

LE HAVRE À NOUS/OUR HARBOUR

**Financial Statements
(Unaudited)**

MARCH 31, 2020

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Shareholders of Le Havre à Nous / Our Harbour

We have reviewed the accompanying financial statements of Le Havre à Nous / Our Harbour that comprise the statement of financial position as at March 31, 2020, and the statements of operations, changes in net assets 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, 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

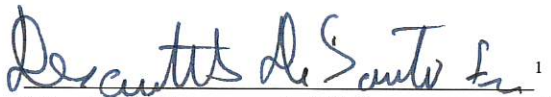
Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with the Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

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, 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 these financial statements do not present fairly, in all material respects, the financial position of Le Havre à Nous / Our Harbour as at March 31, 2020, and the result of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.


Montreal, February 4, 2021

¹ per Jacques Desautels, CPA auditeur, CA

LE HAVRE À NOUS/OUR HARBOUR

Financial Statements

(Unaudited)

March 31, 2020

Financial Statements

Statement of Operations.....	1
Statement of Financial Position	2
Statement of Changes in Net Assets	3
Statement of Cash Flows	4
Notes to the Financial Statements.....	5

LE HAVRE À NOUS/OUR HARBOUR

Statement of Operations (Unaudited)

Year ended March 31, 2020

	2020	2019
Revenues		
Government funding (note 6)	\$ 153,732	\$ 137,857
Private funding		
Foundations	11,530	11,540
Churches/Community Associations	8,894	13,964
Individuals	31,025	26,999
Businesses	11,000	29,865
Program fees from residents	115,035	109,791
Interest income	1,087	866
	<u>\$ 332,303</u>	<u>\$ 330,882</u>
Expenses		
Apartment expenses		
Rent	\$ 77,881	\$ 76,200
Hydro	12,877	12,428
Insurance	-	1,565
Telecommunications	16,489	12,200
Residents' recreation	672	2,436
Furnishings and maintenance	11,464	13,480
Other	-	162
	<u>119,383</u>	<u>118,471</u>
Administration expenses		
Salaries and benefits	122,895	128,450
Residents' support and programs	8,072	9,624
Travel	2,462	2,240
Administrative	9,747	6,162
Telecommunications	2,222	2,043
Office rent	3,775	2,825
Promotion and publicity	1,158	2,308
Insurance	924	1,509
Fundraising	2,991	1,930
Amortization	5,636	4,997
	<u>159,882</u>	<u>162,088</u>
Total expenses	<u>279,265</u>	<u>280,559</u>
	53,038	50,323
Loss due to defalcation (note 10)	52,769	-
Excess of revenues over expenses	<u>\$ 269</u>	<u>\$ 50,323</u>

LE HAVRE À NOUS/OUR HARBOUR

Statement of Financial Position (Unaudited)

As at March 31, 2020

	2020	2019
Assets		
Current assets		
Cash	\$ 103,846	\$ 95,576
Investments (note 3)	56,555	21,615
Government funding receivable	-	20,387
	160,401	137,578
Investments (note 3)	-	26,521
Capital assets (note 4)	20,211	22,218
	\$ 180,612	\$ 186,317
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$ 5,486	\$ 11,460
Unrestricted net assets	175,126	174,857
	\$ 180,612	\$ 186,317

See accompanying notes to the unaudited financial statements.

On behalf of the Board

Catherine Gilbert, Director

Antonio Jose Alvarez, Director

LE HAVRE À NOUS/OUR HARBOURStatement of Changes in Net Assets
(Unaudited)

Year ended March 31, 2020

	2020		2019
Net assets – beginning of year	\$174,857	\$	124,534
Excess of revenues over expenses	269		50,323
Net assets – end of year	\$175,126	\$	174,857

See accompanying notes to the unaudited financial statements.

LE HAVRE À NOUS/OUR HARBOUR

Statement of Cash Flows

(Unaudited)

Year ended March 31, 2020

	2020	2019
Operating activities		
Excess of revenues over expenses	\$ 269	\$ 50,323
Non-cash items		
Amortization of capital assets	5,636	4,997
Changes in non-cash operating assets and liabilities (note 7)	14,413	(8,906)
	20,318	46,414
Investing activities		
Acquisition of capital assets	(3,629)	(11,289)
Financing activities		
Increase in investments	(8,419)	(477)
Increase in cash and cash equivalents	8,270	34,648
Cash and cash equivalents, beginning of year	95,576	60,928
Cash and cash equivalents, end of year	\$ 103,846	\$ 95,576

See accompanying notes to the unaudited financial statements.

