

**WOMEN'S PLACE OF SOUTH NIAGARA INC.**  
(Operating as Birchway Niagara)

Financial Statements  
for the Year Ended March 31, 2023  
and Independent Auditor's Report to the Board of Directors

**WOMEN'S PLACE OF SOUTH NIAGARA INC.**  
(Operating as Birchway Niagara)  
**FINANCIAL STATEMENTS**  
MARCH 31, 2023

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CHARTERED  
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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Women's Place of South Niagara Inc.:

### Qualified Opinion

We have audited the accompanying financial statements of Women's Place of South Niagara Inc. (the Organization), which comprise the the statement of financial position as at March 31, 2023 and the statements of operations and fund balance - operating fund, operations and fund balance - building fund, operations and fund balance - endowment fund, operations and fund balance - Evelyn Zavitz Reserve fund and of 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 possible effects of the matter described in the Basis for Qualified Opinion section of our report, the financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2023, 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.

### Basis for Qualified Opinion

In common with many not-for-profit organizations, the Organization derives revenue from donations and 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 not able to determine whether any adjustments might be necessary to donations and fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended March 31, 2023 and 2022, current assets as at March 31, 2023 and 2022, and net assets as at April 1 and March 31 for both the 2023 and 2022 years. Our audit opinion on the financial statements for the year ended March 31, 2022 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 Auditor's 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 in our audit is sufficient and appropriate to provide a basis for our qualified opinion.

### Responsibilities of Management and Those Charged With Governance 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.

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.

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.

*Durward Jones Barkwell & Company LLP*

**Durward Jones Barkwell & Company LLP**  
**Licensed Public Accountants**

**May 23, 2023**



**WOMEN'S PLACE OF SOUTH NIAGARA INC.**  
 (Operating as Birchway Niagara)  
 STATEMENT OF OPERATIONS AND FUND BALANCE - OPERATING FUND  
 YEAR ENDED MARCH 31, 2023

	<u>2023</u>	<u>2022</u>
<b>REVENUE</b>		
Ministry of Children, Community and Social Services	\$ 1,493,949	\$ 1,427,941
Ministry of Children, Community and Social Services - other funding	150,511	286,506
Fundraising	164,322	77,579
United Way Niagara	59,777	59,777
Donations	414,825	464,348
Book riot	98,495	18,021
Municipal funding	34,850	22,350
Ministry of the Attorney General funding	47,500	36,250
Niagara Prosperity Initiative	16,882	-
Niagara Community Foundation	17,203	-
Branscombe Family Foundation	42,000	42,000
Canadian Women's Foundation funding	-	55,332
Ontario Trillium Foundation funding	-	14,776
Special project funding and revenue	12,000	59,418
DV advocate revenues	58,194	58,450
Federal - Women and Gender Equality funding	83,891	53,987
Investment and miscellaneous income	44,837	21,378
Federal emergency COVID funding	208,000	87,000
	<u>2,947,236</u>	<u>2,785,113</u>
<b>GENERAL AND ADMINISTRATIVE EXPENSES</b>		
Advertising and promotion	3,170	3,144
Book riot	21,046	8,891
Client needs	130,764	152,239
COVID expenses	177	33,431
Fundraising	21,110	4,732
Groceries	58,425	37,679
Insurance	17,022	16,830
Interest and bank charges	5,361	5,485
Office supplies and resources	241,131	136,086
Professional fees	57,044	29,606
Repairs and maintenance	179,675	74,666
Security and safety	26,913	13,820
Special projects	12,342	5,552
Training	10,598	8,695
Transitional and other projects	62,760	66,604
Travel and commercial fare	13,113	11,767
Utilities and telephone	63,773	69,982
Wages and benefits	2,046,585	2,018,596
	<u>2,971,009</u>	<u>2,697,805</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FROM OPERATIONS</b>	(23,773)	87,308
<b>BEQUESTS</b>		
Legacy gifts from estates	136,553	4,402
<b>EXCESS OF REVENUE OVER EXPENSES</b>	112,780	91,710
<b>FUND BALANCE, BEGINNING OF YEAR</b>	-	-
<b>TRANSFER TO BUILDING FUND</b>	(112,780)	(91,710)
<b>FUND BALANCE, END OF YEAR</b>	\$ -	\$ -

