

CUMBERLAND COUNTY TRANSITION HOUSE ASSOCIATION
(Operating as Autumn House)
Financial Statements
Year Ended March 31, 2022

CUMBERLAND COUNTY TRANSITION HOUSE ASSOCIATION
(Operating as Autumn House)
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Year Ended March 31, 2022

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LYLE TILLEY DAVIDSON
Chartered Professional Accountants

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Cumberland County Transition House Association operating as Autumn House

We have reviewed the accompanying financial statements of Cumberland County Transition House Association (the "Association") that comprise the statement of financial position as at March 31, 2022, and the statements of revenues and expenditures, changes in fund equity 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 (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.

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 the financial statements do not present fairly, in all material respects, the financial position of Cumberland County Transition House Association as at March 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

Lyle Tilley Davidson

Halifax, Nova Scotia
June 21, 2022

CHARTERED PROFESSIONAL ACCOUNTANTS

CUMBERLAND COUNTY TRANSITION HOUSE ASSOCIATION
(Operating as Autumn House)
Statement of Financial Position
March 31, 2022

	General fund 2022	Capital fund 2022	Total 2022	Total 2021
ASSETS (Note 8)				
CURRENT				
Cash	\$ 380,504	\$ -	\$ 380,504	\$ 281,871
Accounts receivable	1,725	-	1,725	1,479
Harmonized sales tax receivable	8,360	1,890	10,250	8,494
Prepaid expenses	3,461	-	3,461	3,123
Due from (to) funds	42,416	(42,416)	-	-
	436,466	(40,526)	395,940	294,967
CAPITAL ASSETS (Note 4)	-	388,756	388,756	388,433
INVESTMENTS (Note 5)	91,506	-	91,506	79,718
	\$ 527,972	\$ 348,230	\$ 876,202	\$ 763,118
LIABILITIES AND NET ASSETS				
CURRENT				
Accounts payable and accrued liabilities	\$ 50,269	\$ 1,003	\$ 51,272	\$ 53,539
Deferred revenue (Note 6)	66,635	-	66,635	111,915
Security deposits	-	530	530	330
	116,904	1,533	118,437	165,784
FUND EQUITY	411,068	346,697	757,765	597,334
	\$ 527,972	\$ 348,230	\$ 876,202	\$ 763,118

LEASE COMMITMENTS (Note 9)

ON BEHALF OF THE BOARD

_____ Director

_____ Director

CUMBERLAND COUNTY TRANSITION HOUSE ASSOCIATION

(Operating as Autumn House)

Statement of Revenues and Expenditures

Year Ended March 31, 2022

	General fund 2022	Capital fund 2022	2022	2021
REVENUE				
Transition House <i>(Schedule 1)</i>	\$ 729,497	\$ -	\$ 729,497	\$ 684,220
New Directions Program <i>(Schedule 2)</i>	209,525	-	209,525	180,574
General Fund - Unrestricted <i>(Schedule 3)</i>	91,742	-	91,742	81,453
Capital Fund <i>(Schedule 4)</i>	-	12,540	12,540	18,189
	<hr/> 1,030,764	12,540	<hr/> 1,043,304	964,436
EXPENDITURES				
Transition House <i>(Schedule 1)</i>	661,283	-	661,283	647,683
New Directions Program <i>(Schedule 2)</i>	171,651	-	171,651	187,080
General Fund - Unrestricted <i>(Schedule 3)</i>	14,225	-	14,225	26,470
Capital Fund <i>(Schedule 4)</i>	-	35,714	35,714	31,565
	<hr/> 847,159	35,714	<hr/> 882,873	892,798
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<hr/> \$ 183,605	\$ (23,174)	<hr/> \$ 160,431	\$ 71,638

CUMBERLAND COUNTY TRANSITION HOUSE ASSOCIATION

(Operating as Autumn House)

Statement of Changes in Fund Equity

Year Ended March 31, 2022

	General Fund	Capital Fund	2022	2021
FUND EQUITY - BEGINNING OF YEAR	\$ 227,463	\$ 369,871	\$ 597,334	\$ 525,696
Excess (deficiency) of revenue over expenditures	183,605	(23,174)	160,431	71,638
FUND EQUITY - END OF YEAR	\$ 411,068	\$ 346,697	\$ 757,765	\$ 597,334

