2021	2020
REVENUE	\$ 9,284	\$ 14,436
EXPENSES		
Salaries and wages	<u>9,284</u>	<u>14,808</u>
LOSS FROM OPERATIONS	\$ -	\$ (372)

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE INC.**Youth Programs****(Schedule 9)****Year Ended March 31, 2021**

	2021	2020
REVENUE	\$ 3,321	\$ 15,000
EXPENSES		
Program costs	-	169
Salaries and wages	2,647	13,806
Supplies	579	4,408
Transportation	95	405
	3,321	18,788
LOSS FROM OPERATIONS	\$ -	\$ (3,788)

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE INC.**After School Leaders****(Schedule 10)****Year Ended March 31, 2021**

	2021	2020
REVENUE		
Trade sale	\$ -	\$ -
Province of Manitoba	<u>77,683</u>	<u>132,852</u>
	<u>77,683</u>	<u>132,852</u>
EXPENSES		
Meals and entertainment	3,120	7,178
Program costs	74,563	125,674
Telephone	151	-
Special Events	329	-
Office	<u>146</u>	<u>-</u>
	<u>78,309</u>	<u>132,852</u>
LOSS FROM OPERATIONS	<u>\$ (626)</u>	<u>\$ -</u>

See notes to financial statements