

GUELPH NEIGHBOURHOOD SUPPORT COALITION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

GUELPH NEIGHBOURHOOD SUPPORT COALITION

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of: Guelph Neighbourhood Support Coalition

Qualified Opinion

We have audited the accompanying financial statements of Guelph Neighbourhood Support Coalition, which comprise the statement of financial position as at December 31, 2023 and the statements of revenues and expenditures and 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 effects of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of Guelph Neighbourhood Support Coalition as at December 31, 2023 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not for profit organizations.

Basis for Qualified Opinion

In common with many not for profit organizations, the organization derives some of its revenues from cash sources, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to revenues, excess (deficiency) of revenues over expenditures and cash flows from operations for the years ended December 31, 2023 and 2022, current assets as at December 31, 2023 and 2022, and net assets as at January 1 and December 31 for both the 2023 and 2022 years. Our audit opinion on the financial statements for the year ended December 31, 2022 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Guelph Neighbourhood Support Coalition 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 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 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 a 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 judgement 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 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.



Guelph, Ontario
May 9, 2024

Chartered Professional Accountants
Licensed Public Accountants

GUELPH NEIGHBOURHOOD SUPPORT COALITION
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2023

	2023	2022
ASSETS		
CURRENT		
Cash	\$ 95,364	\$ 93,999
Short term investments (note 4)	15,739	5,261
Accounts receivable	37,387	40,413
Government remittances receivable	11,115	0
Prepaid expenses	<u>10,000</u>	<u>0</u>
	<u>\$ 169,605</u>	<u>\$ 139,673</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 82,643	\$ 23,434
Government remittances payable	0	25,921
Deferred contributions (note 6)	<u>80,268</u>	<u>94,984</u>
	<u>162,911</u>	<u>144,339</u>
NET ASSETS		
NET ASSETS	<u>6,694</u>	<u>(4,666)</u>
	<u>\$ 169,605</u>	<u>\$ 139,673</u>

GUELPH NEIGHBOURHOOD SUPPORT COALITION
STATEMENT OF REVENUES AND EXPENDITURES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2023

	2023	2022
REVENUES		
City of Guelph grant	\$ 869,248	\$ 832,596
Other grants and contributions (note 5)	529,063	325,377
Donations	139,537	204,491
United Way funding	83,400	64,444
Neighbourhood group remittances	32,563	0
Interest earned	17,506	4,304
	<u>1,671,317</u>	<u>1,431,212</u>
EXPENDITURES		
Salaries	1,185,310	1,072,360
Program expenses	239,927	262,915
Parent outreach worker program	79,050	79,050
Non-salary neighbourhood group expenses	27,696	56,507
Professional fees	26,292	6,184
Office	22,581	9,716
Subcontracting	19,161	9,947
Rent	17,268	19,589
GCHC programs	15,000	0
Website and advertising	7,199	3,870
Insurance	5,747	5,681
Training	4,830	1,230
Telephone	3,507	2,849
Coalition events	2,294	8,717
Travel	2,087	5,068
Interest and bank charges	1,263	679
Licences and fees	640	414
Volunteer expenses	105	347
Bad debts	0	205
	<u>1,659,957</u>	<u>1,545,328</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES for the year	11,360	(114,116)
NET ASSETS, beginning of year	<u>(4,666)</u>	<u>109,450</u>
NET ASSETS, end of year	<u>\$ 6,694</u>	<u>\$ (4,666)</u>

GUELPH NEIGHBOURHOOD SUPPORT COALITION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

	2023	2022
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenditures for the year	\$ 11,360	\$ (114,116)
Changes in non-cash working capital		
Accounts receivable	3,026	9,029
Prepaid expenses	(10,000)	0
Government remittances receivable	(11,115)	0
Accounts payable and accrued liabilities	59,209	(83,112)
Government remittances payable	(25,921)	23,020
Deferred contributions	<u>(14,716)</u>	<u>70,364</u>
	<u>11,843</u>	<u>(94,815)</u>
CASH USED IN INVESTING ACTIVITIES		
Short term investments	<u>(10,478)</u>	<u>(18)</u>
NET INCREASE (DECREASE) IN CASH	1,365	(94,833)
NET CASH, BEGINNING OF YEAR	<u>93,999</u>	<u>188,832</u>
NET CASH, END OF YEAR	<u>\$ 95,364</u>	<u>\$ 93,999</u>

