

North End Revitalization Inc.
Financial Statements
March 31, 2015

Independent Auditors' Report

To the Members of North End Revitalization Inc.:

We have audited the accompanying financial statements of North End Revitalization Inc., which comprise the statement of financial position as at March 31, 2015, and the statements of operations and changes in net assets and cash flows, and the supporting schedules 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, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of North End Revitalization Inc. as at March 31, 2015 and the results of its operations, changes in net assets and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Winnipeg, Manitoba

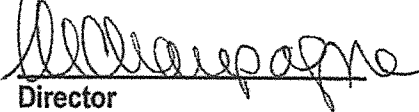
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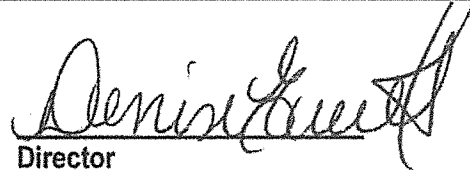
MNP LLP
Chartered Accountants

North End Revitalization Inc.
Statement of Financial Position
As at March 31, 2015

	2015	2014
Assets		
Current		
Cash (Note 3)	9,879	8,413
Accounts receivable (Note 4)	58,202	143,985
	68,081	152,398
Liabilities		
Current		
Accounts payable and accruals (Note 5)	22,349	9,798
Deferred grant revenue (Note 6)	18,950	12,132
Advances from related party (Note 7)	26,782	130,468
	68,081	152,398
Net Assets		
	-	-
	68,081	152,398

Approved on behalf of the Board


 Director


 Director

The accompanying notes are an integral part of these financial statements

North End Revitalization Inc.
Statement of Operations and Changes in Net Assets
For the year ended March 31, 2015

	2015	2014
Revenues		
City of Winnipeg - Grants		
Neighbourhood Housing program	179,487	109,380
Province of Manitoba - Grants		
Special Projects	219,900	214,623
Community Housing Improvement Initiative	148,495	140,230
Neighbourhood Development Assistance: Core	165,070	149,095
Other revenues		
Other projects	37,216	51,438
Administration fees - related party <i>(Note 7)</i>	40,000	40,000
Administration fees - other	23,658	15,377
	813,826	720,143
Expenses		
Administrative fees - related party <i>(Note 7)</i>	51,420	47,280
Bank charges	728	794
Office	1,189	1,079
Professional fees	7,977	5,887
Project costs	512,016	433,235
Salaries and benefits	234,703	229,951
Staff and board development	4,145	-
Telephone	1,378	1,638
Travel	270	279
	813,826	720,143
Excess of revenues over expenses	-	-
Net assets, beginning of year	-	-
Net assets, end of year	-	-

The accompanying notes are an integral part of these financial statements

North End Revitalization Inc.
Statement of Cash Flows
For the year ended March 31, 2015

	<i>2015</i>	<i>2014</i>
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Cash provided by (used for) the following activities		
Operating activities		
Changes in working capital accounts		
Accounts receivable	85,783	(49,786)
Accounts payable and accruals	12,551	(9,955)
Deferred grant revenue	6,818	7,915
	<hr/>	<hr/>
	105,152	(51,826)
	<hr/>	
Financing		
Advances from related party	-	45,268
Repayment of advances from related party	(103,686)	-
	<hr/>	<hr/>
	(103,686)	45,268
	<hr/>	
Increase (decrease) in cash resources	1,466	(6,558)
Cash resources, beginning of year	8,413	14,971
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Cash resources, end of year	9,879	8,413
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The accompanying notes are an integral part of these financial statements

1. Nature of operations

North End Revitalization Inc. (the "Organization") was incorporated on January 8, 2007 as a non-profit organization without share capital under the laws of the Province of Manitoba. The objectives of the Organization are to further social, economic and cultural development of the North End of Winnipeg. The Organization qualifies for tax-exempt status under paragraph 149(1) of the Income Tax Act.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Capital assets

Purchased capital assets in excess of \$5,000 are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Revenue recognition

The Organization 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.

Administration fee income is recognized as revenue when the service is performed and collection is reasonably assured.

Contributed services

Contributions of services from volunteers are not recognized in the financial statements because of the difficulty in determining their value.

Financial instruments

The Organization recognizes its financial instruments when the Organization becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

The Organization subsequently measures investments in equity instruments quoted in an active market at fair value. Fair value is determined by published prices. Investments in equity instruments not quoted in an active market are subsequently measured at cost less impairment. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the excess of revenues over expenses for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at amortized cost or cost.

Measurement uncertainty (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 reported amounts of revenues over expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the periods in which they become known.

