

BROADWAY NEIGHBOURHOOD CENTRE INC.
Financial Statements
Year Ended March 31, 2022

BROADWAY NEIGHBOURHOOD CENTRE INC.
Index to Financial Statements
Year Ended March 31, 2022

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Balance Sheet	3
Statement of Income	4 - 5
Statement of Retained Earnings	6
Statement of Cash Flows	7
Notes to Financial Statements	8 - 10
Core (<i>Schedule 1</i>)	11 - 12
Girls Group (<i>Schedule 2</i>)	13
Just TV (<i>Schedule 3</i>)	14
Lighthouse Project (<i>Schedule 4</i>)	15
Nourishing Potential (<i>Schedule 5</i>)	16
Rotary Circle (<i>Schedule 6</i>)	17
Social Enterprise (<i>Schedule 7</i>)	18
Urban Green Team (<i>Schedule 8</i>)	19
Youth Programs (<i>Schedule 9</i>)	20
After School Leaders (<i>Schedule 10</i>)	21

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 balance sheet as at March 31, 2022, and the statements of income, retained earnings 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, 2022, 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.


(continues)

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
September 26, 2022

CHARTERED PROFESSIONAL ACCOUNTANTS

BROADWAY NEIGHBOURHOOD CENTRE INC.

Balance Sheet

March 31, 2022

	2022	2021
ASSETS		
CURRENT		
Cash	\$ 770,147	\$ 589,724
Accounts receivable	-	1,100
Goods and services tax recoverable	4,795	2,124
Prepaid expenses	2,931	1,688
	<u>777,873</u>	<u>594,636</u>
PROPERTY, PLANT AND EQUIPMENT <i>(Net of accumulated amortization)</i>	<u>87,446</u>	<u>57,658</u>
	<u>\$ 865,319</u>	<u>\$ 652,294</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT		
Accounts payable	\$ 6,908	\$ 16,531
Wages payable	5,403	5,023
Deferred income	420,311	238,216
	<u>432,622</u>	<u>259,770</u>
DEFERRED CAPITAL CONTRIBUTIONS	<u>87,446</u>	<u>57,658</u>
	<u>520,068</u>	<u>317,428</u>
NET ASSETS	<u>345,251</u>	<u>334,866</u>
	<u>\$ 865,319</u>	<u>\$ 652,294</u>

ON BEHALF OF THE BOARD

Director

Director

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE INC.

**Statement of Income
Year Ended March 31, 2022**

	2022	2021
REVENUES		
City of Winnipeg	\$ 299,312	\$ 300,201
Winnipeg Foundation	163,270	40,122
Province of Manitoba	116,534	119,288
Rental	112,418	48,242
Multi media workshop	98,829	82,335
Program Administration	69,042	33,766
Donations	25,240	60,244
Revenue from deferred capital contributions	17,219	10,294
Winnipeg Foundation - Nourishing Potential	15,691	2,521
CEWS Rebate	12,767	-
Just TV Source	10,500	-
Rotary Circle	9,393	2,575
Parking	8,275	9,360
Investment income	4,642	26,925
Other revenue	3,645	9,519
Fundraising	2,469	-
Interest income	1,366	1,234
YAA Art Show	1,300	-
Core	1,300	7,415
Apprenticeship	1,000	-
Vending machine	927	1,263
Art for Social Change	500	-
WBCD	-	4,419
Wage Subsidy	-	33,331
MMF Summer Student Program	-	8,938
	975,639	801,992
EXPENSES		
Accounting fees	6,653	7,071
Administration	32,539	48,027
Advertising and promotion	1,232	7,207
Amortization	17,682	10,294
Apprenticeship	5,190	1,380
Audit	5,516	5,256
Canada Summer Games	7,113	-
Cleaning supplies	6,583	5,409
Contractors	38,466	22,911
Dues and subscriptions	701	358
Equipment	5,737	3,235
Equipment rentals	738	2,483
Food	15,342	3,126
Fundraising	2,292	1,000
Honorariums	9,726	8,721
Insurance	22,004	1,081
Interest and bank charges	-	119
Internet	2,065	2,507
Manitoba Justice	6,677	-
Meals and entertainment	2,410	3,120