**WOMEN'S PLACE OF SOUTH NIAGARA INC.**  
 (Operating as Birchway Niagara)  
 STATEMENT OF OPERATIONS AND FUND BALANCE - BUILDING FUND  
 YEAR ENDED MARCH 31, 2023

	<u>2023</u>	<u>2022</u>
<b>REVENUE</b>		
Amortization of deferred contributions	\$ 47,300	\$ -
Donations	105,333	507,548
Gain on sale of capital assets	693,198	-
Mortgage forgiveness	43,126	142,644
	<u>888,957</u>	<u>650,192</u>
<b>EXPENSE</b>		
Amortization	212,633	68,442
Repairs and Maintenance	5,079	-
Loss on sale of capital assets	-	21,773
Bank charges	64	48
	<u>217,776</u>	<u>90,263</u>
<b>EXCESS OF REVENUE OVER EXPENSE</b>	<b>671,181</b>	<b>559,929</b>
<b>TRANSFER FROM OPERATING FUND</b>	<b>112,780</b>	<b>91,710</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b><u>3,780,711</u></b>	<b><u>3,129,072</u></b>
<b>FUND BALANCE, END OF YEAR</b>	<b><u>\$ 4,564,672</u></b>	<b><u>\$ 3,780,711</u></b>

Supplemental information to the Building Fund can be found in Note 8.

**STATEMENT OF OPERATIONS AND FUND BALANCE - ENDOWMENT FUND**  
 YEAR ENDED MARCH 31, 2023

	<u>2023</u>	<u>2022</u>
<b>REVENUE</b>		
Dividend income	\$ -	\$ 2,637
Gain on sale of investments	-	2,591
Unrealized loss on investments	<u>(9,143)</u>	<u>(10,086)</u>
<b>DEFICIENCY OF REVENUE OVER EXPENSES</b>	<b>(9,143)</b>	<b>(4,858)</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b><u>70,890</u></b>	<b><u>75,748</u></b>
<b>FUND BALANCE, END OF YEAR</b>	<b><u>\$ 61,747</u></b>	<b><u>\$ 70,890</u></b>

Supplemental information to the Endowment Fund can be found in Note 6.

**WOMEN'S PLACE OF SOUTH NIAGARA INC.**  
 (Operating as Birchway Niagara)  
 STATEMENT OF OPERATIONS AND FUND BALANCE - EVELYN ZAVITZ RESERVE FUND  
 YEAR ENDED MARCH 31, 2023

	<u>2023</u>	<u>2022</u>
REVENUE	\$ 1,182	\$ 378
FUND BALANCE, BEGINNING OF YEAR	<u>40,572</u>	<u>40,194</u>
FUND BALANCE, END OF YEAR	<u>\$ 41,754</u>	<u>\$ 40,572</u>

Supplemental information to the Evelyn Zavitz Fund can be found in Note 4.

# WOMEN'S PLACE OF SOUTH NIAGARA INC.

(Operating as Birchway Niagara)  
STATEMENT OF FINANCIAL POSITION  
MARCH 31, 2023