North End Revitalization Inc.
Notes to the Financial Statements
For the year ended March 31, 2015

3. Cash

The Organization has at its disposition an operating line of credit of \$5,000 (2014 - \$5,000). The line of credit is due on demand, bears interest at the credit union's prime rate plus 1% (effective rate of 3.85%), calculated and payable monthly, and is secured by a line of credit agreement, registered general security agreement registered as a first charge over all assets and assignment of All Risks Fire and Theft Insurance on all capital assets together with business interruption insurance. At March 31, 2015 there is no outstanding amount.

4. Accounts receivable

	2015	2014
Grants	57,132	139,462
Other receivables	263	3,972
GST receivable	807	551
	58,202	143,985

5. Accounts payable and accruals

	2015	2014
Trade payables	3,802	1,122
Wages payable	1,478	-
Benefits payable	1,119	-
Professional fees	5,000	4,250
Vacation pay	10,950	4,426
	22,349	9,798

6. Deferred grant revenue

	2015	2014
City of Winnipeg Grant - Neighbourhood Housing	18,950	-
Small Grants - Neighbourhoods Alive	-	10,000
Community Housing Improvement Initiative	-	2,132
	18,950	12,132

7. Related party transactions

The Organization is controlled by North End Community Renewal Corporation ("NECRC") as NECRC appointed members of the Organization's Board of Directors at the inception of the organization, the majority of members of the Organization are members of NECRC's Board of Directors and the Organization and NECRC have common management. Transactions between the two organizations are measured at the exchange value (the amount of consideration established and agreed to by the related parties), which approximates the arm's length equivalent value for services rendered.

The following summarizes transactions with NECRC for the year:

	2015	2014
Revenues		
Administration fees	40,000	40,000
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Expenses		
Administration fees	40,920	36,780
Rent	10,500	10,500
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	51,420	47,280
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Advances from related party are non-interest bearing, unsecured and have no repayment terms.

8. Economic dependence

The Organization is economically dependent upon grants from the Province of Manitoba and the City of Winnipeg for financing its operations.

9. Financial instruments

The Organization, as part of its operations, carries a number of financial instruments. It is management's opinion that the Organization is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

North End Revitalization Inc.
Schedule of Storefront Enhancement Grants

For the year ended March 31, 2015

	2015
6270701 MB Ltd.	3,000
Aksyon Ng Ating Kabataan Inc.	3,000
Afro Canadian Spot	1,433
Avenue Meat Market	2,388
Bannerman Grocery	2,790
Boogies Diner and Sports Lounge	3,000
Accurate Washer & Appliance	1,000
Day Nursery Centre - Gretta Brown Unit	1,394
FDS Holdings Ltd.	3,000
Filipino Seniors Group of Winnipeg Ltd.	1,750
Fiori Laundromat & Convenience	1,917
Glory & Peace International Church	3,000
Hadedda Convenience	2,503
Honesty Sportswear Manufacturing	1,096
Johlene Properties Ltd.	1,000
Lanxang Jewellers	1,797
Lao Thai Restaurant	651
Lloyd's Quick Printing	2,250
Manitoba Indigenous Cultural Ed Centre Inc.	3,000
Maw & Paw Collectible	1,598
Merchants Between the Parks	500
Metro Meat Products Ltd.	3,000
Mr. Bones Pizza	1,255
Neechi Foods Co-op Ltd.	689
New Line Furniture	1,942
Quick 7-Ten Convenience	2,007
Seed Winnipeg Inc.	1,982
Splash Child Enrichment Centre	1,950
St. Vladimir & Olga Cathedral	3,000
Susan's Pet Grooming	3,000
Ten Soo Café	1,010
Kenfran Enterprises Ltd o/a Video 1001	3,000
Winnipeg Evangelical Free Church	3,000
	67,900

The total storefront grants given out in 2014 were \$58,000.

There were no entities that received a storefront grant in the current fiscal year who have received storefront grants in the prior fiscal year.

North End Revitalization Inc.