(continues)

BROADWAY NEIGHBOURHOOD CENTRE INC.**Statement of Income (continued)****Year Ended March 31, 2022**

	2022	2021
Miscellaneous	20,051	9,233
Office	12,390	9,731
Program costs	100,354	87,380
Rental	-	6,700
Repairs and maintenance	22,788	22,503
Salaries and wages	507,520	354,627
Security	3,249	2,323
Skateboard Park	-	2,563
Special Events	5,486	2,010
Staff training	1,000	1,000
Stipends	9,018	2,200
Supplies	13,782	6,286
Sustainability Grant	35,150	34,647
Telephone	3,602	3,219
Transportation	5,296	3,027
Utilities	35,104	26,276
Vending machine expenses	689	406
Youth wages	1,109	221
	965,254	707,657
NET INCOME	\$ 10,385	\$ 94,335

BROADWAY NEIGHBOURHOOD CENTRE INC.
Statement of Retained Earnings
Year Ended March 31, 2022

	<u>2022</u>	<u>2021</u>
RETAINED EARNINGS - BEGINNING OF YEAR	\$ 334,866	\$ 240,531
NET INCOME	<u>10,385</u>	<u>94,335</u>
RETAINED EARNINGS - END OF YEAR	<u>\$ 345,251</u>	<u>\$ 334,866</u>

BROADWAY NEIGHBOURHOOD CENTRE INC.**Statement of Cash Flows
Year Ended March 31, 2022**

	2022	2021
OPERATING ACTIVITIES		
Net income	\$ 10,385	\$ 94,335
Items not affecting cash:		
Amortization of property, plant and equipment	17,682	10,294
Recognition of deferred capital contributions	(17,682)	(10,294)
	<u>10,385</u>	<u>94,335</u>
Changes in non-cash working capital:		
Accounts receivable	1,100	1,100
Accounts payable	(9,623)	5,217
Deferred income	182,095	66,395
Prepaid expenses	(1,243)	399
Goods and services tax payable	(2,671)	(615)
Wages payable	380	2,743
	<u>170,038</u>	<u>75,239</u>
Cash flow from operating activities	<u>180,423</u>	<u>169,574</u>
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(47,469)	(35,379)
Proceeds from deferred capital contributions	47,469	35,379
Cash flow from investing activities	<u>-</u>	<u>-</u>
INCREASE IN CASH FLOW	180,423	169,574
CASH - BEGINNING OF YEAR	589,724	420,150
CASH - END OF YEAR	\$ 770,147	\$ 589,724

See notes to financial statements

BROADWAY NEIGHBOURHOOD CENTRE INC.

Notes to Financial Statements

Year Ended March 31, 2022

1. BASIS OF PRESENTATION

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

2. 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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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, 2022.

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.

(continues)

BROADWAY NEIGHBOURHOOD CENTRE INC.

Notes to Financial Statements

Year Ended March 31, 2022

4. FINANCIAL INSTRUMENTS *(continued)*

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>2022</u>	<u>2021</u>
<u>Deferred revenue consists of :</u>		
Aboriginal Youth Strategy	\$ -	\$ 3,448
After school leaders	26,599	27,438
Core Funding	130,542	10,042
Winnipeg foundation	-	44,920
Just TV	135,000	-
Greenspace	97,648	97,648
Nourishing Potential	-	18,406
Province of MB -Girls Group and Youth Programs	8,543	4,425
Social Enterprise projects	21,979	31,889
	<u>\$ 420,311</u>	<u>\$ 238,216</u>

6. COMPARATIVE FIGURES

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

7. STATEMENT OF OPERATIONS - COMBINED REVENUES AND EXPENSES

	Revenues	Expenses	<u>2022</u>	<u>2021</u>
Core	\$ 543,581	\$ 533,016	\$ 10,565	\$ 91,956
Girls Group	10,125	11,571	(1,446)	(44)
Just TV	189,180	188,143	1,037	(213)
Lighthouse	13,000	13,000	-	-
Nourishing Potential	15,691	15,691	-	-
Rotary Circle	9,393	9,393	-	(25)
Social Enterprise	98,829	98,600	229	3,287
Urban Green Team	-	-	-	-

(continues)

BROADWAY NEIGHBOURHOOD CENTRE INC.