CUMBERLAND COUNTY TRANSITION HOUSE ASSOCIATION*(Operating as Autumn House)***Statement of Cash Flows****Year Ended March 31, 2022**

	2022	2021
OPERATING ACTIVITIES		
Excess of revenue over expenditures	\$ 160,431	\$ 71,638
Item not affecting cash:		
Amortization	<u>26,770</u>	24,587
	<u>187,201</u>	<u>96,225</u>
Changes in non-cash working capital:		
Accounts receivable	(246)	(1,115)
Harmonized sales tax receivable	(1,756)	1,860
Accounts payable and accrued liabilities	(2,267)	(2,000)
Deferred revenue	(45,280)	(30,770)
Prepaid expenses	(338)	303
Security deposits	<u>200</u>	<u>(330)</u>
	<u>(49,687)</u>	<u>(32,052)</u>
Cash flow from operating activities	<u>137,514</u>	<u>64,173</u>
INVESTING ACTIVITIES		
Purchase of capital assets	(27,093)	(947)
Long term investments	<u>(11,788)</u>	<u>(21,129)</u>
Cash flow used by investing activities	<u>(38,881)</u>	<u>(22,076)</u>
INCREASE IN CASH FLOW	98,633	42,097
Cash - beginning of year	<u>281,871</u>	<u>239,774</u>
CASH - END OF YEAR	\$ 380,504	\$ 281,871

CUMBERLAND COUNTY TRANSITION HOUSE ASSOCIATION
(Operating as Autumn House)
Notes to Financial Statements
Year Ended March 31, 2022

1. DESCRIPTION OF OPERATIONS

Cumberland County Transition House Association (operating as Autumn House) (the "Association") provides shelter, counselling and support services for abused women and their families in Cumberland County, Nova Scotia. Through the New Directions program, the Association also provides services to abusive men willing to change their behaviour. As a registered charity the Association is exempt from the payment of income tax under Subsection 149(1) of the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Financial instruments

Financial instruments are recorded at fair value when acquired or issued, except for transactions with related parties which are recorded at the exchange amount. 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.

Cash

Cash includes cash on hand and deposits within Canadian financial institutions, net of outstanding transactions and cash held in the investment account.

Capital assets

Capital assets are stated at cost less accumulated amortization and are amortized over their estimated useful lives on a straight-line basis at the following rates:

Buildings	30 years
Equipment	5 years

Amortization is calculated at half the normal annual rate in the year of acquisition; no amortization is recorded in the year of disposal.

Impairment of long-lived assets

The Association tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

(continues)

CUMBERLAND COUNTY TRANSITION HOUSE ASSOCIATION
(Operating as Autumn House)
Notes to Financial Statements
Year Ended March 31, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition and fund accounting

Cumberland County Transition House Association follows the restricted fund method of accounting for contributions.

The general fund accounts for the Association's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants. Restricted contributions related to general operations, the New Directions program, and all other restricted contributions for which no corresponding restricted fund is presented are recognized as revenue in the general fund. The accumulated deficit relating to contributions for general operations, named the "Transition House" are tracked separately in the fund equity. Restricted contributions and related program expenditures for the Transition House and New Directions program are shown in schedules to the financial statements.

The capital fund reports the assets, liabilities, revenue and expenditures related to the Association's capital assets. Restricted contributions related to capital assets are recognized as revenue in the capital fund.

Unrestricted contributions are recognized as revenue in the general fund in the year, received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured. Unrestricted contributions and related expenditures are shown in schedules to the financial statements.

Government assistance

Government assistance for current expenditures is recorded as Government assistance revenue when received.

Contributed goods and services

The operations of the Association depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

Donated goods are not recognized in the financial statements but are receipted at their fair market value at the time of the donation if fair value can be reasonably estimated. During the year no donated goods were receipted (2021 - \$nil).

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 revenue and expenditures during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Significant estimates in these financial statements are the useful lives of capital assets, allowance for doubtful accounts, accrued liabilities, and fund expense allocations. Actual results could differ from these estimates.

CUMBERLAND COUNTY TRANSITION HOUSE ASSOCIATION
(Operating as Autumn House)
Notes to Financial Statements
Year Ended March 31, 2022

3. FINANCIAL INSTRUMENTS

The Association is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The Association's financial instruments consists of cash, accounts receivable, accounts payable and accrued liabilities and security deposits. The following analysis provides information about the Association's risk exposure and concentration as of March 31, 2022.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Association is exposed to credit risk from funders. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. Credit risk is minimized due to the nature of the Association's revenues.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Association is exposed to this risk mainly in respect of its receipt of funds from its funders and other related sources and accounts payable and accrued liabilities.

