NIAGARA LIFE CENTRE COUNSELLING
Financial Statements
For the year ended December 31, 2021

DDL & CO.
DIPAOLA · DIPIETRO · LITTLE

Tony DiPaola, CPA, CA, LPA
Felice DiPietro, CPA, CMA
Stefano DiPietro, CPA, CA
James Little, CPA, CA, LPA
Alyssa Stuppiello, CPA, CA

Independent Practitioners' Review Engagement Report

To the Shareholders
Niagara Life Centre Counselling

We have reviewed the accompanying financial statements of Niagara Life Centre Counselling that comprise the balance sheet as at December 31, 2021, and the statements of operations, 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.

Practitioners' 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 the financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Niagara Life Centre Counselling as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

DiPaola DiPietro & Little Professional Corporation

DiPaola Di Pietro & Little Professional Corporation
Chartered Professional Accountants

St. Catharines, Ontario
June 15, 2022

PROVIDING OPTIMISM & CLARITY
DDL & CO.
DiPaola, DiPietro & Little Professional Corporation · 69 Ontario Street, St.Catharines, ON. L2R 5J5
t 905 680 8669 · f 905 680 8346 · www.ddlaccounting.com

NIAGARA LIFE CENTRE COUNSELLING

Balance Sheet

December 31, 2021

	Note	2021	2020
ASSETS			
Current assets			
Cash		**$ 437,691**	$ 409,506
Short term investments	2.	**26,404**	-
Accounts receivable		**13,688**	15,932
Government remittances recoverable		**4,415**	1,087
Prepaid expenses		**3,528**	135
Total current assets		**485,726**	426,660
Capital assets	3.	**680,200**	635,887
TOTAL ASSETS		**$ 1,165,926**	$ 1,062,547
LIABILITIES AND NET ASSETS			
Current liabilities			
Accounts payable and accrued liabilities		**$ 20,634**	$ 5,327
Canada Emergency Business Account	4.	**40,000**	30,000
Total liabilities		**60,634**	35,327
Net assets			
Operating fund		**337,954**	304,195
Capital fund		**680,200**	635,887
Bequest fund		**87,138**	87,138
Total net assets		**1,105,292**	1,027,220
TOTAL LIABILITIES AND NET ASSETS		**$ 1,165,926**	$ 1,062,547

Approved on Behalf of the Board:

______________________________, Director

NIAGARA LIFE CENTRE COUNSELLING

Statement of Income

For the Year Ended December 31, 2021

	Note	2021	%	2020	%
Revenue					
General donations		$ 311,202	57.7	$ 351,931	67.9
Fundraising		63,052	11.7	79,536	15.4
Capital donations		67,894	12.6	-	-
BarterPay donations	5.	15,000	2.8	20,000	3.9
Fees for services		80,254	14.9	65,205	12.6
Bequest fund income		-	-	830	0.2
Program income		500	0.1	500	0.1
Interest income		1,346	0.2	-	-
Total revenue		539,248	100.0	518,002	100.1
Expenses					
Advertising and promotion		7,350	1.4	8,756	1.7
Benevolence		-	-	500	0.1
Conferences and education		4,281	0.8	3,505	0.7
Fundraising		30,157	5.6	21,792	4.2
Harmonized sales tax		5,490	1.0	3,253	0.6
Insurance		4,492	0.8	4,086	0.8
Interest and bank charges		914	0.2	742	0.1
Office		18,324	3.4	26,365	5.1
Professional fees		8,178	1.5	6,125	1.2
Property taxes		6,925	1.3	6,559	1.3
Repairs and maintenance		5,576	1.0	11,081	2.1
Salaries and wages		355,887	66.0	342,348	66.1
Telephone		7,091	1.3	8,497	1.6
Travel		524	0.1	791	0.2
Utilities		5,754	1.1	5,402	1.0
Amortization of capital assets		22,542	4.2	21,538	4.2
Total expenses		483,485	89.7	471,340	91.0
Excess of revenue over expenditures from operations		55,763	10.3	46,662	9.1
Non operating income and expenses					
Foreign exchange gains		-	-	(51)	-
Loan forgiveness income	4.	10,000	1.9	10,000	1.9
Canada Emergency Wage Subsidy	6.	11,799	2.2	95,247	18.4
Unrealized gain on shares		510	0.1	-	-
Total non operating income and expenses		22,309	4.2	105,196	20.3
Excess of revenue over expenditures		$ 78,072	14.5	$ 151,858	29.4