Notes to Financial Statements

Year Ended March 31, 2022

7. STATEMENT OF OPERATIONS - COMBINED REVENUES AND EXPENSES (continued)

	Revenues	Expenses	2022	2021
Youth Program	2,431	2,431	-	-
After School Leaders	93,409	93,409	-	(626)
	<u>\$ 975,639</u>	<u>\$ 965,254</u>	<u>\$ 10,385</u>	<u>\$ 94,335</u>

BROADWAY NEIGHBOURHOOD CENTRE INC.

Core

(Schedule 1)

Year Ended March 31, 2022

	2022	2021
REVENUES		
Winnipeg Foundation	\$ 163,270	\$ 40,122
City of Winnipeg	120,500	120,500
Rental revenue	112,418	48,242
Donations	25,240	60,244
Summer Jobs Funding	19,082	7,063
MB Justice - Source	17,823	-
Revenue from deferred capital contributions	17,219	10,294
Just TV - Admin	14,000	14,000
Camada Summer Jobs	12,767	-
Parking revenue	8,275	9,360
Safe At Home	6,649	-
Investment income	4,642	26,925
Revenue - Other	3,645	9,519
RRC	2,910	-
Fundraising	2,470	-
CPA MB Foundation	1,920	-
YAA Green Action initiative	1,895	2,050
Plug-In Art Gallery	1,850	-
CCPA - State of the Inner City	1,805	-
Interest income	1,366	1,234
YAA Art Show	1,300	-
First Nations Health MB	1,108	-
Vending machine revenue	927	1,263
Art for Social Change	500	-
PROGRAM ADMINISTRATION		
Southern Chief - Admin	-	8,573
WBCD	-	4,419
Province of Manitoba	-	6,821
Wage Subsidies	-	33,331
Aboriginal health and wellness	-	2,080
MMF Summer Student Program	-	8,938
	543,581	414,978
EXPENSES		
Accounting fees	6,653	7,071
Amortization	17,219	10,294
Audit	5,516	5,256
Interest and bank charges	-	119
Cleaning supplies	6,583	5,409
Dues and subscriptions	701	358
Equipment rentals	738	1,494
Fundraising	1,292	-
Honorariums	7,972	1,885
Insurance	22,004	1,081
Internet	2,065	2,507
Miscellaneous	20,051	10,898
Office	8,633	9,508
Repairs and maintenance	22,789	22,505

(continues)

BROADWAY NEIGHBOURHOOD CENTRE INC.*Core (continued)**(Schedule 1)***Year Ended March 31, 2022**

	2022	2021
Salaries and wages	330,278	174,085
Security	3,249	2,323
Skateboard Park	-	2,563
Special Events	4,114	1,681
Sustainability Grant	35,150	34,647
Telephone	3,267	3,067
Transportation	4,949	2,649
Utilities	29,104	20,276
Vending machine expenses	689	406
Advertising and promotion	-	2,940
	533,016	323,022
INCOME FROM OPERATIONS	\$ 10,565	\$ 91,956

BROADWAY NEIGHBOURHOOD CENTRE INC.

Girls Group

(Schedule 2)

Year Ended March 31, 2022

	2022	2021
REVENUE	\$ 10,125	\$ 13,500
EXPENSES		
Salaries and wages	1,545	4,378
Program costs	10,026	8,466
Honorariums	-	500
Transportation	-	200
	11,571	13,544
LOSS FROM OPERATIONS	\$ (1,446)	\$ (44)

BROADWAY NEIGHBOURHOOD CENTRE INC.**Just TV****(Schedule 3)****Year Ended March 31, 2022**

	2022	2021
REVENUE		
City of Winnipeg	\$ 176,380	\$ 176,380
Apprenticeship	1,000	-
Core	1,300	7,415
Source	10,500	-
	<u>189,180</u>	<u>183,795</u>
EXPENSES		
Administration	14,000	14,000
Advertising and promotion	1,232	4,267
Equipment	4,394	1,715
Honorariums	-	236
Miscellaneous	-	(2,415)
Office	2,745	76
Salaries and wages	148,387	155,360
Supplies	11,385	4,769
Utilities	6,000	6,000
	<u>188,143</u>	<u>184,008</u>
INCOME (LOSS) FROM OPERATIONS	<u>\$ 1,037</u>	<u>\$ (213)</u>

BROADWAY NEIGHBOURHOOD CENTRE INC.

