

**North End Community Renewal Corporation**  
**Non-Consolidated Financial Statements**  
*March 31, 2022*

Draft - For Management Only

# Independent Auditor's Report

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To the Members of North End Community Renewal Corporation:

## Opinion

We have audited the financial statements of North End Community Renewal Corporation (the "Organization"), which comprise the statement of financial position as at March 31, 2022, 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, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2022, 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 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 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 is sufficient and appropriate to provide a basis for our opinion.

## Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental information presented on Schedules 1 and 2 are presented for the purposes of additional analysis and are not a required part of basic financial statements. Such supplemental information has been subjected only to auditing procedures applied in the audit of the basic financial statements taken as a whole.

## Other Information

Management is responsible for the other information. The other information comprises the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. We obtained the annual report prior to the date of this auditor's report. Based on the work we have performed on this other information, if we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## 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 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.

Winnipeg, Manitoba

August 25, 2022

Chartered Professional Accountants

# North End Community Renewal Corporation

## Statement of Financial Position

*As at March 31, 2022*

	2022	2021
<b>Assets</b>		
<b>Current</b>		
Cash	579	579
Restricted cash (Note 3)	59,016	58,915
Accounts receivable (Note 4)	222,802	265,800
Prepaid expenses and deposits	-	14,165
Due from related parties (Note 5)	110,605	53,156
	<b>393,002</b>	392,615
<b>Capital assets (Note 6)</b>	<b>156,830</b>	196,081
	<b>549,832</b>	588,696
<b>Liabilities</b>		
<b>Current</b>		
Bank indebtedness (Note 7)	94,006	160,053
Accounts payable and accruals (Note 8)	136,055	125,671
Deferred contributions (Note 9)	292,649	233,784
Due to City of Winnipeg	1,138	9,453
	<b>523,848</b>	528,961
<b>Deferred contributions related to capital assets (Note 10)</b>	<b>12,375</b>	16,875
	<b>536,223</b>	545,836
<b>Net Assets</b>		
Unrestricted (deficit)	(188,964)	(194,465)
Internally restricted assets for other programs	9,464	9,464
Invested in capital assets	144,454	179,206
Internally restricted for payroll	48,655	48,655
	<b>13,609</b>	42,860
	<b>549,832</b>	588,696

Approved on behalf of the Board

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Director

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Director

*The accompanying notes are an integral part of these financial statements*

**North End Community Renewal Corporation**  
**Statement of Operations**  
*For the year ended March 31, 2022*

	<b>2022</b>	<b>2021</b>
<b>Revenues</b>		
Administration fees - other (Note 11)	48,527	71,177
Administration fees - related party (Note 11)	47,075	43,000
Donations	49,970	13,866
Interest	138	83
Recognition of deferred contributions related to capital assets (Note 10)	4,500	4,500
Rental income	116,938	113,571
<b>Province of Manitoba Grants</b>		
Competitiveness, Training and Trade	619,080	684,795
Manitoba Housing Authority	722,151	572,596
Neighbouring Development Assistance: Core	251,906	238,323
<b>Other Grants</b>		
City of Winnipeg	42,920	48,600
Manitoba Hydro	50,000	5,533
Other grants	127,200	157,990
The Winnipeg Foundation	71,263	114,895
United way	34,190	3,683
End Homelessness Winnipeg	329,638	512,454
	<b>2,515,496</b>	<b>2,585,066</b>

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**North End Community Renewal Corporation**  
**Statement of Operations**  
*For the year ended March 31, 2022*

	2022	2021
<b>Total revenues</b> <i>(Continued from previous page)</i>	<b>2,515,496</b>	2,585,066
<b>Expenses</b>		
Administration fees - related party (Note 11)	62,500	62,500
Advertising and promotion	2,058	2,108
Amortization	39,251	40,968
Bank and payroll charges	32,034	6,191
Equipment and furniture	12,368	20,316
Equipment leases	7,982	8,586
Insurance	46,072	46,500
Meetings	4,279	3,487
Office supplies	97,259	100,080
Professional fees	43,356	62,464
Projects	127,321	148,709
Property taxes	18,622	18,679
Repairs and maintenance	19,610	65,276
Resources	2,006	23,747
Salaries and benefits	1,916,940	1,978,832
Staff and board development	37,458	98,844
Telephone	25,375	32,530
Transportation	3,811	-
Travel	9,336	8,641
Utilities	37,109	31,300
	<b>2,544,747</b>	2,759,758
<b>Deficiency of revenues over expenses</b>	<b>(29,251)</b>	(174,692)