NIAGARA LIFE CENTRE COUNSELLING

Statement of Changes in Equity

For the Year Ended December 31, 2021

	Operating Fund	Capital Fund	Bequests Fund	2021	2020
Net assets - beginning	$ 304,195	$ 635,887	$ 87,138	$ 1,027,220	$ 875,361
Excess of revenue over expenses	32,720	45,352	-	78,072	151,859
Transfers	1,039	(1,039)	-	-	-
Net assets - ending	$ 337,954	$ 680,200	$ 87,138	$ 1,105,292	$ 1,027,220

NIAGARA LIFE CENTRE COUNSELLING
Statement of Cash Flows
For the Year Ended December 31, 2021

	2021	2020
Cash flows from operating activities:		
Excess of revenue over expenditures for the year	**$ 78,072**	$ 151,858
Non cash items		
Amortization of capital assets	**22,542**	21,538
	100,614	173,396
Net change in accounts receivable	**2,244**	(12,830)
Net change in prepaid expenses	**(3,393)**	(135)
Net change in accounts payable and accrued liabilities	**15,307**	943
Net change in government remittances	**(3,328)**	1,621
Total cash flows from operating activities	**111,444**	162,995
Cash flows from investing activities:		
Payments to acquire capital assets	**(67,495)**	(3,767)
Proceeds from sale of capital assets	**640**	-
Payments to acquire short term investments	**(26,404)**	-
Total cash flows from investing activities	**(93,259)**	(3,767)
Cash flows from financing activities:		
Net change in other long term liabilities	**10,000**	30,000
Total cash flows from financing activities	**10,000**	30,000
Increase in cash	**28,185**	189,228
Cash - beginning	**409,506**	220,278
Cash - ending	**$ 437,691**	$ 409,506

NIAGARA LIFE CENTRE COUNSELLING
Notes to the Financial Statements
For the Year Ended December 31, 2021

1. Significant accounting policies

a. Nature of business and basis of preparation

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

The company is a registered charity under the Income Tax Act and is exempt from payment of taxes as provided under the Income Tax Act.

The accounting policies of the company are in accordance with Canadian accounting standards for not-for-profit organizations applied on a basis consistent with that of the preceding year. Outlined below are those policies considered particularly significant.

In March 2020, the World Health Organization characterized a novel strain of the coronavirus, known as COVID-19, as a pandemic. Concerns related to the spread of COVID-19 and the related containment measures intended to mitigate its impact have created substantial disruption in the global economy.

b. Cash and cash equivalents

Cash includes cash on hand and balances with banks, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn.

c. Capital assets

Capital assets are stated at cost. Amortization is provided using the following methods and annual rates:

	Method	Rate
Buildings	Declining balance	4%
Computer equipment	Declining balance	30%
Signs	Declining balance	20%
Furniture and fixtures	Declining balance	20%

d. Fund accounting

Niagara Life Centre following 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.

1. Significant accounting policies (continued)

e. Revenue recognition

Revenue from the sale of goods or services is recognized when there is persuasive evidence that an arrangement exists, the goods or services have been received by the company, the price is fixed or determinable, and collection is reasonably assured.

f. Donated materials and services

The Niagara Life Centre generally does not record the value of donated materials and services when the amounts are not readily determinable. When the fair values can 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.

1. Significant accounting policies (continued)

g. Financial instruments

Initial and subsequent measurement:

The company initially measures its financial assets and liabilities at fair value, except for certain related party transactions that are measured at the carrying or exchange amount, as appropriate.

The company subsequently measures all its financial assets and liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. changes in the fair value of these financial instruments are recognized in net income in the period incurred.

Financial assets measured at amortized cost include cash, short term investments, barterpay dollars, and government remittances recoverable.

Financial assets measured at fair value include investments in quoted shares.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, and canada emergency business account.

Transactions costs:

The company recognizes all transaction costs related to financial assets and liabilities subsequently measured at fair value as a reduction to net income in the period in which the costs were incurred.