**Lighthouse Project
Year Ended March 31, 2022**

(Schedule 4)

	<u>2022</u>	<u>2021</u>
REVENUE	<u>\$ 13,000</u>	<u>\$ 12,000</u>
EXPENSES		
Food	2,045	3,126
Program costs	1,673	-
Salaries and wages	<u>9,282</u>	<u>8,874</u>
	<u>13,000</u>	<u>12,000</u>
INCOME FROM OPERATIONS	<u>\$ -</u>	<u>\$ -</u>

BROADWAY NEIGHBOURHOOD CENTRE INC.

**Nourishing Potential
Year Ended March 31, 2022**

(Schedule 5)

	2022	2021
REVENUE	\$ 15,691	\$ 2,521
EXPENSES		
Equipment	931	1,521
Food	13,298	-
Staff training	1,000	1,000
Amortization	462	-
	15,691	2,521
INCOME FROM OPERATIONS	\$ -	\$ -

BROADWAY NEIGHBOURHOOD CENTRE INC.

Rotary Circle

(Schedule 6)

Year Ended March 31, 2022

	2022	2021
REVENUE	<u>\$ 9,393</u>	<u>\$ 2,575</u>
EXPENSES		
Program costs	375	400
Stipends	<u>9,018</u>	<u>2,200</u>
	<u>9,393</u>	<u>2,600</u>
LOSS FROM OPERATIONS	<u>\$ -</u>	<u>\$ (25)</u>

BROADWAY NEIGHBOURHOOD CENTRE INC.**Social Enterprise****(Schedule 7)****Year Ended March 31, 2022**

	2022	2021
REVENUE		
Multi media workshop	<u>\$ 98,829</u>	<u>\$ 82,335</u>
EXPENSES		
Administration	18,538	34,025
Apprenticeship	5,190	1,380
Contractors	38,466	22,911
Fundraising	1,000	1,000
Equipment rentals	-	989
Miscellaneous	-	750
Honorariums	1,754	6,100
Rental	-	6,700
Program costs	-	3,951
Salaries and wages	17,919	-
Supplies	421	938
Youth wages	1,109	221
Equipment	413	-
Manitoba Justice	6,677	-
Transportation	-	83
Canada Summer Games	7,113	-
	<u>98,600</u>	<u>79,048</u>
INCOME FROM OPERATIONS	<u>\$ 229</u>	<u>\$ 3,287</u>

BROADWAY NEIGHBOURHOOD CENTRE INC.
Urban Green Team
Year Ended March 31, 2022

(Schedule 8)

	2022	2021
REVENUE	\$ -	\$ 9,284
EXPENSES		
Salaries and wages	-	<u>9,284</u>
INCOME FROM OPERATIONS	<u>\$ -</u>	<u>\$ -</u>

BROADWAY NEIGHBOURHOOD CENTRE INC.

Youth Programs

(Schedule 9)

Year Ended March 31, 2022

	2022	2021
REVENUE	\$ 2,431	\$ 3,321
EXPENSES		
Salaries and wages	112	2,647
Supplies	1,973	579
Transportation	346	95
	2,431	3,321
INCOME FROM OPERATIONS	\$ -	\$ -

BROADWAY NEIGHBOURHOOD CENTRE INC.

After School Leaders

(Schedule 10)

Year Ended March 31, 2022

	<u>2022</u>	<u>2021</u>
REVENUE		
Donations	\$ -	\$ -
Province of Manitoba	<u>93,409</u>	<u>77,683</u>
	<u>93,409</u>	<u>77,683</u>
EXPENSES		
Meals and entertainment	2,410	3,120
Program costs	88,280	74,563
Telephone	335	151
Special Events	1,372	329
Office	<u>1,012</u>	<u>146</u>
	<u>93,409</u>	<u>78,309</u>
LOSS FROM OPERATIONS	<u>\$ -</u>	<u>\$ (626)</u>