*The accompanying notes are an integral part of these financial statements*

**North End Community Renewal Corporation**  
**Statement of Changes in Net Assets**

*For the year ended March 31, 2022*

	<i>Unrestricted</i>	<i>Internally restricted assets for other programs</i>	<i>Invested in capital assets</i>	<i>Internally restricted for payroll</i>	<b>2022</b>	2021
<b>Net assets (deficit), beginning of year</b>	(194,465)	9,464	179,206	48,655	<b>42,860</b>	217,552
<b>Deficiency of revenues over expenses</b>	5,501	-	(34,752)	-	<b>(29,251)</b>	(174,692)
<b>Net assets (deficit), end of year</b>	<b>(188,964)</b>	<b>9,464</b>	<b>144,454</b>	<b>48,655</b>	<b>13,609</b>	42,860

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*The accompanying notes are an integral part of these financial statements*

**North End Community Renewal Corporation**  
**Statement of Cash Flows**  
*For the year ended March 31, 2022*

	<b>2022</b>	<b>2021</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating</b>		
Deficiency of revenues over expenses	(29,251)	(174,692)
Amortization	39,251	40,968
Recognition of deferred contributions related to capital assets	(4,500)	(4,500)
	<b>5,500</b>	(138,224)
Changes in working capital accounts		
Accounts receivable	42,998	(176,376)
Prepaid expenses and deposits	14,165	15,297
Accounts payable and accruals	10,384	46,986
Deferred contributions	58,865	84,754
Amounts due to City of Winnipeg	(8,315)	(15,149)
	<b>123,597</b>	(182,712)
<b>Financing</b>		
Increase (decrease) in bank indebtedness	(66,047)	149,232
<b>Investing</b>		
Change in related parties, net	(57,449)	8,308
Change in restricted cash, net	(101)	25,172
	<b>(57,550)</b>	33,480
<b>Increase in cash resources</b>	<b>-</b>	<b>-</b>
<b>Cash resources, beginning of year</b>	<b>579</b>	<b>579</b>
<b>Cash resources, end of year</b>	<b>579</b>	<b>579</b>

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*The accompanying notes are an integral part of these financial statements*



# North End Community Renewal Corporation

## Notes to the Non-Consolidated Financial Statements

For the year ended March 31, 2022

### 1. Incorporation and commencement of operations

North End Community Renewal Corporation (the "Organization") was incorporated on July 29, 1998 as a non-profit organization under the laws of the Province of Manitoba. The objectives of the Organization are to alleviate poverty, reduce unemployment and relieve suffering in the North End of Winnipeg by assisting low-income people to prepare for, find and keep employment; improving the quality of affordable housing for the benefit of low-income people in the community; promoting industry and trade for the benefit of the North End community at large; and reducing the level of crime and violence in the North End community. The Organization qualifies for tax-exempt status as a registered charity under paragraph 149(1)(f) 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**

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

#### **Capital assets**

Capital assets are recorded at cost. The cost for contributed capital assets is considered to be fair value at the date of contribution.

Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives.

	Rate
Phone system	3 years
Building - 627 Selkirk	20 years
Building - 607 Selkirk	20 years
Building - 510 Selkirk	20 years
Building - 509 Selkirk	20 years

#### **Internally restricted net assets**

In order to ensure observance of internal limitations and restrictions placed on the use of resources available to the Organization by the Board of Directors, internally restricted funds are maintained by the Organization.

Two internally restricted funds are maintained: Restricted for Payroll Fund and Restricted for Other Programs Fund.

The Restricted for Payroll Fund reports only internally restricted resources that are to be maintained as a reserve for payroll.