Schedule of Small Grants

For the year ended March 31, 2015

	2015	2014
Aboriginal Music Manitoba	750	1,038
Aboriginal Seniors Resource Centre	2,500	2,500
Administration Fees	-	1,406
Alliance Boxing	2,500	1,400
Alliance Boxing	2,500	3,000
Alliance Boxing	-	1,850
Arrows Hockey Team	2,500	2,500
Arrows Hockey Team	-	2,500
Audit fees	500	625
Art from the Heart	500	-
Bethlehem Aboriginal Fellowship	1,825	1,150
Bethlehem Aboriginal Fellowship	2,430	-
Champlain Community School	2,000	2,500
Children of the Earth High School	-	2,500
Children of the Earth High School	-	2,500
Children of the Earth High School	-	1,250
Community Education Development Association	-	2,500
David Livingstone Parent Run Lunch Program	2,500	2,060
David Livingstone Parent Run Lunch Program	2,000	1,065
Dufferin Residents Association	2,500	3,125
Dufferin Residents Association	2,500	3,125
Dufferin Residents Association	2,500	3,125
Dufferin Residents Association	2,500	3,125
Dufferin Residents Association	813	-
Eaglewing Education Centre	2,025	-
Eaglewing Education Centre	2,500	-
Elohim Adonai Charity Centre	-	2,500
Filipino Seniors Group	2,500	-
Filipino Seniors Group	1,125	-
Indian Family Centre	-	1,515
Indian Family Centre	-	3,000
Indian Family Centre	-	1,735
Indigenous Family Centre	2,466	-
Inkster Residents Association	2,500	965
Inkster Residents Association	-	2,500
Inkster Residents Association	-	2,500
Inner City Youth Alive	2,500	3,125
Inner City Youth Alive	-	3,125
Kinew Housing	-	1,300
Lord Selkirk Park Adult Learning	2,500	1,750
Lord Selkirk Park Adult Learning	-	3,000
Lord Selkirk Park Adult Learning	-	1,500
Lord Selkirk Park/Open Doors	-	500
Ma Mawi Wi Chi Itata Centre	2,500	2,500
Ma Mawi Wi Chi Itata Centre	2,500	-
Machray Day Nursery	2,500	2,400
Machray Day Nursery	2,500	2,200
Makoonsag Children's Centre	-	552
Manidoo Gi Miini Gonaan	2,500	3,125
Manidoo Gi Miini Gonaan	-	500
Marymound	-	2,500
National Aboriginal Day Committee	-	2,500
Niji Mahkwa School	2,500	3,125
Subtotal (continued on next page)	66,434	93,261

North End Revitalization Inc.

Schedule of Small Grants

For the year ended March 31, 2015

	2015	2014
<i>Subtotal (continued from previous page)</i>	66,434	93,261
Norquay Community School	1,000	-
North Centennial Seniors Association	1,800	2,860
North Centennial Seniors Association	-	1,600
North End BIZ	-	1,036
North End Community Helpers Network	2,500	2,500
North End Community Helpers Network	2,500	2,500
North End Community Helpers Network	2,500	2,500
North End Community Helpers Network	2,500	2,500
North End Elders Wellness Program	2,487	-
North End Elders Wellness Program	2,500	-
North End Women's Centre	2,500	1,500
North End Women's Centre	1,500	1,838
North End Women's Centre	-	2,000
North Point Douglas Seniors Association	2,500	1,250
North Point Douglas Seniors Association	2,000	2,500
North Point Douglas Seniors Association	-	2,500
North Point Douglas Women's Centre	2,500	2,415
North Point Douglas Women's Centre	2,500	1,420
North Point Douglas Women's Centre	-	2,415
North Point Douglas Women's Centre	-	2,500
North Winnipeg Nomads Football Club Inc.	2,100	1,000
North Winnipeg Nomads Football Club Inc.	700	-
Ogijiita Pimatiswin Kinamatwin (OPK)	-	2,066
Open Doors Literacy Program	2,500	2,000
Open Doors Literacy Program	-	2,750
Open Doors Literacy Program	-	1,500
Point Douglas Residents Committee	1,389	-
Point Douglas Residents Committee	1,390	-
Ralph Brown Community Centre	2,500	2,500
Ralph Brown Community Centre	2,500	-
Ralph Brown Community Centre	2,500	-
Selkirk Avenue BIZ	-	2,500
SISTARS	-	1,697
SISTARS	-	1,582
SPLASH Daycare	500	-
SPLASH Daycare	500	-
St. John's High School	2,500	3,125
St. John's High School	-	625
St. John's Residents Association	2,500	3,000
St. John's Residents Association	2,500	1,800
St. John's Residents Association	2,500	3,125
St. John's Residents Association	2,500	-
Strathcona Community School	-	2,500
Strathcona Parent Advisory	-	2,500
The Point Newsletter	2,500	2,500
The Point Newsletter	2,500	2,500
The Point Newsletter	-	1,250
The Point Powerline	2,200	2,935
The Point Powerline	-	500
Urban & Inner City Studies	2,000	-
Urban & Inner City Studies	2,000	-
<i>Subtotal (continued on next page)</i>	138,000	173,050

North End Revitalization Inc.

Schedule of Small Grants

For the year ended March 31, 2015

	2015	2014
<i>Subtotal (continued from previous page)</i>	138,000	173,050
William Whyte Residents Association	1,850	1,700
William Whyte Residents Association	300	300
William Whyte Residents Association	350	1,730
William Whyte Residents Association	2,500	270
William Whyte Residents Association	2,500	1,000
William Whyte Residents Association	2,500	1,200
William Whyte Residents Association	-	2,500
William Whyte Residents Association	-	2,500
Winnipeg Regional Health Authority	-	750
Youth for Christ/Workforce	2,000	2,500
	150,000	187,500
