

LE HAVRE À NOUS/OUR HARBOUR

**Financial Statements
(Unaudited)**

MARCH 31, 2021

DESAUTELS DI SANTO INC.

COMPTABLES PROFESSIONNELS AGRÉÉS
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Board of Directors 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, 2021, 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

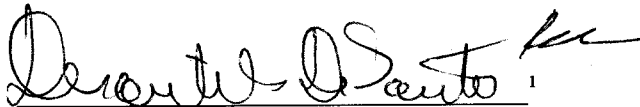
Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with the Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

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, 2021, 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, July 31, 2021

¹ per Jacques Desautels, CPA auditeur, CA

LE HAVRE À NOUS/OUR HARBOUR

Financial Statements
(Unaudited)

March 31, 2021

Financial Statements

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LE HAVRE À NOUS/OUR HARBOUR

Statement of Operations

(Unaudited)

Year ended March 31, 2021

	2021	2020
Revenues		
Government funding (note 6)	\$ 205,480	\$ 153,732
Private funding		
Foundations	9,788	11,530
Churches/Community Associations	7,275	8,894
Individuals	25,917	31,025
Businesses	16,792	11,000
Program fees from residents	122,482	115,035
Interest income	1,606	1,087
	<u>\$ 389,340</u>	<u>\$ 332,303</u>
Expenses		
Apartment expenses		
Rent	\$ 79,487	\$ 77,881
Hydro	17,532	12,877
Telecommunications	17,222	16,489
Residents' recreation	124	672
Furnishings and maintenance	7,190	11,464
Other	1,321	-
	<u>122,876</u>	<u>119,383</u>
Administration expenses		
Salaries and benefits	160,035	122,895
Residents' support and programs	42,160	8,072
Travel	1,207	2,462
Administrative	8,450	9,747
Telecommunications	3,480	2,222
Office rent	6,366	3,775
Promotion and publicity	1,972	1,158
Insurance	1,853	924
Fundraising	1,475	2,991
Amortization	5,173	5,636
	<u>232,171</u>	<u>159,882</u>
Total expenses	<u>355,047</u>	<u>279,265</u>
	34,293	53,038
Loss due to defalcation (note 10)	5,125	52,769
Excess of revenues over expenses	<u>\$ 29,168</u>	<u>\$ 269</u>

LE HAVRE À NOUS/OUR HARBOUR

Statement of Financial Position (Unaudited)

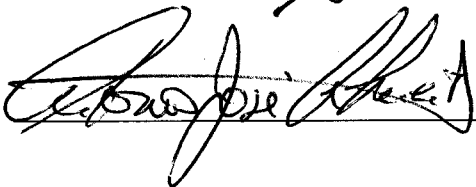
As at March 31, 2021

	2021	2020
Assets		
Current assets		
Cash	\$ 68,900	\$ 103,846
Government funding receivable	18,508	-
	<u>87,408</u>	<u>103,846</u>
Investments (note 3)	98,176	56,555
Capital assets (note 4)	18,710	20,211
	<u>\$ 204,294</u>	<u>\$ 180,612</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$ -	\$ 5,486
Unrestricted net assets	<u>204,294</u>	<u>175,126</u>
	<u>\$ 204,294</u>	<u>\$ 180,612</u>

See accompanying notes to the unaudited financial statements.

On behalf of the Board

 Director

 Director

LE HAVRE À NOUS/OUR HARBOUR

Statement of Changes in Net Assets

(Unaudited)

Year ended March 31, 2021

	2021	2020
Net assets – beginning of year	\$ 175,126	\$ 174,857
Excess of revenues over expenses	29,168	269
Net assets – end of year	\$ 204,294	\$ 175,126

See accompanying notes to the unaudited financial statements.

LE HAVRE À NOUS/OUR HARBOUR

Statement of Cash Flows

(Unaudited)

Year ended March 31, 2021

	2021	2020
Operating activities		
Excess of revenues over expenses	\$ 29,168	\$ 269
Non-cash items		
Amortization of capital assets	5,173	5,636
Changes in non-cash operating assets and liabilities (note 7)	(23,994)	14,413
	10,347	20,318
Investing activities		
Acquisition of capital assets	(3,673)	(3,629)
Financing activities		
Increase in investments	(42,620)	(8,419)
Increase (decrease) in cash and cash equivalents	(34,946)	8,270
Cash and cash equivalents, beginning of year	103,846	95,576
Cash and cash equivalents, end of year	\$ 68,900	\$ 103,846

See accompanying notes to the unaudited financial statements.

LE HAVRE À NOUS/OUR HARBOUR

Notes to the Financial Statements
(Unaudited)

March 31, 2021

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, 2021

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 \$98,176 as follows:

Maturity	Rate	Amount
March 24, 2026	0.70%	\$ 40,000
June 30, 2023	0.50%	5,395
May 24, 2022	0.65%	52,781
		\$ 98,176

The term deposit maturing on March 24, 2026 is cashable as needed.

LE HAVRE À NOUS/OUR HARBOUR

Notes to the Financial Statements
(Unaudited)

March 31, 2021

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. First year acquisitions are amortized at half their normal rates.

Asset				Rate
Furniture and equipment				20%
Computers				30%

			2021	2020
	Cost	Accumulated amortization	Net value	Net value
Furniture and equipment	\$ 23,225	\$ 11,704	\$ 11,521	\$ 14,401
Computers	16,319	9,130	7,189	5,810
	\$ 39,544	\$ 20,834	\$ 18,710	\$ 20,211

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. The organization does not own any financial assets that it carries at fair value.

Interest rate risk

The organization is exposed to a interest rate risk on its fixed rate financial instruments. As at March 31, 2021, the short term investments mature within one to five years and the risk is considered minimal.

LE HAVRE À NOUS/OUR HARBOUR

Notes to the Financial Statements
(Unaudited)

March 31, 2021

6. Government funding

The government funding received is detailed as follows:

	2021	2020
Government of Canada (Reaching Home and Summer Employment)	\$ 86,617	\$ 69,365
CISSS Montérégie PSOC	117,289	77,433
Revenu Québec	1,574	6,934
Total	\$ 205,480	\$ 153,732

The Reaching Home Program and the PSOC Montérégie funding include subsidies for COVID-19 related programs in the amount of \$46,492.

7. Statement of cash flows, supplemental information

	2021	2020
Net change in non-cash working capital items is comprised of the following:		
Donations receivable	\$ (18,508)	\$ 20,387
Accounts payable and accrued liabilities	(5,486)	(5,974)
	\$ (23,994)	\$ 14,413

LE HAVRE À NOUS/OUR HARBOUR

Notes to the Financial Statements
(Unaudited)

March 31, 2021

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 March 2021, eight apartments were leased, resulting in a minimum obligation of \$97,956

10. Loss due to defalcation

Between December 2019 and April 2020, a member of the Board of Directors appropriated \$57,894, without authorization. A police report was filed, but the Board of Directors considers it unlikely that these funds will be recovered, and have therefore been written off as follows:

31/03/2020	\$	52,769
31/03/2021	\$	5,125

11. Uncertainty due to COVID-19

COVID-19 issues continues to propagate on a world wide basis, and the organization and its suppliers could experience delays that could affect the ongoing operations. At the moment it is impossible to estimate the potential COVID-19 related consequences that could impact the organization.