The Restricted for Other Programs Fund reports only internally restricted resources that are to be maintained as a reserve for other programs.

# North End Community Renewal Corporation

## Notes to the Non-Consolidated Financial Statements

For the year ended March 31, 2022

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### 2. Significant accounting policies (Continued from previous page)

#### **Revenue recognition**

The Organization uses the deferral method of accounting for contributions. Grant revenue is recorded in the period the expenses are incurred. Unrestricted contributions, donations and other revenue are recognized in the period received. Rent revenue and administration fees are recorded in the period the services are rendered if the amount to be received can be reasonably estimated and collection is reasonably assured.

#### **Contributed assets**

Contributed assets are capitalized at an amount equal to the appraised value on date of acquisition. An amount equal to the value of the appraisal is recorded as a contribution. The contribution is deferred and recognized annually at the same rate as the amortization on the related asset.

#### **Contributed services**

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

#### **Controlled entity**

The Organization controls North End Revitalization Inc. (NERI) as they are operated by a common Board of Directors. Summary financial information is included in Note 11 along with a description of NERI and the nature of its operations.

#### **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 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 and expenses during the reporting period.

Accounts receivable and due from related parties are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets. Deferred revenue is recorded based on management's analysis of the extent to which eligibility requirements have been met.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in operations in the periods in which they become known.

#### **Long-lived assets**

Long-lived assets consist of capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Organization performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the asset's carrying amount. Impairment is measured as the amount by which the asset's carrying value exceeds its fair value. Any impairment is included in the statement of operations for the year.

# North End Community Renewal Corporation

## Notes to the Non-Consolidated Financial Statements

For the year ended March 31, 2022

### 2. Significant accounting policies (Continued from previous page)

#### **Financial instruments**

The Organization recognizes financial instruments when the Organization becomes party to the contractual provisions of the financial instrument.

#### **Arm's length financial instruments**

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Organization may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Organization has not made such an election during the year.

The Organization subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost less impairment. With the exception of financial liabilities indexed to a measure of the Organization's performance or value of its equity and 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 operations. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

#### **Related party financial instruments**

The Organization initially measures the following financial instruments originated/acquired or issued/assumed in a related party transaction ("related party financial instruments") at fair value:

- Investments in equity instruments quoted in an active market
- Debt instruments quoted in an active market
- Debt instruments when the inputs significant to the determination of its fair value are observable (directly or indirectly)
- Derivative contracts.

All other related party financial instruments are measured at cost on initial recognition. When the financial instrument has repayment terms, cost is determined using the undiscounted cash flows, excluding interest, dividend, variable and contingent payments, less any impairment losses previously recognized by the transferor. When the financial instrument does not have repayment terms, but the consideration transferred has repayment terms, cost is determined based on the repayment terms of the consideration transferred. When the financial instrument and the consideration transferred both do not have repayment terms, the cost is equal to the carrying or exchange amount of the consideration transferred or received (refer to Note 5 and 11).

At initial recognition, the Organization may elect to subsequently measure related party debt instruments that are quoted in active market, or that have observable inputs significant to the determination of fair value, at fair value.

The Organization subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Financial instruments that were initially measured at cost and derivatives that are linked to, and must be settled by, delivery of unquoted equity instruments of another entity, are subsequently measured using the cost method less any reduction for impairment.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of related party financial instruments are immediately recognized in operations.

# North End Community Renewal Corporation

## Notes to the Non-Consolidated Financial Statements

*For the year ended March 31, 2022*

### 3. Restricted cash

At year end, \$36,609 (2021 - \$33,368) was held in a separate bank account to partially fund the restricted cash amounts. The shortfall of \$22,407 (2021 - \$25,547) has been funded by the bank indebtedness (Note 7).

