NIAGARA LIFE CENTRE COUNSELLING
Financial Statements
For the year ended December 31, 2023

Table of Contents	Page

Independent Auditors' Report	1 - 3
Financial Statements	
Statement of Financial Position	4
Statement of Operations	5
Statement of Net Assets	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 15

CHARTERED PROFESSIONAL ACCOUNTANTS

Tony DiPaola CPA, CA, LPA
Felice Di Pietro CPA, CMA
Alyssa Stuppiello CPA, CA
Stefano Di Pietro CPA, CA
James Little CPA, CA, LPA
Karen Britton CPA, CGA
Eric Piech CPA, CA

Independent Auditors' Report

To the Board of Directors
Niagara Life Centre Counselling

Opinion

We have audited the accompanying financial statements of Niagara Life Centre Counselling (the organization), which comprise the statement of financial position as at December 31, 2023, and the statements of operations, 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2023, and its results of its operations and cash flows for the year then ended, in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the organization derives revenue from fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the organization. Therefore, we were unable to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended December 31, 2023, current assets and net assets as at December 31, 2023. Our audit opinion on the financial statements for the year ended December 31, 2023 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the organization in accordance with the 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 qualified opinion.

Emphasis of Matter

We draw attention to Note 9 to the financial statements, which describes that the financial statements that we originally reported on December 31, 2022 have been amended and describes the matter that gave rise to the amendment of the financial statements. Our opinion is not modified in respect of this matter

69 Ontario Street, St. Catharines, ON, L2R 5J5
ddlaccounting.com
905-680-8669
905-680-8346
info@ddlaccounting.com
DiPaola Di Pietro & Little Professional Corporation o/a DDL &Co.

Independent Auditors' Report

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 ASNPO, 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 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. When individuals responsible for the oversight of the financial reporting process are the same as those responsible for the preparation of the financial statements, no reference to oversight responsibilities is required.

Auditors' 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 auditors' 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.

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

DDL &CO. CHARTERED PROFESSIONAL ACCOUNTANTS

Tony DiPaola CPA, CA, LPA
Felice Di Pietro CPA, CMA
Alyssa Stuppiello CPA, CA
Stefano Di Pietro CPA, CA
James Little CPA, CA, LPA
Karen Britton CPA, CGA
Eric Piech CPA, CA

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 auditors' 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 auditors' 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.

DiPaola DiPietro & Little Professional Corporation

DiPaola Di Pietro & Little Professional Corporation
Authorized to practice public accounting by the Chartered Professional Accountants of Ontario

St. Catharines, Ontario
June 25, 2024

69 Ontario Street, St. Catharines, ON, L2R 5J5
ddlaccounting.com
905-680-8669
905-680-8346
info@ddlaccounting.com

DiPaola Di Pietro & Little Professional Corporation o/a DDL &Co.

NIAGARA LIFE CENTRE COUNSELLING
Statement of Financial Position
December 31, 2023

	Note	2023	2022
ASSETS			
Current assets			
Cash		**$ 202,742**	$ 532,226
Short term investments	2.	**150,000**	23,569
Accounts receivable	3.	**36,858**	21,109
Government remittances recoverable		**2,428**	1,221
Prepaid expenses and deposits		**27,448**	2,672
Total current assets		**419,476**	580,797
Long term investments	2.	**50,940**	-
Capital assets	4.	**643,838**	668,001
TOTAL ASSETS		**$ 1,114,254**	$ 1,248,798
LIABILITIES AND NET ASSETS			
Current liabilities			
Accounts payable and accrued liabilities	5.	**$ 21,869**	$ 27,607
Deferred revenue		**13,886**	13,488
Current portion of capital lease obligation	6.	**1,555**	1,428
Current portion of Canada Emergency Business Account	7.	**-**	40,000
Total current liabilities		**37,310**	82,523
Obligations under capital lease	6.	**6,253**	7,808
Total liabilities		**43,563**	90,331
Net assets			
Operating fund		**154,083**	222,771
Capital fund		**672,383**	694,221
Bequest fund		**244,225**	241,475
Total net assets		**1,070,691**	1,158,467
TOTAL LIABILITIES AND NET ASSETS		**$ 1,114,254**	$ 1,248,798

Approved on Behalf of the Board:

_______________________________, Director

NIAGARA LIFE CENTRE COUNSELLING

Statement of Operations

For the Year Ended December 31, 2023

	Operating fund	Capital fund	Bequests fund	2023	2022
Revenue					
General donations	$ 224,540	$ -	$ -	$ 224,540	$ 258,821
Fundraising	139,583	-	-	139,583	117,738
Fees for services	105,160	-	-	105,160	88,278
Sponsorship income	46,579	-	-	46,579	25,699
BarterPay donations	41,349	-	-	41,349	31,301
Interest income	13,687	-	-	13,687	4,320
Bequest donations	-	-	2,750	2,750	154,335
Capital donations	-	2,325	-	2,325	26,220
Total revenue	570,898	2,325	2,750	575,973	706,712
Expenses					
Advertising and promotion	9,959	-	-	9,959	11,459
Conferences and education	7,934	-	-	7,934	4,322
Credit card charges	6,202	-	-	6,202	2,028
Fundraising	70,693	-	-	70,693	52,232
Harmonized sales tax	5,354	-	-	5,354	4,813
Insurance	4,860	-	-	4,860	4,420
Interest and bank charges	3,247	-	-	3,247	2,199
Office	20,567	-	-	20,567	16,680
Professional fees	22,034	-	-	22,034	38,868
Property taxes	7,505	-	-	7,505	6,842
Repairs and maintenance	9,416	-	-	9,416	9,874
Salaries and wages	439,548	-	-	439,548	434,899
Subcontracts	20,732	-	-	20,732	-
Telephone and internet	6,182	-	-	6,182	5,240
Utilities	6,396	-	-	6,396	6,051
Amortization of capital assets	-	24,163	-	24,163	24,661
Total operating expenses	640,629	24,163	-	664,792	624,588
Non operating income and expenses					
Dividend income	-	-	-	-	1,035
Loss on disposal of investments	(1,282)	-	-	(1,282)	-
Unrealized gain (loss) on shares	2,325	-	-	2,325	(2,835)
Total non operating income and expenses	1,043	-	-	1,043	(1,800)
Excess (Deficiency) of revenue over expenditures	$ (68,688)	$ (21,838)	$ 2,750	$ (87,776)	$ 80,324

NIAGARA LIFE CENTRE COUNSELLING
Statement of Net Assets
For the Year Ended December 31, 2023

	Operating fund	Capital fund	Bequests fund	2023	2022
Net assets - beginning	$ 222,771	$ 694,221	$ 241,475	$ 1,158,467	$ 1,078,143
Excess (deficiency) of revenue over expenditures	(68,688)	(21,838)	2,750	(87,776)	80,324
Net assets - ending	$ 154,083	$ 672,383	$ 244,225	$ 1,070,691	$ 1,158,467

NIAGARA LIFE CENTRE COUNSELLING
Statement of Cash Flows
For the Year Ended December 31, 2023

	2023	2022
Cash flows from operating activities:		
Excess (deficiency) of revenue over expenditures for the year	**$ (87,776)**	$ 80,324
Non cash items		
Amortization of capital assets	**24,163**	24,661
Unrealized gain on investments	**(2,325)**	2,835
Loss on sale of investments	**1,282**	-
	(64,656)	107,820
Net change in accounts receivable	**(15,749)**	(7,421)
Net change in prepaid expenses	**(24,776)**	856
Net change in accounts payable and accrued liabilities	**(5,739)**	(5,887)
Net change in deferred revenue	**398**	(800)
Net change in government remittances	**(1,206)**	3,193
Total cash flows from operating activities	**(111,728)**	97,761
Cash flows from investing activities:		
Payments to acquire capital assets	**-**	(12,462)
Payments to acquire short term investments	**(150,000)**	-
Proceeds from sale and maturity of short term investments	**24,612**	-
Payments to acquire interest in long term investments	**(50,940)**	-
Total cash flows from investing activities	**(176,328)**	(12,462)
Cash flows from financing activities:		
Proceeds from capital lease obligations	**-**	9,462
Repayments of capital lease obligations	**(1,428)**	(226)
Repayment of the Canada Emergency Business Account	**(40,000)**	-
Total cash flows from financing activities	**(41,428)**	9,236
Increase (decrease) in cash	**(329,484)**	94,535
Cash - beginning	**532,226**	437,691
Cash - ending	**$ 202,742**	$ 532,226

1. Significant accounting policies

a. Nature of business and basis of preparation

Niagara Life Centre Counselling (the organization) 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 services.

The organization 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 organization 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.

b. Revenue recognition

General donation revenue, capital donation revenue, BarterPay donation revenue, and bequest fund income is recognized upon receipt of the funds.

Fundraising revenue is recognized upon completion of the fundraising event.

Revenues from fees for services are recognized when there is persuasive evidence that an arrangement exists, the services have been provided by the company, the price is fixed or determinable, and collection is reasonably assured.

Sponsorship income is recognized on a straight-line basis over the term of the contract

Interest income is recognized when the company's right to receive payment is established.

c. 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.

1. Significant accounting policies (continued)

d. Fund accounting

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

The operating fund accounts for the organization'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. This is an internally restricted fund based on the current building expansion plans.

The bequests fund reports the organization's receipts of bequests (gift 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.

e. 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 estimates 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.

f. Cash

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

g. 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%
Small tools	Declining balance	20%
Capital leases of vehicles	Declining balance	20%

1. Significant accounting policies (continued)

h. Financial instruments

Initial and subsequent measurement:

The organization initially measures its financial assets and liabilities at fair value.

The organization 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, accounts receivable, BarterPay dollars, and government remittances recoverable.

Investments in shares of a private company are recognized at cost.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, and obligations under capital lease.

Transactions costs:

The organization 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 organization determines whether there are indications of possible impairment. When there is an indication of impairment, and the organization 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.