	<u>2023</u>	<u>2022</u>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash (Note 2)	\$ 328,684	\$ 416,342
Accounts receivable (Note 3)	54,265	201,427
Short term investments (Note 4)	1,610,104	167,166
Prepaid expenses	<u>62,267</u>	<u>3,123</u>
	2,055,320	788,058
Capital assets (Note 5)	6,324,505	5,513,221
Endowment Investments (Note 6)	<u>61,747</u>	<u>70,890</u>
	<u>\$ 8,441,572</u>	<u>\$ 6,372,169</u>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable and accrued charges	\$ 298,015	\$ 1,072,579
Deferred revenue	1,193,119	62,512
Current portion of mortgages payable	<u>-</u>	<u>43,125</u>
	1,491,134	1,178,216
Deferred contributions (Note 7)	<u>1,844,700</u>	<u>864,215</u>
	<u>3,335,834</u>	<u>2,042,431</u>
<b>FUND BALANCES</b>		
Building Fund (Note 8)	4,564,672	3,780,711
Stabilization Reserve (Note 2 and 4)	437,565	437,565
Endowment (Note 6)	61,747	70,890
Evelyn Zavitz Reserve (Note 4)	<u>41,754</u>	<u>40,572</u>
	<u>5,105,738</u>	<u>4,329,738</u>
	<u>\$ 8,441,572</u>	<u>\$ 6,372,169</u>

Approved by the Board:

  
..... Director

  
..... Director



# WOMEN'S PLACE OF SOUTH NIAGARA INC.

(Operating as Birchway Niagara)  
STATEMENT OF CASH FLOWS  
YEAR ENDED MARCH 31, 2023

	<u>2023</u>	<u>2022</u>
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenue over expenses		
Operating fund	\$ 112,780	\$ 91,710
Building fund	671,181	559,929
Endowment fund	(9,143)	(4,858)
Evelyn Zavitz fund	1,182	378
	<hr/>	<hr/>
	776,000	647,159
Items not affecting cash		
Amortization	212,633	68,442
Loss (gain) on sale of capital assets	(693,198)	21,773
Gain on sale of endowment investments	-	(2,591)
Unrealized loss on endowment investments	9,143	10,086
Mortgage forgiveness	(43,126)	(142,644)
Amortization of deferred contributions	(47,300)	-
	<hr/>	<hr/>
	214,152	602,225
Changes in non-cash operating assets and liabilities		
Accounts receivable	147,162	(102,263)
Prepaid expenses	(59,144)	5,499
Accounts payable and accrued charges	(774,564)	851,566
Deferred revenue	1,130,607	(50,642)
	<hr/>	<hr/>
	658,213	1,306,385
<b>INVESTING ACTIVITIES</b>		
Purchase of capital assets	(1,251,602)	(3,405,256)
Proceeds on sale of capital assets	920,884	-
Purchase of short-term investments	(1,610,104)	(167,166)
Proceeds on sale of short-term investments	167,166	887,748
Purchase of endowment investments	-	(21,826)
Proceeds on sale of endowment investments	-	19,189
	<hr/>	<hr/>
	(1,773,656)	(2,687,311)
<b>FINANCING ACTIVITY</b>		
Proceeds from deferred contributions	1,027,785	864,215
<b>DECREASE IN CASH</b>		
	(87,658)	(516,711)
<b>CASH, BEGINNING OF YEAR</b>		
	416,342	933,053
<b>CASH, END OF YEAR</b>		
	\$ 328,684	\$ 416,342

# WOMEN'S PLACE OF SOUTH NIAGARA INC.

(Operating as Birchway Niagara)  
NOTES TO THE FINANCIAL STATEMENTS  
MARCH 31, 2023

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## 1. SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

### ***Basis of accounting***

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

### ***Nature and purpose of organization***

The Organization is incorporated without share capital under the Ontario Business Corporations Act and operates a transitional shelter for abused women and their children in Welland and Niagara Falls and provides counselling and other related services. The Organization is a registered charity and is exempt from tax under Section 149(1)(1) of the Income Tax Act of Canada.

### ***Fund accounting***

The Organization follows the restricted fund method of accounting for contributions and the financial statements have been prepared on an accrual basis. Under fund accounting, resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose.