GUELPH NEIGHBOURHOOD SUPPORT COALITION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

1. NATURE OF ORGANIZATION

Guelph Neighbourhood Support Coalition (the "organization") is a not for profit organization incorporated under the laws of Canada without share capital and is a registered charity under the Income Tax Act. The organization is exempt from income tax. Its purpose is to support neighbourhood groups in Guelph by bringing together their collective resources to share information, provide support, distribute available funding resources and advocate for community issues.

2. SUMMARY OF 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:

(a) REVENUE RECOGNITION

The organization follows the deferral method of accounting for contributions. Revenue from the City of Guelph grant and United Way funding is recognized in the period to which these revenues relate. Revenue from restricted grants and other restricted sources is recognized in the period the related expenditure occurs. All other revenue is recognized as earned and collection is reasonably assured.

(b) 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, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the year. Significant estimates made by management include the useful lives of capital assets. Actual results could differ from those estimates.

(c) FINANCIAL INSTRUMENTS

Measurement of financial instruments

The organization initially measures its financial assets and liabilities at fair value. The organization subsequently measures all its financial assets and financial liabilities at amortized cost.

(d) FINANCIAL INSTRUMENTS

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. If an impairment has occurred, the carrying amount of financial assets measured at amortized cost is reduced to the greater of the discounted future cash flows expected or the proceeds that could be realized from the sale of the financial asset. The amount of the write-down is recognized in net surplus. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net surplus.

Transaction costs

The organization recognizes its transaction costs in net surplus in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

GUELPH NEIGHBOURHOOD SUPPORT COALITION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

3. FINANCIAL INSTRUMENTS

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest, credit, currency, liquidity, or other price risks arising from the financial instruments.

The extent of the organization's exposure to these risks did not change in 2023 compared to the previous period.

The organization does not have a significant exposure to any individual customer or counterpart.

4. SHORT TERM INVESTMENTS

Short term investments consist of:

	2023	2022
BMO variable rate GIC earning interest at prime - 2.80%, maturing July 2024	\$ 10,185	\$ 0
BMO variable rate GIC earning interest at prime - 2.70%, maturing June 2024	5,554	0
BMO variable rate GIC earning interest at prime - 2.65%, matured July 2023	<u>0</u>	<u>5,261</u>
	<u>\$ 15,739</u>	<u>\$ 5,261</u>

5. OTHER GRANTS AND CONTRIBUTIONS

Other grants and contributions are comprised of the following:

	2023	2022
Canada Summer Jobs	\$ 128,581	\$ 129,616
Food Equity With Dignity	75,202	58,997
Canadian Red Cross	58,628	0
Other grants and contributions	41,144	45,189
Ontario Trillium Foundation	40,817	37,383
Canadian Parks and Recreation Association	38,250	0
City of Guelph	30,000	0
Family & Children's Services	27,000	12,923
Public Health Wellington-Dufferin-Guelph	24,000	0
Canadian Mental Health Association	20,000	0
Pet Protect	15,872	2,219
Guelph Community Foundation	14,000	18,000
Second Chance Employment and Counselling Services	9,059	15,414
Greater Toronto YMCA	6,510	3,150
Seven Generations Forward	0	2,000
Program revenue	<u>0</u>	<u>486</u>
	<u>\$ 529,063</u>	<u>\$ 325,377</u>

GUELPH NEIGHBOURHOOD SUPPORT COALITION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

6. DEFERRED CONTRIBUTIONS

Deferred contributions, which consist of the unexpended portion of grant and other restricted revenues received that relate to future periods less related expenditures, is as follows:

	2023	2022
Balance, beginning of the year	\$ 94,984	\$ 24,620
Less amount recognized as revenue in the year	(169,336)	(101,308)
Amounts received related to future years	<u>154,620</u>	<u>171,672</u>
Balance, end of year	<u>\$ 80,268</u>	<u>\$ 94,984</u>