

**MAGGIE'S PLACE - A RESOURCE CENTRE
FOR FAMILIES ASSOCIATION**

Financial Statements

Year Ended March 31, 2023

MAGGIE'S PLACE - A RESOURCE CENTRE FOR FAMILIES ASSOCIATION

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Year Ended March 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Members of Maggie's Place - A Resource Centre for Families Association

Qualified Opinion

We have audited the financial statements of Maggie's Place - A Resource Centre for Families Association (the organization), which comprise the statement of financial position as at March 31, 2023, and the statements of operations, changes in 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 possible 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 March 31, 2023, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO)

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 donation or fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2023, current assets and net assets as at March 31, 2023. 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 of 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 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 audit opinion.

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 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.

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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.

Amherst, Nova Scotia
June 2, 2023

Jorgensen & Bickerton Inc.
Chartered Professional Accountants

MAGGIE'S PLACE - A RESOURCE CENTRE FOR FAMILIES ASSOCIATION

Statement of Financial Position

March 31, 2023

	2023	2022
ASSETS		
CURRENT		
Cash	\$ 696,227	\$ 274,698
Term deposits	27,511	82,247
Accounts receivable	2,025	-
Grants receivable	86,326	9,990
Harmonized sales tax recoverable	64,293	13,423
Prepaid expenses	7,411	7,375
	<u>883,793</u>	<u>387,733</u>
CAPITAL ASSETS (Note 3)	<u>717,560</u>	<u>25,996</u>
	<u>\$ 1,601,353</u>	<u>\$ 413,729</u>
LIABILITIES		
CURRENT		
Accounts payable	\$ 40,397	\$ 19,160
Short term debt (Note 4)	24,500	-
Employee deductions payable	19,545	9,843
Current portion of long term debt (Note 6)	8,045	-
	<u>92,487</u>	<u>29,003</u>
LONG TERM DEBT (Note 6)	<u>521,667</u>	<u>-</u>
DEFERRED INCOME (Note 5)	<u>641,847</u>	<u>201,845</u>
	<u>1,256,001</u>	<u>230,848</u>
NET ASSETS		
UNRESTRICTED NET ASSETS	<u>345,352</u>	<u>182,881</u>
	<u>\$ 1,601,353</u>	<u>\$ 413,729</u>

ON BEHALF OF THE BOARD

_____ Director

_____ Director

See notes to financial statements

MAGGIE'S PLACE - A RESOURCE CENTRE FOR FAMILIES ASSOCIATION

**Statement of Operations
Year Ended March 31, 2023**

	2023	2022
REVENUE		
Cumberland Revenue and Expenses (<i>Schedule 1</i>)	\$ 826,205	\$ 741,161
Colchester Revenue and Expenses (<i>Schedule 2</i>)	675,443	447,940
Cumberland Prenatal Nutrition Program Revenue and Expenses (<i>Schedule 3</i>)	<u>70,380</u>	<u>70,380</u>
	<u>1,572,028</u>	<u>1,259,481</u>
EXPENSES		
Cumberland Revenue and Expenses (<i>Schedule 1</i>)	810,376	739,735
Colchester Revenue and Expenses (<i>Schedule 2</i>)	528,801	451,909
Cumberland Prenatal Nutrition Program Revenue and Expenses (<i>Schedule 3</i>)	<u>70,380</u>	<u>70,380</u>
	<u>1,409,557</u>	<u>1,262,024</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>\$ 162,471</u>	<u>\$ (2,543)</u>

See notes to financial statements

MAGGIE'S PLACE - A RESOURCE CENTRE FOR FAMILIES ASSOCIATION

Statement of Changes in Net Assets

Year Ended March 31, 2023

	Cumberland	Colchester	2023	2022
NET ASSETS - BEGINNING OF YEAR	\$ 125,149	\$ 57,732	\$ 182,881	\$ 185,424
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	157,495	4,976	162,471	(2,543)
NET ASSETS - END OF YEAR	\$ 282,644	\$ 62,708	\$ 345,352	\$ 182,881