LE HAVRE À NOUS/OUR HARBOUR

Notes to the Financial Statements
(Unaudited)

March 31, 2020

1. Incorporation and purpose of the Organization

The Organization was incorporated under Part III of the Companies Act of Quebec on July 9, 2003. It is a not-for-profit organization and has received a tax exempt status as a registered charity in accordance with the Income Tax Act (Canada). The Organization provides a supportive housing program for individuals living with mental illness on the South Shore.

The Organization which is incorporated without share capital is a registered Canadian charity and, as such, is exempt from income taxes.

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.

Basis of presentation

The financial statements of the Organization reflect the assets, liabilities, revenues and expenses of the operations of the Organization.

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.

Cash and cash equivalents

Cash and cash equivalents include petty cash, bank balances and non-restricted short-term deposits with maturities of three months or less.

Donated services

The Organization benefits greatly from donated services in the form of volunteer work for various activities. The value of donated services is not recognized in the financial statements because of the difficulty of measurement.

LE HAVRE À NOUS/OUR HARBOUR

Notes to the Financial Statements
(Unaudited)

March 31, 2020

2. Significant accounting policies (continued)

Use of estimates

The preparation of these financial statements in conformity with Canadian generally accepted accounting standards for not-for-profit organisations requires management to make estimates and assumptions that affect the amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the amounts of revenue and expenses reported in the financial statements. Actual results may ultimately differ from these estimates.

3. Investments

Investments consist of term deposits totaling \$56,155 as follows:

i. Current

Maturity	Rate	Amount
03-11-2020	2.0%	\$ 51,216
30-06-2020	0.75%	5,339
		<u>\$ 56,555</u>

The term deposits are cashable by the organization as needed.

LE HAVRE À NOUS/OUR HARBOUR

Notes to the Financial Statements
(Unaudited)

March 31, 2020

4. Capital assets

Capital assets are recorded at cost. Amortization is recorded on the diminishing balance method over the estimated useful lives of the assets at the following rates:

Asset	Rate
Furniture and equipment	20%
Computers	30%

		2020	2019	
	Cost	Accumulated amortization	Net value	Net value
Furniture and equipment	\$ 23,225	\$ 8,824	\$14,401	15,249
Computers	12,646	6,836	5,810	6,969
	\$ 35,871	\$ 15,660	\$ 20,211	\$ 22,218

5. Financial instruments

Fair values

The carrying value of cash and cash equivalents approximate their fair value due to the relatively short period to maturity of the instrument.

Interest rate risk

The organization is exposed to a fair value risk on its fixed rate financial instruments. As at March 31, 2020, the short term investment matured within one year, therefore the risk is minimal.

LE HAVRE À NOUS/OUR HARBOUR

Notes to the Financial Statements
(Unaudited)

March 31, 2020

6. Government funding

The government funding received is detailed as follows:

	2020	2019
Government of Canada (Reaching Home and Summer Employment)	\$ 69,365	\$ 66,741
CISSS Montérégie PSOC	77,433	66,241
Revenu Québec	6,934	4,875
Total	\$ 153,732	\$ 137,857

7. Statement of cash flows, supplemental information

	2020	2019
Net change in non-cash working capital items is comprised of the following:		
Donations receivable	\$ 20,387	\$ (10,080)
Accounts payable and accrued liabilities	(5,974)	1,174
	\$ 14,413	\$ (8,906)

LE HAVRE À NOUS/OUR HARBOUR

Notes to the Financial Statements

(Unaudited)

March 31, 2020

8. Capital disclosures

For its own purposes, the organization defines capital as its net assets. The objectives when managing capital is to ensure the continuity of operations in order to accomplish its mission. The organization maintains stability of the financial structure of its capital by establishing and reviewing annual budgets.

9. Lease commitments

The organization rents apartments under yearly renewable leases. As of June 2020 the organization leased eight apartments, resulting in an obligation as follows:

2021	\$ 88,401
------	-----------

10. Loss due to defalcation

In the opinion of the Board of Directors, between December 2019 and March 2020, a member of the Board of Directors appropriated \$52,769, without authorization. A police report was filed, however, the Board of Directors considers that collection is unlikely and has therefore decided to write off the amount in question.