The Operating Fund reports unrestricted resources and is used to account for revenues and expenses related to program delivery and administrative activities.

The Building Fund reports the assets, liabilities, revenues and expenses related to the Organization's capital assets.

The Stabilization Reserve Fund is internally restricted for the purposes of protecting the agency against fluctuations in funding as well as severance and related staff continuity costs where sufficient funds are not available through general operations.

The Endowment Fund is externally restricted by the donors for services, programs and public education to diverse populations and is required to be maintained as an endowment. Interest income earned is reported in the fund. Income is not required to be transferred each year and transfers are at the discretion of the board of directors.

The Evelyn Zavitz Reserve Fund is externally restricted for the purposes of training and professional development where sufficient funds are not available through general operations.

### ***Revenue recognition***

Government subsidy and grant revenue is generally recognized in the period for which it is received. In circumstances where the grant relates to more than one fiscal period, unexpended funds are deferred and recognized as revenues in the period in which expenditures are incurred.

Donations are recorded on an accrual basis recognizing pledges receivables as revenue where such pledges are virtually certain of collection. Donations in kind are recognized in the statements at fair value only if they would have been purchased by the organization in the normal course of operations.

Bingo revenues are recorded on an accrual bases except in years where bingo earnings exceed municipal approved expenditure limits. In these cases, the additional earnings are set up as deferred revenue until municipal lottery licensing authorities approve additional expenditures. Fundraising, investment and other miscellaneous revenues are recognized in the period they are received.

# WOMEN'S PLACE OF SOUTH NIAGARA INC.

(Operating as Birchway Niagara)

## NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

### **Capital assets**

Capital assets are recorded at acquisition cost. Amortization is calculated using the diminishing-balance method at the following rates:

Buildings	5%
Parking improvements	10%
Furniture and equipment	20%
Computer hardware	50%

In the year of acquisition, amortization is recorded at one-half the normal rates.

Capital assets over \$3,000 are capitalized at acquisition cost. Capital expenditure less than \$3,000 are expensed in the year incurred. The amount of capital expenditures below the capitalization threshold that is expensed in the current year is \$106,300.

### **Long-lived assets**

Long-lived assets are tested for recoverability if events or changes in circumstances indicate that the carrying amount may not be recoverable. The carrying amount of the long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted cash flows expected to result from its use and eventual disposition. Impairment losses are measured as the amount by which the carrying amount of a long-lived asset exceeds its fair value.

### **Contributed materials and services**

Some of the work of the Organization is dependent on the services of volunteers that are not normally purchased by the Organization. The Organization also receives many contributed supplies and resources. These supplies and resources are recognized as donations if they would have been purchased in the normal course of operations. Otherwise, these materials and services are not recognized in the financial statements because of the difficulty in determining their fair value.

### **Financial instruments**

#### **(a) Measurement of financial instruments**

##### **Initial measurement**

The Organization initially measures its financial assets and liabilities originated or exchanged in arm's length transactions at fair value. Financial assets and liabilities originated or exchanged in related party transactions, except for those that involve parties whose sole relationship with the organization is in the capacity of management, are initially measured at cost.

The cost of a financial instrument in a related party transaction depends on whether the instrument has repayment terms. If it does, the cost is determined using its undiscounted cash flows, excluding interest and dividend payments, less any impairment losses previously recognized by the transferor. Otherwise, the cost is determined using the consideration transferred or received by the organization in the transaction.

**WOMEN'S PLACE OF SOUTH NIAGARA INC.**  
(Operating as Birchway Niagara)  
NOTES TO THE FINANCIAL STATEMENTS  
MARCH 31, 2023

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**Subsequent measurement**

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 fair value are recognized in income in the period incurred.

Financial assets measured at amortized cost include cash, accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Financial assets measured at fair value include mutual funds and short term investments.