See notes to financial statements

MAGGIE'S PLACE - A RESOURCE CENTRE FOR FAMILIES ASSOCIATION

**Statement of Cash Flows
Year Ended March 31, 2023**

	2023	2022
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	\$ 162,471	\$ (2,543)
Item not affecting cash:		
Amortization of capital assets	14,478	9,082
	<u>176,949</u>	<u>6,539</u>
Changes in non-cash working capital:		
Accounts receivable	(2,025)	1,050
Grants receivable	(76,336)	(1,395)
Accounts payable	21,238	(14,992)
Prepaid expenses	(36)	(1,756)
Harmonized sales tax payable	(50,870)	(3,397)
Employee deductions payable	9,702	9,843
	<u>(98,327)</u>	<u>(10,647)</u>
Cash flow from (used by) operating activities	<u>78,622</u>	<u>(4,108)</u>
INVESTING ACTIVITY		
Purchase of capital assets	<u>(706,043)</u>	<u>(8,342)</u>
FINANCING ACTIVITIES		
Short term debt	24,500	-
Deferred income	440,002	59,947
Proceeds from long term financing	530,400	-
Repayment of long term debt	<u>(688)</u>	<u>-</u>
Cash flow from financing activities	<u>994,214</u>	<u>59,947</u>
INCREASE IN CASH FLOW	<u>366,793</u>	<u>47,497</u>
CASH - BEGINNING OF YEAR	<u>356,945</u>	<u>309,448</u>
CASH - END OF YEAR	<u>\$ 723,738</u>	<u>\$ 356,945</u>
CASH CONSISTS OF:		
Cash	\$ 696,227	\$ 274,698
Term deposits	<u>27,511</u>	<u>82,247</u>
	<u>\$ 723,738</u>	<u>\$ 356,945</u>

See notes to financial statements

MAGGIE'S PLACE - A RESOURCE CENTRE FOR FAMILIES ASSOCIATION

Notes to Financial Statements

Year Ended March 31, 2023

1. NATURE OF OPERATIONS

Maggie's Place - A Resource centre for Families Association is a federally / provincially funded not-for-profit organization which is exempt from income taxes. By providing a variety of promotion and prevention services and programs, the mission of Maggie's Place is to support families through the preconception, prenatal, infant, early childhood and youth periods, with an emphasis on the ages 0-6 early child period. Maggie's Place strives to strengthen partnerships and collaborative activities among families, service providers, communities and governments in Colchester and Cumberland counties.

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).

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, 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.

Financial assets subsequently measured at amortized cost include cash, term deposits, receivables and prepaid expense. Financial liabilities measured at amortized cost include accounts payables.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and term deposits which are due within one year.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization. Capital assets are amortized over their estimated useful lives on a straight-line basis at the rates and methods indicated in Note 3.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

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MAGGIE'S PLACE - A RESOURCE CENTRE FOR FAMILIES ASSOCIATION

Notes to Financial Statements

Year Ended March 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue recognition

Maggie's Place - A Resource Centre for Families Association follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Donations, Rent, Sundry and interest revenue are recognized as income when received.

Contributed services

The operations of the organization 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.

3. CAPITAL ASSETS

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Land	\$ 150,000	\$ -	\$ 150,000	\$ -
Building	556,043	6,951	549,092	-
Furniture, fixtures and equipment	177,413	158,945	18,468	25,996
Leasehold improvements	45,545	45,545	-	-
	<u>\$ 929,001</u>	<u>\$ 211,441</u>	<u>\$ 717,560</u>	<u>\$ 25,996</u>

Capital assets is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life on a straight-line basis at the following rates and methods:

Building	5% straight-line method
Furniture fixtures and equipment	20% straight-line method
Leasehold improvements	term of the lease

4. SHORT TERM DEBT

The association has a \$24,500 demand promissory loan as at March 31, 2023. The loan bears interest at 6.85%. The promissory note is secured by the assignment of deposits on accounts of the association.

MAGGIE'S PLACE - A RESOURCE CENTRE FOR FAMILIES ASSOCIATION

Notes to Financial Statements

Year Ended March 31, 2023

5. DEFERRED INCOME

	<u>2023</u>	<u>2022</u>
Cumberland		
Balance, beginning of year	\$ 179,421	\$ 125,220
Amount recognized as revenue in the year	(82,653)	(73,075)
Amount received relating to future years	<u>470,127</u>	<u>127,276</u>
Balance, end of year	<u>566,895</u>	<u>179,421</u>
Colchester		
Balance, beginning of year	22,424	16,678
Amount recognized as revenue in the year	(14,731)	(10,655)
Amount received relating to future years	<u>67,259</u>	<u>16,401</u>
Balance, end of year	<u>74,952</u>	<u>22,424</u>
Total	<u>\$ 641,847</u>	<u>\$ 201,845</u>

The deferred income amounts represent the portion of the total revenues received in which were unspent as of March 31st. The balance will be subsequently reported as income when the funds are actually disbursed on program activities.

6. LONG TERM DEBT

	<u>2023</u>	<u>2022</u>
Credit Union mortgage bearing interest at 7.1% per annum, repayable in monthly blended payments of \$3,783. The loan matures on January 1, 2025 and is secured by 1027 Prince St. Truro, NS which has a carrying value of \$699,090.	\$ 529,712	\$ -
Amounts payable within one year	<u>(8,045)</u>	<u>-</u>
	<u>\$ 521,667</u>	<u>\$ -</u>

The Mortgage is secured by a registered collateral mortgage giving a first charge on 1027 Prince St. Truro NS, an assignment of rents from the property and a general security agreement on all assets including inventory, equipment and accounts receivable.