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. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Association is not exposed to significant market risk.

4. CAPITAL ASSETS

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Land	\$ 21,409	\$ -	\$ 21,409	\$ 21,409
Buildings	701,459	355,450	346,009	361,817
Equipment	134,658	113,320	21,338	5,207
	\$ 857,526	\$ 468,770	\$ 388,756	\$ 388,433

5. INVESTMENTS

Investments consist of mutual funds with a market value of \$91,506 (Cost - \$89,513), 2021 market value of \$79,718 (2021 cost - \$71,828).

CUMBERLAND COUNTY TRANSITION HOUSE ASSOCIATION

(Operating as Autumn House)

Notes to Financial Statements

Year Ended March 31, 2022

6. DEFERRED REVENUE

	Opening	Received	Recognized	Ending
Cumberland Health Care grant	\$ 1,241	\$ -	\$ 1,241	\$ -
Weston Bakeries Seeding Stronger Communities	27,740	-	27,740	-
100 Women Who Care donation	2,405	-	2,405	-
Province of Nova Scotia	3,106	543,920	545,696	1,330
Men's Intervention Program	24,642	-	22,563	2,079
COVID-19 funding	52,781	93,362	147,417	(1,274)
New Directions	-	250,462	185,962	64,500
	\$ 111,915	\$ 887,744	\$ 933,024	\$ 66,635

7. GOVERNMENT AND OTHER COVID-19 ASSISTANCE

	2022	2021
Women's Shelters Canada - response and recovery funding	\$ 93,362	\$ -
Federal Government	54,055	53,525
Province of Nova Scotia - Safe Restart grant	20,000	-
Province of Nova Scotia - COVID-19 relief	-	34,370
Province of Nova Scotia - pandemic pay	-	25,955
Canada Emergency Wage Subsidy	-	18,794
	\$ 167,417	\$ 132,644

Government and other COVID-19 assistance is included in revenue for the program in which the related expenditures were incurred. In the current year all Government and other COVID-19 assistance is included in Transition House revenue. In the prior year the revenue was allocated \$126,472 to Transition House, \$2,172 to New Directions Program and \$4,000 to the Capital Fund.

Expenditures of \$127,781 (\$127,152 in Transition House and \$629 in New Directions Program expenditures) were incurred in relation to COVID-19, \$83,986 of these expenditures were for COVID-19 salaries and wages, \$9,075 for Safe Restart grant expenditure and \$34,720 were for COVID-19 supplies, hotels for clients and personal protective equipment needed.

8. GOVERNMENT ASSISTANCE

The Association was approved for a \$303,529 mortgage from Housing Nova Scotia with the Province of Nova Scotia for its second stage housing project. The loan will be forgiven in equal monthly amounts over a period of 15 years from the date the occupancy permit is obtained and provided the various conditions of the loan are met. If conditions are not met the loan will bear interest at 5.9% per annum. The loan is secured by a \$292,100 real property mortgage with a first priority over the property, an assignment of rents, and a general assignment of the Association's right to all material contracts affecting the property. The total approved mortgage was advanced and the project completed in prior years. During the year \$20,235 of the mortgage was forgiven. The advances were recorded as revenues in the capital fund in the years received.

CUMBERLAND COUNTY TRANSITION HOUSE ASSOCIATION
(Operating as Autumn House)
Notes to Financial Statements
Year Ended March 31, 2022

9. LEASE COMMITMENTS

The Association has a long term lease with respect to its premises. The lease contains renewal options and provides for payment of utilities, property taxes and maintenance costs. Future minimum lease payments as at March 31, 2022, are as follows:

2023	\$ 16,500
2024	<u>15,125</u>
	<u>\$ 31,625</u>

10. ECONOMIC DEPENDENCE

The Association is primarily funded by the Province of Nova Scotia (the "Province"). Should the Province substantially change the funding agreement with the Association, its ability to continue viable operations would be doubtful.

11. SUBSEQUENT EVENT

Subsequent to year-end, in May 2022, the Association purchased a piece of land in Cumberland County for \$47,500. The Association will be applying to the Federal Government for funding to build a new six-plex Second Stage housing unit.