**(b) Transaction costs**

Transaction costs attributable to financial instruments subsequently measured at fair value and to those originated or exchanged in a related party transaction are recognized in income in the period incurred. Transaction costs related to financial instruments originated or exchanged in an arm's length transaction that are subsequently measured at cost or amortized cost are recognized in the original cost of the instrument. When the instrument is measured at amortized cost, transaction costs are recognized in income over the life of the instrument using the straight-line method.

**(c) Impairment**

For financial assets measured at cost or amortized cost, the Organization determines whether there are indications of possible impairment. When there are, 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 income. If the indicators of impairment have decreased or no longer exist, the previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may be no 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 income.

***Use of estimates***

The preparation of financial statements in accordance 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 at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates, as additional information becomes available in the future. Significant estimates and assumptions are used when accounting for such items as allowances for accounts receivable, determination of useful lives of capital assets, impairment of long-lived assets, accrued charges, deferred revenue, revenue recognition, fund balance allocation and contingent liabilities.

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# WOMEN'S PLACE OF SOUTH NIAGARA INC.

(Operating as Birchway Niagara)  
NOTES TO THE FINANCIAL STATEMENTS  
MARCH 31, 2023

## 2. CASH

	<u>2023</u>	<u>2022</u>
Cash - operating fund	\$ 328,684	\$ 69,415
Cash - building reserve fund	-	35,956
Cash - stabilization reserve fund	-	310,971
	<u>\$ 328,684</u>	<u>\$ 416,342</u>

The Organization has a credit agreement with Meridian Credit Union, which includes credit card facility to a maximum of \$6,500, and letters of credit to a maximum of \$111,569. The facilities are secured by a general security agreement over all present and acquired property, assignment of rent and leases, assignment of fire insurance, assignment of funds on deposit in the amount of \$120,000 and an indemnity agreement. None of those facilities were in use at year-end.

## 3. ACCOUNTS RECEIVABLE

	<u>2023</u>	<u>2022</u>
Trade accounts receivable	\$ 11,707	\$ 37,145
HST recoverable	42,558	164,282
	<u>\$ 54,265</u>	<u>\$ 201,427</u>

## 4. SHORT-TERM INVESTMENTS

	<u>2023</u>	<u>2022</u>
Meridian GIC - 0.70%, due June 17, 2022	\$ -	\$ 122,350
Meridian GIC - 0.85%, due September 12, 2022	-	44,816
Meridian GIC - 3.10%, due June 17, 2023	125,519	-
Meridian GIC - 3.10%, due June 22, 2023	409,580	-
Meridian GIC - 4.00%, due June 29, 2023	721,096	-
Meridian GIC - 3.50%, due June 29, 2023	307,911	-
Meridian GIC - 4.10%, due September 12, 2023	45,998	-
	<u>1,610,104</u>	<u>167,166</u>
Less amounts due within one year	<u>(1,610,104)</u>	<u>(167,166)</u>
	<u>\$ -</u>	<u>\$ -</u>
The above short-term investments are held in the following funds:		
Operating Fund	\$ 694,827	\$ -
Building Fund	435,958	-
Stabilization Reserve Fund	437,565	126,594
Evelyn Zavitz Reserve Fund	41,754	40,572
	<u>\$ 1,610,104</u>	<u>\$ 167,166</u>

# WOMEN'S PLACE OF SOUTH NIAGARA INC.

(Operating as Birchway Niagara)  
NOTES TO THE FINANCIAL STATEMENTS  
MARCH 31, 2023

## 5. CAPITAL ASSETS

	<u>2023</u>		<u>2022</u>	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land - Niagara Falls	\$ 206,937	\$ -	\$ 206,937	\$ -
Land - Welland	-	-	86,672	-
Buildings - Niagara Falls	7,656,356	1,797,804	6,468,654	1,617,182
Buildings - Welland	-	-	986,783	874,944
Parking improvements - Welland	-	-	26,912	13,326
Furniture and equipment - Niagara Falls	322,714	63,698	346,141	114,415
Computer hardware - Niagara Falls	-	-	68,774	57,785
	<u>8,186,007</u>	<u>1,861,502</u>	<u>8,190,873</u>	<u>2,677,652</u>
Net book value		<u>\$ 6,324,505</u>		<u>\$ 5,513,221</u>

## 6. ENDOWMENT INVESTMENTS

Endowment investments are marketable securities and are recorded at fair market value. The original cost of the endowment investments at March 31, 2023 is \$58,066 (2022 - \$58,066).