Impairment:

For financial assets measured at cost or amortized cost, the company determines whether there are indications of possible impairment. When there is an indication of impairment, and the company determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

h. 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 and disclosure of contingent assets and liabilities at the date of the financial statements, and the recognized amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The uncertainties around COVID-19 required the use of judgments and estimates which resulted in no material impacts for the year ended December 31, 2021. The future impact of COVID-19 uncertainties could generate, in future reporting periods, a significant risk of material adjustments to the following: revenue recognition, and other assets and liabilities.

NIAGARA LIFE CENTRE COUNSELLING
Notes to the Financial Statements
For the Year Ended December 31, 2021

2. Short term investments

Investments consist of the following:

	2021	2020
Equity investments, at fair value		
Investment in Sun Life Financial publicly traded shares	**$ 26,404**	$ -
Total investments	**$ 26,404**	$ -

3. Capital assets

Capital assets consist of the following:

	Cost	Accumulated Amortization	2021 Net Book Value	2020 Net Book Value
Land	$ 150,000	$ -	**$ 150,000**	$ 150,000
Buildings	611,895	92,697	**519,198**	480,339
Computer equipment	15,005	10,539	**4,466**	1,261
Signs	2,909	1,569	**1,340**	1,675
Furniture and fixtures	15,734	10,538	**5,196**	2,612
Total	$ 795,543	$ 115,343	**$ 680,200**	$ 635,887

4. Canada Emergency Business Account

	2021	2020
Loan payable, interest at a rate of 0%, no monthly payments required, if 66.7% is repaid by December 31, 2023 then remaining 33.3% of the total balance will be forgiven. After that time the loan becomes interest bearing at a rate of 5% per annum, with monthly interest only payments, due December 31, 2025.	**$ 60,000**	$ 40,000
Less: Forgivable portion	**(20,000)**	(10,000)
Net loan payable	**$ 40,000**	$ 30,000

5. BarterPay

Revenue

BarterPay donation revenue is received via the BarterPay It Forward Foundation and is recognized when received.

5. BarterPay (continued)

Expenses

The Centre primarily uses its BarterPay dollars to purchase good and services to sell at fund raising events and to give to staff as staff appreciation gifts.

Assets

The BarterPay dollars are recorded at their full value because management expects that the Centre will be able to realize the full value of the BarterPay dollars. In fact, management has been regularly and routinely using the BarterPay 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 BarterPay dollars, the amount of write-down will be determined at that time.

6. Government assistance

The company incurred wage expenses that, in the opinion of management, met the eligibility requirements for the Canada Emergency Wage Subsidy and the Temporary Wage Subsidy. The subsidies were calculated by management and are subject to audit by the taxation authorities. The company received $ 12,241 (2020 - $ 83,006) and $ 11,799 is receivable (2020 - $ 12,241). The total $ 24,040 (2020 - $ 95,247) has been recognized as revenue.

7. Financial instruments

a. Risks and concentrations

The company is exposed to various risks through its financial instruments. The following analysis provides a measure of the company's risk exposure and concentrations at December 31, 2021.

b. Credit risk

Credit risk is the risk that a third party to a financial instrument might fail to meet its obligations under the terms of the financial instrument. Financial instruments that potentially subject the company to concentrations of credit risk consists principally of trade accounts receivable and are limited due to the large number of customers comprising the company's customer base. Potential effects from the COVID-19 pandemic on the company's credit risk have been considered. The company continues its assessment given the fluidity of COVID-19's global impact.

7. Financial instruments (continued)

c. Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they become due. Liquidity risk also includes the risk of not being able to liquidate assets in a timely manner at a reasonable price. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash flows to fund its operations and to meet its liabilities when due, under both normal and stressed conditions. The company also maintains certain credit facilities, which can be drawn upon as needed.

d. Market risk

Market risk is the risk that financial instrument fair values will fluctuate due to changes in market prices. The significant market risks to which the company is exposed are foreign exchange risk, and price risk.

e. Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The company undertakes transactions denominated in ... (i.e. type of currency) and as such is exposed to price risk due to fluctuations in foreign exchange rates. The company does not use derivative instruments to reduce exposure to foreign exchange risk.

f. Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The company's investments in publicly-traded securities exposes the company to price risks as equity instruments are subject to price changes in an open market.

8. Comparative figures

Some comparative figures have been reclassified to comform to the reporting standards adopted by management in the year. These changes have not resulted in any changes to previously stated excess of revenues over expednitures or net assets.