Restricted cash consists of the following:

	2022	2021
Internally restricted assets for other programs	9,464	9,464
Internally restricted for payroll	48,655	48,655
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Merchant's Corner Inc.	58,119	58,119
	897	796
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	<b>59,016</b>	<b>58,915</b>

### 4. Accounts receivable

	2022	2021
Grants receivable	219,196	246,668
GST receivable	3,445	18,971
Employee advances	161	161
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	<b>222,802</b>	<b>265,800</b>

### 5. Due from related parties

	2022	2021
NERI	66,434	52,683
Merchant's Corner Inc.	44,171	473
<hr/>		
	<b>110,605</b>	<b>53,156</b>

The advances to related parties are non-interest bearing and have no fixed terms of repayment. Merchant's Corner Inc. (an affiliated entity) is a project that was initiated by the Organization. NERI is related as described in Note 11.

## North End Community Renewal Corporation Notes to the Non-Consolidated Financial Statements

For the year ended March 31, 2022

### 6. Capital assets

	Cost	Accumulated amortization	2022 Net book value
Phone system	23,138	23,138	-
Buildings:			
627 Selkirk	45,758	45,758	-
607 Selkirk	115,038	50,333	64,705
510 Selkirk	580,000	500,250	79,750
509 Selkirk	90,000	77,625	12,375
	<b>853,934</b>	<b>697,104</b>	<b>156,830</b>

	Cost	Accumulated amortization	2021 Net book value
Phone system	23,138	23,138	-
Buildings:			
627 Selkirk	45,758	45,758	-
607 Selkirk	115,038	44,582	70,456
510 Selkirk	580,000	471,250	108,750
509 Selkirk	90,000	73,125	16,875
	<b>853,934</b>	<b>657,853</b>	<b>196,081</b>

### 7. Bank indebtedness

The Organization has an approved line of credit for \$200,000 (2021 - \$200,000) with Assiniboine Credit Union. Interest is charged on the outstanding daily balance at a rate equal to prime of 2.70% plus 1.75% (2021 - 2.45% plus 1.75%), an effective rate of 4.45% (2021 - 4.20%). The line of credit is secured by a commercial line of credit agreement for \$200,000, an insurance (life/disability) waiver and a registered multi-purpose mortgage for \$800,000 providing a first charge over the properties located at 509, 510, 607 and 627 Selkirk Avenue, Winnipeg, Manitoba. At year-end the balance in bank indebtedness includes the funding shortfall of restricted cash (Note 3).

### 8. Accounts payable and accruals

	2022	2021
Accounts payable and accruals	9,279	13,334
Salaries	16,447	17,163
Vacation and banked pay	90,791	74,836
Professional fees	14,000	12,000
Group insurance payable	4,166	4,866
Employee benefits payable	1,372	3,472
	<b>136,055</b>	<b>125,671</b>

# North End Community Renewal Corporation

## Notes to the Non-Consolidated Financial Statements

*For the year ended March 31, 2022*

### 9. Deferred contributions

	2022	2021
City of Winnipeg - Enhanced Recreation Programs	88,843	27,090
City of Winnipeg - Food Security	-	1,400
United Way - Employment & Training	65,184	46,596
Winnipeg Regional Health Authority - Food Security	-	3,011
Winnipeg Regional Health Authority - Anishinaabe Language Art Program	2,615	5,507
LITE - Food Security	-	15,581
LITE - Emergency Wages	-	600
LITE - Powering Up	-	1,151
Province of Manitoba - Raise the Roof	-	4,325
Province of Manitoba - Building Sustainable Communities Program	730	-
Winnipeg Foundation - PD Grant	3,412	3,412
Winnipeg Foundation - MCI PD Grant	1,500	-
Winnipeg Foundation - MHACS	40,085	41,348
Winnipeg Foundation - MCI Staff Grant	40,000	-
Winnipeg Foundation - Community Safety	-	40,000
End Homelessness Winnipeg - Reaching Home	-	24,828
Manitoba Arts Council - Arts Grant	14,170	14,170
Manitoba Non-profit Housing Association	28,313	-
Manitoba Public Insurance	6,900	3,969
Merchant's Corner Inc.	897	796
	292,649	233,784

### 10. Deferred contributions related to capital assets

	2022	2021
Balance, beginning of year	16,875	21,375
Recognized during the year	(4,500)	(4,500)
	12,375	16,875

# North End Community Renewal Corporation

## Notes to the Non-Consolidated Financial Statements

*For the year ended March 31, 2022*

### 11. Related party transactions

The Organization controls North End Revitalization Inc. ("NERI") as the Organization appointed members to NERI's Board of Directors at its inception, the majority of members of NERI are members of the Organization's Board of Directors and the Organization and NERI have common management. Transactions between the two organizations are measured at the exchange value, which is the amount of consideration established and agreed to by the related parties.