## 7. DEFERRED CONTRIBUTIONS

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 864,215	\$ -
Additional contribution funds received	1,027,785	864,215
Less amortization of deferred capital contributions	(47,300)	-
	<u>\$ 1,844,700</u>	<u>\$ 864,215</u>

As of March 31, 2023, a total amount of \$1,892,000 was received from the Canada Mortgage and Housing Corporation for the purpose of constructing and furnishing an addition to the property in Niagara Falls. If this property is sold or ownership transferred within 20 years of this date, or if the Organization stops operating it as a rent-free shelter, a condition on the contribution requires that the full amount received is to be repaid to the Canada Mortgage and Housing Corporation.

**WOMEN'S PLACE OF SOUTH NIAGARA INC.**  
 (Operating as Birchway Niagara)  
 NOTES TO THE FINANCIAL STATEMENTS  
 MARCH 31, 2023

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**8. SUPPLEMENTAL INFORMATION TO THE BUILDING FUND**

	<u>2023</u>	<u>2022</u>
<b>ASSETS</b>		
Cash	\$ -	\$ 35,956
Short-term investments	435,958	-
Capital assets	6,324,505	5,513,221
	<b>\$ 6,760,463</b>	<b>\$ 5,549,177</b>
 <b>LIABILITIES AND FUND BALANCE</b>		
Accounts payable and accruals	51,091	861,126
Deferred revenue	300,000	-
Deferred contributions	1,844,700	864,215
Mortgages payable	-	43,125
Building Fund	4,564,672	3,780,711
	<b>\$ 6,760,463</b>	<b>\$ 5,549,177</b>

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**9. ECONOMIC DEPENDENCE**

The Organization is dependent on government funding agreements. It would be difficult for the current operations of the Organization to continue without this annual funding. However, it is management's opinion that this funding will continue into the foreseeable future.

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**10. FINANCIAL RISK MANAGEMENT**

The Organization has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The risks that arise from transacting financial instruments include interest rate risk, market (other price) risk, currency risk, credit risk, and liquidity risk. Price risk arises from changes in interest rates, foreign currency exchange rates and market prices.

***Market risk:***

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Organization's investments in securities quoted in an active market exposes the Organization to price risks as these investments are subject to price changes in an open market. The Organization does not use derivative financial instruments to alter the effects of this risk.

It is management's opinion that the Organization is not exposed to significant interest rate, currency, credit or liquidity risks arising from its financial instruments.

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**11. COMPARATIVE INFORMATION**

Certain of the prior year's figures have been reclassified to conform to the current year's financial statement presentation.

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**WOMEN'S PLACE OF SOUTH NIAGARA INC.**

(Operating as Birchway Niagara)  
NOTES TO THE FINANCIAL STATEMENTS  
MARCH 31, 2023

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**12. IMPACT OF COVID-19 PANDEMIC**

As the pandemic continues to evolve with the emergence of new variants, entities may experience conditions often associated with general economic downturn, including but not limited to, financial market volatility, declining credit, potential return of government intervention, changes in labour markets, and other restructuring activities. The continuation of these circumstances could have a negative impact on an entity's financial conditions and results. Further, inflation, supply-chain disruptions, and labour shortages are affecting organizations to varying degrees.

The ongoing impact of the COVID-19 pandemic and the uncertain economic conditions affecting major markets and economies still remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Organization for future periods.

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