

**Chalmers Neighbourhood
Renewal Corporation**

Financial Statements

March 31, 2020

Haworth
CHARTERED PROFESSIONAL ACCOUNTANTS
Company

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Independent Auditor's Report

To the Members of Chalmers Neighbourhood Renewal Corporation;

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Chalmers Neighbourhood Renewal Corporation (the Entity) which comprise the statement of financial position as at March 31, 2020, the statement of operations and change in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of Chalmers Neighbourhood Renewal Corporation as at March 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not for profit organizations.

Basis for Qualified 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 Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements.

In common with many not for profit organizations, Chalmers Neighbourhood Renewal Corporation derives revenue from donations, the completeness of which is not susceptible to us obtaining evidence we considered necessary for the purpose of the audit. Accordingly, the evidence obtained of these revenues was limited to the amounts recorded in the records of Chalmers Neighbourhood Renewal Corporation. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenues, excess of revenues over expenses, and cash flows from operations for the years ended March 31, 2020 and 2019, current assets as at March 31, 2020 and 2019, and net assets as at April 1 and March 31 for both the 2020 and 2019 years. Our audit opinion on the financial statements for the year ended March 31, 2020 was modified accordingly because of the possible effects of this limitation in scope.

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 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.

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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. 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 Entity'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 Entity'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 Entity 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Chartered Professional Accountants

Winnipeg, Manitoba
September 21, 2020

Chalmers Neighbourhood Renewal Corporation

STATEMENT OF FINANCIAL POSITION

As at March 31

	2020	2019
ASSETS		
Current assets		
Cash	\$ 132,121	\$ 46,603
Due from government agencies (note 3)	546	2,202
Due from related parties (note 4)	7,891	12,606
Prepaid expenses	6,070	-
	\$ 146,628	\$ 61,411
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities (note 5)	\$ 4,007	\$ 3,036
Employee deductions payable	3,926	435
Deferred revenue (note 6)	100,000	26,104
	107,933	29,575
Net assets		
Unrestricted	38,695	31,836
	\$ 146,628	\$ 61,411

On behalf of the Board

Director

Director

The attached notes are an integral part of these financial statements.

Chalmers Neighbourhood Renewal Corporation

STATEMENT OF OPERATIONS AND CHANGE IN NET ASSETS
For the year ended March 31

	2020 Budget	2020 Actual	2019 Actual
Revenue			
Province of Manitoba			
- 5 Year Neighbourhood Plan	\$ -	\$ -	\$ 7,000
- Chalmers Community Corner project	75,000	-	-
- Neighbourhoods Alive Development fund	120,000	120,000	120,000
- Urban Green Team grant	6,000	6,195	6,300
City of Winnipeg			
- Back lane numbering program	-	-	8,000
- Chalmers Community Corner project	80,000	-	-
Chalmers Community Renewal Initiative			
- Service Agreement	28,000	30,404	29,820
Elmwood Mental Wellness Coalition			
- Healthy Child Manitoba	46,000	63,147	17,353
Chalmers Neighbourhood Initiatives	4,000	-	-
Elmwood Business Coalition	-	1,600	-
Project Administration Recovery	4,000	-	-
Winnipeg Foundation			
- Chalmers Community Corner project	75,000	-	-
- TIE Tykes program	-	2,957	32,043
BAG Program	-	41,673	-
Donation income	5,000	7,240	2,477
Interest income	1,000	455	620
	444,000	273,671	223,613
Expenses (see Schedule 1)			
Salaries and benefits	90,000	91,175	84,246
Program	119,500	145,567	124,014
Administration	22,500	30,070	30,203
	232,000	266,812	238,463
Surplus/(deficiency) of revenues over expenses	212,000	6,859	(14,850)
Unrestricted net assets, beginning of year		31,836	46,686
Unrestricted net assets, end of year		\$ 38,695	\$ 31,836

The attached notes are an integral part of these financial statements.

Chalmers Neighbourhood Renewal Corporation

STATEMENT OF CASH FLOWS

For the year ended March 31

	2020	2019
Operating activities		
Surplus/(deficiency) of revenues over expenses	\$ 6,859	\$ (14,850)
Changes in non-cash operating working capital		
(Increase)/decrease in due from government agencies	1,656	(87)
(Increase)/decrease in due from related parties	4,715	(12,606)
(Increase)/decrease in prepaid expenses	(6,070)	216
Increase/(decrease) in accounts payable and accrued liabilities	971	(865)
Increase/(decrease) in employee deductions payable	3,491	(5,022)
Increase/(decrease) in deferred revenue	73,896	26,104
Net increase/(decrease) in cash and cash equivalents	85,518	(7,110)
Cash and cash equivalents, beginning of year	46,603	53,713
Cash and cash equivalents, end of year	\$ 132,121	\$ 46,603
Cash and cash equivalents are represented by:		
Cash on hand with bank	\$ 132,121	\$ 46,603
	\$ 132,121	\$ 46,603

The attached notes are an integral part of these financial statements.

Chalmers Neighbourhood Renewal Corporation

SCHEDULE 1 - EXPENSES

For the year ended March 31

	2020 Budget	2020 Actual	2019 Actual
Salaries and benefits			
Salary cost	\$ 90,000	\$ 90,954	\$ 83,173
Worker's Compensation	-	221	528
Other	-	-	545
	90,000	91,175	84,246
Program			
5-Year Plan	5,000	-	7,197
Action Plan supports	5,500	4,812	3,938
BAG program	-	39,525	-
CNRC supports	15,000	15,765	11,629
Elmwood Business coalition	-	1,091	-
Elmwood Mental Wellness Clinic	30,000	54,679	17,353
Green Team equipment and supplies	-	177	514
Green Team wages	6,000	6,480	6,815
Housing support coordination	28,000	17,627	43,425
Project initiatives	-	-	1,100
Winnipeg Foundation grant	30,000	5,411	32,043
	119,500	145,567	124,014
Administration			
Advertising and promotion	-	43	-
Bank charges	-	65	8
Communications	4,000	2,180	2,990
Equipment and supplies	2,000	2,013	1,642
Insurance	-	2,474	2,259
Meetings	2,000	2,261	2,980
Membership and registration fees	-	40	40
Organization and development	1,000	2,568	919
Postage and mailing service	-	1,599	464
Printing and copying	-	1,449	1,452
Professional fees	6,000	6,659	7,868
Rent	7,500	7,500	7,500
Supplies	-	701	858
Telephone	-	188	888
Travel	-	330	335
	22,500	30,070	30,203
	\$ 232,000	\$ 266,812	\$ 238,463