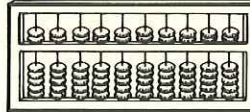


**NIAGARA LIFE CENTRE  
FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2017  
(UNAUDITED)**



# BRIDGMAN & DURKSEN

CHARTERED PROFESSIONAL ACCOUNTANTS  
PROFESSIONAL CORPORATION



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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

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To the Members of Niagara Life Centre

We have reviewed the statement of financial position of Niagara Life Centre as at December 31, 2017 and the statements of revenues and expenditures, changes in net assets and 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.

### Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Niagara Life Centre as at December 31, 2017, and the results of its operations and its cash flows for the year then ended in accordance with the Canadian accounting standards for not-for-profit organizations.

St. Catharines, Ontario  
May 16, 2018

CHARTERED PROFESSIONAL ACCOUNTANTS  
PROFESSIONAL CORPORATION

Authorized to practise public accounting by the  
Chartered Professional Accountants of Ontario



**NIAGARA LIFE CENTRE**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2017**  
*(UNAUDITED)*

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 176,822	\$ 124,288
Tradebank dollars (Note 9)	10,175	9,427
Harmonized sales tax recoverable	31,283	7,575
Prepaid supplies	2,789	4,898
	<u>221,069</u>	146,188
<b>CAPITAL ASSETS (Note 5)</b>	<u>680,434</u>	148,236
	<u><b>\$ 901,503</b></u>	<u><b>\$ 294,424</b></u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Employee deductions payable	\$ 5,531	\$ 4,232
Current portion of long term debt (Note 6)	34,000	-
	<u>39,531</u>	4,232
<b>LONG TERM DEBT (Note 6)</b>	<u>66,000</u>	-
	<u><b>105,531</b></u>	4,232
<b>NET ASSETS</b>		
<b>OPERATING FUND</b>	143,386	115,546
<b>CAPITAL FUND</b>	580,434	148,236
<b>BEQUESTS FUND</b>	72,152	26,410
	<u>795,972</u>	290,192
	<u><b>\$ 901,503</b></u>	<u><b>\$ 294,424</b></u>

Approved on behalf of the Board

\_\_\_\_\_ Chair

\_\_\_\_\_ Treasurer



**NIAGARA LIFE CENTRE**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**YEAR ENDED DECEMBER 31, 2017**  
*(UNAUDITED)*

	Operating Fund	Capital Fund	Bequests Fund	2017	2016
<b>NET ASSETS -</b>					
beginning of year	\$ 115,546	\$ 148,236	\$ 26,410	\$ 290,192	\$ 283,980
Excess of revenue over expenses	387,930	95,758	22,092	505,780	6,213
Transfer	(360,090)	336,440	23,650	-	-
<b>NET ASSETS - end of year</b>	<b>\$ 143,386</b>	<b>\$ 580,434</b>	<b>\$ 72,152</b>	<b>\$ 795,972</b>	<b>\$ 290,193</b>

The charge to the Capital Fund represents building donations received of \$107,913, less \$12,155 depreciation on capital assets.

The transfers from the Bequests Fund, Capital Fund, and Operating Fund represent amounts paid for and received for the centre's relocation and renovation of a new property.





**NIAGARA LIFE CENTRE**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**YEAR ENDED DECEMBER 31, 2017**  
*(UNAUDITED)*

	2017	%	2016	%
<b>REVENUE</b>				
General donations	\$ 239,026	40.0	\$ 220,005	50.9
Fundraising	154,892	25.9	139,043	32.2
Building donations	107,913	18.1	-	-
Tradebank donations (Note 9)	34,614	5.8	31,445	7.3
Fees for service	34,173	5.7	34,884	8.1
Bequest fund income	22,092	3.7	161	-
Program income	4,500	0.8	6,280	1.5
	<u>597,210</u>	<u>100.0</u>	<u>431,818</u>	<u>100.0</u>
<b>EXPENSES</b>				
Wages and benefits	268,439	44.9	258,314	59.8
Fundraising	58,611	9.8	65,236	15.1
Office and miscellaneous	37,896	6.3	34,092	7.9
Repairs and maintenance	14,549	2.4	7,984	1.8
Advertising and promotion	10,571	1.8	11,337	2.6
Insurance	6,162	1.0	4,018	0.9
Telephone	6,136	1.0	6,421	1.5
Utilities	5,738	1.0	4,597	1.1
Harmonized sales tax	4,281	0.7	4,554	1.1
Travel	3,191	0.5	2,639	0.6
Property taxes	2,897	0.5	5,793	1.3
Conferences and education	2,818	0.5	12,505	2.9
Professional fees	2,800	0.5	2,910	0.7
Bank charges and interest	2,614	0.4	603	0.1
Benevolence	406	0.1	478	0.1
Depreciation	12,155	2.0	4,124	1.0
	<u>439,264</u>	<u>73.4</u>	<u>425,605</u>	<u>98.5</u>
<b>EXCESS OF REVENUE OVER EXPENSES FROM OPERATIONS</b>	<b>157,946</b>	<b>26.6</b>	<b>6,213</b>	<b>1.5</b>
<b>OTHER INCOME</b>				
Gain on disposal of property	347,834	58.2	-	-
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<b>\$ 505,780</b>	<b>84.8</b>	<b>\$ 6,213</b>	<b>1.5</b>