The following summarizes transactions with NERI for the year:

	2022	2021
<b>Revenues</b>		
Administration fees	28,000	28,000
Contribution	4,075	-
Rent	15,000	15,000
	47,075	43,000
<b>Expenses</b>		
Administration fees	62,500	62,500

North End Revitalization Inc. was incorporated on January 8, 2007 as a non-profit without share capital under the laws of the Province of Manitoba. Although both entities operate as separate entities, they are operated by a common Board of Directors. The purposes of North End Revitalization Inc. are to further social, economic and cultural development of the North End of Winnipeg. The controlled entity's financial information as at year end for the year ended March 31, 2022 was as follows:

	2022	2021
Current assets	129,463	92,353
Current liabilities	(129,463)	(92,353)
Net assets	-	-
Revenue	412,966	474,211
Expenses	(412,966)	(474,211)
Excess of revenues over expenses	-	-
Cash provided by (used for) operating activities	24,131	1,145
Cash provided by (used for) financing activities	13,751	(38,872)
Increase (decrease) in cash resources	37,882	(37,727)

Merchant's Corner Inc. (MCI) is an affiliated company. Transactions between the two organizations are measured at the exchange value, which is the amount of consideration established and agreed to by the related parties. North End Community Renewal Corporation earned administrative fee revenue of \$138,325 throughout the current year.

# North End Community Renewal Corporation

## Notes to the Non-Consolidated Financial Statements

For the year ended March 31, 2022

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### 12. Economic dependence

The Organization is economically dependent upon the Province of Manitoba for financing its operations.

### 13. 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.

#### **Interest rate risk**

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk.

The Organization is exposed to interest rate cash flow risk with respect to line of credit which is based on the bank's prime rate, as disclosed in Note 7. The Organization is not exposed to any price risks.

#### **Credit concentration**

There are accounts receivable from five funding sources (grants) (2021 - four) that represent 95% (2021 - 99%) of total accounts receivable. The Organization believes that there is minimal risk associated with the collection of these amounts. The balance of accounts receivable is widely distributed among the remainder of the Organization's funding sources. The Organization performs regular assessment of its accounts receivable and provides allowances for any potentially uncollectible amounts.

### 14. Significant event

In March 2020, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Organization as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographical spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

### 15. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.



**North End Community Renewal Corporation**  
**Schedule 1 - Recreation and Wellness**

*For the year ended March 31, 2022*

*(Unaudited)*

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	<b>2022</b>	2021
<hr/>		
<b>Revenues</b>		
City of Winnipeg	<b>36,843</b>	48,115
<hr/>		
<b>Expenses</b>		
Direct program expenses	<b>1,038</b>	489
Office general and administration	<b>280</b>	2,106
Salaries	<b>35,525</b>	45,520
	<b>36,843</b>	48,115
<hr/>		
<b>Annual surplus</b>	<b>-</b>	-

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*The accompanying notes are an integral part of these financial statements*

**North End Community Renewal Corporation**  
**Schedule 2 - MCI Program**  
*For the year ended March 31, 2022*  
*(Unaudited)*

	2022	2021
<b>Revenues</b>		
<b>Project Grants</b>		
Winnipeg Foundation	-	70,091
MCI Inc.	<b>138,325</b>	-
Deferred revenue	-	25,397
Admin fees	-	5,000
	<b>138,325</b>	100,488
<b>Expenses</b>		
Office	<b>506</b>	5,054
Projects	<b>3,847</b>	10,719
Salaries and benefits	<b>133,972</b>	84,715
	<b>138,325</b>	100,488
<b>Annual surplus</b>	-	-

*The accompanying notes are an integral part of these financial statements*