NIAGARA LIFE CENTRE COUNSELLING
Notes to the Financial Statements
For the Year Ended December 31, 2023

2. Investments

Investments consist of the following:

	2023	2022
Equity investments, at fair value		
Investment in SunLife Financial publicly trade shares	**$ -**	$ 23,569
Other investments, at cost		
Meridian GIC - earning interest at 5.00%, maturing January 2024	**50,000**	-
Meridian GIC - earning interest at 4.65%, maturing April 2024	**50,000**	-
Meridian GIC - earning interest at 5.15%, maturing July2024	**50,000**	-
Meridian GIC - earning interest at 5.50%, maturing January 2025	**50,940**	-
Total other investments, at cost	**200,940**	-
Total long term investments	**50,940**	-
Total short term investments	**$ 150,000**	$ 23,569

3. Accounts receivable

Accounts receivable consist of the following:

	2023	2022
Trade accounts receivable	**$ 31,095**	$ 21,109
Interest receivable	**5,763**	-
Total	**$ 36,858**	$ 21,109

NIAGARA LIFE CENTRE COUNSELLING
Notes to the Financial Statements
For the Year Ended December 31, 2023

4. Capital assets

Capital assets consist of the following:

	Cost	Accumulated Amortization	2023 Net Book Value	2022 Net Book Value
Land	$ 150,000	$ -	**$ 150,000**	$ 150,000
Buildings	611,895	133,402	**478,493**	498,430
Computer equipment	15,005	12,817	**2,188**	3,126
Signs	2,909	2,051	**858**	1,072
Small tools	18,734	13,248	**5,486**	6,857
Capital leases of equipment	9,462	2,649	**6,813**	8,516
Total	$ 808,005	$ 164,167	**$ 643,838**	$ 668,001

5. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities consist of the following:

	2023	2022
Trade accounts payable	**$ 1,170**	$ 8,244
Wages payable	**10,922**	12,863
Accrued liabilities	**9,777**	6,500
Total	**$ 21,869**	$ 27,607

NIAGARA LIFE CENTRE COUNSELLING
Notes to the Financial Statements
For the Year Ended December 31, 2023

6. Capital lease obligation

The organization has entered into into a lease agreement to acquire office equipment which has been financed by a capital lease. The liability recorded under the capital lease represents the minimum lease payments payable net of imputed interest at an average rate of 8.55% per annum, due April 2028.

The organization's obligation under capital leases consists of:

	2023	2022
Minimum lease payments payable	**$ 9,371**	$ 11,307
Less: Portion representing interest to be recorded over the remaining term of the leases	**(1,563)**	(2,071)
Total leases	**7,808**	9,236
Less: current portion	**(1,555)**	(1,428)
Long-term portion	**$ 6,253**	$ 7,808

Future minimum annual lease payments payable under the capital leases are as follows:

December 31, 2024	$ 2,162
December 31, 2025	2,162
December 31, 2026	2,162
December 31, 2027	2,162
December 31, 2028	722
Total	**$ 9,370**

7. Canada Emergency Business Account

The Canada Emergency Business Account consists of:

	2023	2022
Loan payable, interest at a rate of 0%, no monthly payments required, repaid during the year	**$ -**	$ 60,000
Less: Forgivable portion	**-**	(20,000)
Net loan payable	**-**	40,000
Less: Short term portion of Canada Emergency Business Account	**-**	(40,000)
Long term portion of Canada Emergency Business Account	**$ -**	$ -

8. BarterPay

Revenue

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

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.

9. Prior period adjustments

The organization learned that business sponsorships were being accounted for by being recognized upon receipt but due to the nature of the sponsorships they should be recognized as deferred contributions to be recognized over the course of the one year contract depending on when the contract was entered into. Furthermore, the organization learned that vacation payable was not being tracked by their payroll provider and is instead being tracked outside of the payroll provider system and the accounting system, as such the owing liability to staff at year-end was not being accrued and reflected in the Statement of Financial position.

As a result of the two items noted, the 2022 financial statements were restated. As a result of the restatement, the net assets as of January 1, 2022 was decreased by $27,151. On the statement of financial position, the December 31, 2022 accounts payable and accrued liabilities have been increased by $12,864 and the deferred revenue has been increased by $13,488 so that total liabilities increased by $26,352. The line item "Sponsorship income" (previously within "Fundraising") and the excess of revenue over expenditures was increased by $799.

10. Financial instruments

a. Risks and concentrations

The organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the organization's risk exposure and concentrations at December 31, 2023.

10. Financial instruments (continued)

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 organization to concentrations of credit risk consists principally of trade accounts receivable and are limited due to the large number of customers comprising the organization's customer base.

c. Liquidity risk

Liquidity risk is the risk that the organization 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 organization'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 organization 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 organization is exposed are foreign exchange risk and price risk. It is in management's opinion that the organization is not subject to significant interest rate 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 organization undertakes transactions denominated in United States Dollars and as such is exposed to price risk due to fluctuations in foreign exchange rates. The organization 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 organization's investments in publicly-traded securities exposes the organization to price risks as equity instruments are subject to price changes in an open market.

11. Comparative figures

Certain figures in the 2022 financial statements have been reclassified to conform with the basis of presentation used in 2023.