**NIAGARA LIFE CENTRE**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2017**  
*(UNAUDITED)*

	<u>2017</u>	<u>2016</u>
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenses	\$ 505,780	\$ 6,213
Items not affecting cash:		
Depreciation	12,155	4,124
Gain on disposal of property	(347,834)	-
	<u>170,101</u>	<u>10,337</u>
Changes in non-cash working capital:		
Harmonized sales tax recoverable	(23,708)	3,497
Prepaid supplies	2,109	(4,898)
Employee deductions payable	1,299	(1,255)
	<u>(20,300)</u>	<u>(2,656)</u>
	<u>149,801</u>	<u>7,681</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of capital assets	(690,101)	(6,372)
Proceeds on disposal of property	493,582	-
	<u>(196,519)</u>	<u>(6,372)</u>
<b>FINANCING ACTIVITIES</b>		
Proceeds from long term financing	150,000	-
Repayment of long term debt	(50,000)	-
	<u>100,000</u>	<u>-</u>
<b>INCREASE IN CASH</b>	<u>53,282</u>	<u>1,309</u>
<b>CASH - beginning of year</b>	<u>133,715</u>	<u>132,406</u>
<b>CASH - end of year</b>	<u>\$ 186,997</u>	<u>\$ 133,715</u>



**NIAGARA LIFE CENTRE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2017**  
*(UNAUDITED)*

**1. ORGANIZATION PROFILE**

Niagara Life Centre is a charitable organization providing help, hope and healing to families and individuals from its Centre in St. Catharines. They provide crisis pregnancy and general counselling.

**2. BASIS OF PRESENTATION**

The financial statements were prepared in accordance with Canadian Accounting Standards for Not-For-Profit Organizations (ASNFPO).

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Cash and cash equivalents

Cash includes cash on hand and funds held in the Centre's bank accounts.

Capital assets

Capital assets are stated at cost and are depreciated using the diminishing-balance method at the rates indicated below. Depreciation in the year of acquisition is recorded at one-half the normal rates.

Buildings	4%
Paving	8%
Furniture and equipment	20%
Computers	30%

Revenue recognition

Most clients pay a subsidized fee for counselling services; however, the Centre earns revenue primarily from general donations and fundraising activities. Donation revenue is recognized on a cash basis. All other revenue and expenses are recognized on an accrual basis. See Note 5 for the revenue recognition policy pertaining to Tradebank dollars.

Donated materials and services

The Centre generally does not record the value of donated materials and services when the amounts are not readily determinable. When the fair values can reasonably be estimated and when the materials and services are used in the normal course of the organization's operations and would otherwise have been purchased, they are recorded.

*(continues)*





**NIAGARA LIFE CENTRE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2017**  
*(UNAUDITED)*

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)***

Fund accounting

Niagara Life Centre follows the restricted fund method of accounting for contributions.

The Operating Fund accounts for the company's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

The Capital Fund reports the assets, liabilities, revenues and expenses related to Niagara Life Centre's capital assets and building expansion campaign.

The Bequests Fund reports the Centre's receipts of bequests (gifts from estates) and the expenses to which those monies are allocated at the discretion of management. The use of these funds is not restricted by the estate.

Financial instruments policy

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.

Measurement uncertainty

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

**4. FINANCIAL INSTRUMENTS**

The Centre's financial instruments consist of cash, harmonized sales tax recoverable, and employee deductions payable. It is management's opinion that the Centre is not exposed to significant interest, currency or credit risks arising from these instruments. The fair market value of these instruments approximate their carrying value, unless otherwise noted.





**NIAGARA LIFE CENTRE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2017**  
*(UNAUDITED)*

**5. CAPITAL ASSETS**

	Cost	Accumulated depreciation	2017 Net book value	2016 Net book value
Land	\$ 150,000	\$ -	\$ 150,000	\$ 60,839
Buildings	532,624	10,653	521,971	81,812
Furniture and fixtures	12,903	8,117	4,786	1,787
Computers	10,789	7,112	3,677	701
Paving	-	-	-	3,097
	<u>\$ 706,316</u>	<u>\$ 25,882</u>	<u>\$ 680,434</u>	<u>\$ 148,236</u>

**6. LONG TERM DEBT**

	2017	2016
Private lender promissory note bearing zero interest, repayable in annual principal payments of \$34,000. The loan matures on December 1, 2020.	\$ 100,000	\$ -
Amounts payable within one year	(34,000)	-
	<u>\$ 66,000</u>	<u>\$ -</u>

Principal repayment terms are approximately:

2018	\$ 34,000
2019	34,000
2020	32,000
	<u>\$ 100,000</u>

**7. BANK INDEBTEDNESS**

Any indebtedness incurred from time to time by the Centre is due on demand with interest calculated at the Meridian Credit Union's prime lending rate plus 1% and is secured by the land and buildings of the Centre.

**8. INCOME TAXES**

Niagara Life Centre is a registered charity and therefore is exempt from income tax under Section 149(1) of the Canadian Income Tax Act.



**NIAGARA LIFE CENTRE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2017**  
*(UNAUDITED)*

**9. TRADEBANK DOLLARS**

Revenue

Tradebank donation revenue is received via the Tradebank Foundation and is recognized when received.

Expenses

The Centre primarily uses its Tradebank dollars to purchase goods and services to sell at fundraising events and to give staff as staff appreciation gifts. Various items purchased for the 2017 silent auction were on hand at year end and comprise the prepaid supplies balance.

Asset

The Tradebank dollars are recorded at their full value because management expects that the Centre will be able to realize the full value of the Tradebank dollars. In fact, management has been regularly and routinely using the Tradebank dollars at full value.

Future potential write-down, net realizable value

Should management in the future determine that the Centre will not be able to realize the full value of its Tradebank dollars, the amount of write-down will be determined at that time.