12. COVID-19

Beginning in March 2020 the Governments of Canada and Nova Scotia, as well as foreign governments instituted emergency measures as a result of the COVID-19 virus. The virus has had a major impact on Canadian and international securities and currency markets and consumer activity which may impact the Association's financial position, its results of operations and its cash flows significantly. As these are on-going events, these financial statements do not reflect any potential future impact. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Association as at the report date.

CUMBERLAND COUNTY TRANSITION HOUSE ASSOCIATION
(Operating as Autumn House)

Transition House
Year Ended March 31, 2022

(Schedule 1)

	2022	2021
REVENUE		
Province of Nova Scotia	\$ 548,080	\$ 542,748
Government and other COVID-19 assistance (Note 7)	167,417	126,472
Town of Amherst	10,000	10,000
County of Cumberland	4,000	5,000
	729,497	684,220
EXPENDITURES		
Advertising and promotion	1,427	246
COVID-19 (Note 7)	127,152	87,032
Cleaning and household supplies	2,438	2,157
Food, medical and recreation	11,401	11,614
Heat, lights and telephone	14,664	17,918
Insurance	5,462	5,273
Interest and bank charges	689	665
Office	12,999	9,142
Outreach	68	236
Professional fees	3,612	3,526
Property taxes and water	4,735	4,892
Repairs and maintenance	3,974	7,194
Support groups	12	643
Wages and employee benefits	472,650	497,145
	661,283	647,683
EXCESS OF REVENUE OVER EXPENDITURES	\$ 68,214	\$ 36,537

CUMBERLAND COUNTY TRANSITION HOUSE ASSOCIATION
(Operating as Autumn House)

New Directions Program
Year Ended March 31, 2022

(Schedule 2)

	2022	2021
REVENUE		
Province of Nova Scotia	\$ 185,962	\$ 144,616
Men's Intervention Program	22,563	33,786
Fundraising and donations	1,000	-
Government and other COVID-19 assistance (Note 7)	-	2,172
	209,525	180,574
EXPENDITURES		
Advertising	472	-
COVID-19 (Note 7)	629	288
Food, medicine and recreation	-	45
Heat, lights and telephone	3,065	2,170
Insurance	160	81
Interest and bank charges	-	10
Men's Intervention Program	22,742	24,956
Office	3,144	2,580
Outreach	-	754
Professional fees	903	2,165
Property taxes and water	-	108
Rent	17,871	16,851
Repairs and maintenance	-	215
Support group - men	578	-
Training and education	100	910
Wages and employee benefits	121,987	135,947
	171,651	187,080
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	\$ 37,874	\$ (6,506)

CUMBERLAND COUNTY TRANSITION HOUSE ASSOCIATION**(Operating as Autumn House)****General Fund - Unrestricted****(Schedule 3)****Year Ended March 31, 2022**

	2022	2021
REVENUE		
Donations and fundraising	\$ 39,290	\$ 38,676
Weston Bakeries - Seeding Stronger Communities	27,740	703
Homeless Individuals and Families System training	10,982	17,128
United Way food box	10,695	11,786
Friends of Autumn House donations	2,415	2,644
Interest and investment income	620	9,176
Moving fund	-	1,340
	<u>91,742</u>	<u>81,453</u>
EXPENDITURES		
Fundraising	730	534
Homeless Individuals and Families System training	-	17,128
Office	1,221	1,179
Training and education (recovery)	2,050	(793)
United Way - food box	10,224	8,422
	<u>14,225</u>	<u>26,470</u>
EXCESS OF REVENUE OVER EXPENDITURES	\$ 77,517	\$ 54,983

CUMBERLAND COUNTY TRANSITION HOUSE ASSOCIATION
(Operating as Autumn House)

Capital Fund

(Schedule 4)

Year Ended March 31, 2022

	2022	2021
REVENUE		
Women Who Care Home rent	\$ 12,540	\$ 14,189
Government and other COVID-19 assistance (Note 7)	-	4,000
	<u>12,540</u>	<u>18,189</u>
EXPENDITURES		
Amortization	26,770	24,587
Second stage housing	8,944	6,978
	<u>35,714</u>	<u>31,565</u>
DEFICIENCY OF REVENUE OVER EXPENDITURES	\$ (23,174)	\$ (13,376)