Principal repayment terms are approximately:

2024	\$ 8,045
2025	8,635
2026	9,268
2027	9,948
2028	<u>10,678</u>
	<u>\$ 46,574</u>

MAGGIE'S PLACE - A RESOURCE CENTRE FOR FAMILIES ASSOCIATION

Notes to Financial Statements

Year Ended March 31, 2023

7. FINANCIAL INSTRUMENTS

The association is exposed to various risks through its financial instruments. The following analysis provides a measure of the association's risk exposure to significant risk at March 31, 2023.

Credit Risk

The association is exposed to credit risk with respect to term deposits, receivables and grant receivables. The association assesses, on a continuous basis, receivables on the basis of amounts it is virtually certain to receive. The association deposits its term deposits in reputable financial institutions and therefore believes the risk of loss to be remote.

Liquidity Risk

Liquidity risk is the risk that the association will encounter difficulty in meeting obligations associated with financial liabilities. The association is exposed to this risk mainly in respect of its accounts payable. The association generates enough cash from operating activities to fund operations and fulfill obligations as they come due.

MAGGIE'S PLACE - A RESOURCE CENTRE FOR FAMILIES ASSOCIATION

Cumberland Revenue and Expenses

(Schedule 1)

Year Ended March 31, 2023

	2023	2022
REVENUE		
CAPC Grant	\$ 117,500	\$ 117,500
Other Grants	655,189	617,685
Sundry	1,275	-
Donations	42,656	5,526
Interest	9,585	450
	<u>826,205</u>	<u>741,161</u>
EXPENSES		
Advertising	108	539
Amortization	3,896	3,457
Board expense	1,313	1,073
Evaluation	679	538
Insurance	4,229	2,648
Interest and bank charges	1,614	2,135
Memberships/Honorariums	2,601	1,513
Miscellaneous	-	1,020
Office	10,192	11,088
Professional fees	4,244	4,323
Program supplies	110,925	83,847
Rent	57,975	49,935
Repairs and maintenance	17,970	18,208
Salaries and benefits	558,696	542,729
Telephone	6,436	5,722
Training	7,483	2,017
Travel	22,015	8,943
	<u>810,376</u>	<u>739,735</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 15,829</u>	<u>\$ 1,426</u>

MAGGIE'S PLACE - A RESOURCE CENTRE FOR FAMILIES ASSOCIATION

Colchester Revenue and Expenses

(Schedule 2)

Year Ended March 31, 2023

	2023	2022
REVENUE		
CAPC Grant	\$ 117,500	\$ 117,500
Other Grants	342,667	276,512
Donations	185,408	35,699
Sundry	5,215	2,070
Rent	24,653	16,159
	<u>675,443</u>	<u>447,940</u>
EXPENSES		
Advertising	2,691	521
Amortization	10,583	5,626
Bank charges and interest	2,848	23
Community Support	57,316	-
Evaluation	-	1,000
Financing fees	10,400	-
Honoraria - Other Grants	720	1,020
Insurance	5,695	3,707
Interest on long term debt	3,095	-
Miscellaneous	1,476	1,472
Office	14,027	7,718
Professional fees	5,348	3,010
Program supplies	33,450	49,279
Property Tax	1,927	-
Rent	39,711	48,790
Repairs and maintenance	10,811	8,668
Salaries and benefits	303,072	298,381
Telephone	6,599	6,149
Travel and training	12,491	10,563
Utilities	6,541	5,982
	<u>528,801</u>	<u>451,909</u>
EXCESS (DEFICIENCY) OF EXPENSES OVER REVENUE	\$ 146,642	\$ (3,969)

See notes to financial statements

MAGGIE'S PLACE - A RESOURCE CENTRE FOR FAMILIES ASSOCIATION
Cumberland Prenatal Nutrition Program Revenue and Expenses
(Schedule 3)
Year Ended March 31, 2023

	2023	2022
REVENUE		
Grant - CPNP	\$ 70,380	\$ 70,380
EXPENSES		
Amortization	-	-
Board expense	392	418
Evaluation	-	538
Insurance	730	520
Interest and bank charges	404	-
Office	984	256
Memberships/Honorariums	266	16
Professional fees	723	1,123
Rent	4,345	3,793
Repairs and maintenance	2,484	1,941
Salaries and benefits	45,814	46,000
Supplies	9,977	11,861
Telephone	489	641
Training	1,570	773
Travel	2,202	2,500
	<u>\$ 70,380</u>	<u>\$ 70,380</u>