

**GATEWAY RESIDENTIAL AND COMMUNITY  
SUPPORT SERVICES OF NIAGARA INC.  
Financial Statements**

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Year Ended March 31, 2019

**GATEWAY RESIDENTIAL AND COMMUNITY  
SUPPORT SERVICES OF NIAGARA INC.**

Index to the Financial Statements  
Year Ended March 31, 2019

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of **GATEWAY RESIDENTIAL AND COMMUNITY SUPPORT SERVICES OF NIAGARA INC.**

### Qualified Opinion

I have audited the accompanying financial statements of **GATEWAY RESIDENTIAL AND COMMUNITY SUPPORT SERVICES OF NIAGARA INC.**, which comprise the statement of financial position as at March 31, 2019, and the statement of operations, statements of changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of **GATEWAY RESIDENTIAL AND COMMUNITY SUPPORT SERVICES OF NIAGARA INC.** as at March 31, 2019 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 non-for-profit organizations, **GATEWAY RESIDENTIAL AND COMMUNITY SUPPORT SERVICES OF NIAGARA INC.** derives part of its revenue from donations, golf tournament and fundraising revenue, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, my verification of these revenues was limited to the amounts recorded in the records of the organization and I was not able to determine whether, as at and for the years ended March 31, 2019 and March 31, 2018, any adjustments might be necessary to revenue, excess of revenue over expenditures, assets and net assets.

Notes 2 to the financial statements describes the capital assets and depreciation policy of **GATEWAY RESIDENTIAL AND COMMUNITY SUPPORT SERVICES OF NIAGARA INC.** Land and buildings that are capitalized on the statement of financial position are amortized using varied depreciation methods. Certain capital assets are expensed on the statements of revenue and expenditures when purchased. Under Canadian accounting standards for not-for-profit organizations, all capital assets should be capitalized and amortized over their estimated useful lives. Furthermore, the policy should be applied on a retroactive basis. The effects of not following this policy under Canadian accounting standards for not-for-profit organizations on the statement of financial position and statement of revenue and expenditures have not been determined.

### **Basis for Qualified Opinion (con'd)**

GATEWAY RESIDENTIAL AND COMMUNITY SUPPORT SERVICES OF NIAGARA INC. has a financial liability with a non-market rate of interest. This liability was measured at its carrying amount upon initial recognition rather than at fair value. In this respect, the financial statements are not in accordance with Canadian accounting standards for not-for-profit organizations. The effects of not following Canadian accounting standards for not-for-profit organizations on the statement of financial position and statement of revenue and expenditures have not been determined.

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of my report. I am independent of GATEWAY RESIDENTIAL AND COMMUNITY SUPPORT SERVICES OF NIAGARA INC. in accordance with ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 GATEWAY RESIDENTIAL AND COMMUNITY SUPPORT SERVICES OF NIAGARA INC.'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 GATEWAY RESIDENTIAL AND COMMUNITY SUPPORT SERVICES OF NIAGARA INC. or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing GATEWAY RESIDENTIAL AND COMMUNITY SUPPORT SERVICES OF NIAGARA INC.'s financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

My 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 my 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.

## Auditor's Responsibilities for the Audit of the Financial Statements (con'd)

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 GATEWAY RESIDENTIAL AND COMMUNITY SUPPORT SERVICES OF NIAGARA INC.'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 GATEWAY RESIDENTIAL AND COMMUNITY SUPPORT SERVICES OF NIAGARA INC.'s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause GATEWAY RESIDENTIAL AND COMMUNITY SUPPORT SERVICES OF NIAGARA INC. 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.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and the significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



**NICOLE HENDERSON**  
**PROFESSIONAL CORPORATION**  
Authorized to practice public  
accounting by the Chartered  
Professional Accountants of Ontario

August 21, 2019  
Welland, Ontario



**NICOLE HENDERSON**  
*Professional Corporation*  
CHARTERED PROFESSIONAL ACCOUNTANT

**GATEWAY RESIDENTIAL AND COMMUNITY  
SUPPORT SERVICES OF NIAGARA INC.**

Statement of Financial Position as at March 31, 2019

	2019	2018
<b>ASSETS</b>		
Current		
Cash	\$446,399	\$447,637
Accounts receivable (note 3)	178,468	18,884
HST receivable	105,774	44,491
Prepaid expenses	6,517	6,693
Prepaid last months rent	86,807	86,039
	<u>823,965</u>	<u>603,744</u>
Restricted cash		
Restricted cash and Replacement Reserve funds (note 16)	160,966	144,293
Restricted cash and Replacement Reserve - Repei Place	40,000	40,000
Restricted cash - Lottery	30,754	17,452
Restricted cash - Grundy	1,147	1,147
Restricted cash - Trusteeship bank	109,306	75,200
	<u>342,173</u>	<u>278,092</u>
Capital assets (notes 2 & 4)		
Welland house	268,220	268,220
Haven of Hope	3,266,329	3,266,329
Repei Place	3,120,996	3,120,996
Berard House	1,343,714	1,343,714
Vehicle - Van	27,379	27,379
Construction in Progress - Repei Place Phase II	258,632	25,157
	<u>8,285,270</u>	<u>8,051,795</u>
Less: accumulated depreciation	1,632,858	1,433,192
	<u>6,652,412</u>	<u>6,618,603</u>
Capital assets - Residential Joint Venture (notes 2 & 5)	412,490	419,570
	<u>\$8,231,040</u>	<u>\$7,920,009</u>

See accompanying notes to the financial statements

Approved by:

Director: Barbara Rebeison

Director: [Signature]

	2019	2018
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current liabilities</b>		
Term loans payable (note 7)	\$1,127,608	\$1,058,682
Accounts payable and accrued liabilities	353,945	146,063
Deferred revenue (note 8)	68,197	40,144
Deferred revenue - United Way Niagara - NPI	10,118	-
Last month & security deposits	37,526	51,879
Trusteeship (note 9)	109,306	75,200
Current portion of long-term debt (note 10)	46,433	44,589
	<u>1,753,133</u>	<u>1,416,557</u>
<b>Long-term liabilities</b>		
Long-term debt (note 10)	2,006,339	2,052,763
Due to Mainstream - Residential Joint Venture (note 2)	37,069	44,075
Deferred capital contributions - Repei Place (note 11)	1,748,704	1,801,694
Deferred capital contributions - Repei Place - Phase II (note 12)	45,500	-
Deferred capital contributions - Berard House (note 14)	678,000	696,000
Deferred capital contributions - Berard House (note 15)	50,053	51,406
	<u>4,565,665</u>	<u>4,645,938</u>
<b>Total Liabilities</b>	<u>6,318,798</u>	<u>6,062,495</u>
<b>Net Assets</b>		
<b>Restricted</b>		
Replacement reserve funds (notes 2 & 16)	160,966	144,293
Replacement reserve fund - Repei (note 2)	40,000	40,000
Lottery fund (note 2)	30,754	17,452
Grundy fund (note 2)	1,147	1,147
Residential Joint Venture - Surplus (note 17)	3,252	3,327
Residential Joint Venture - Contributed equity (note 19)	372,168	372,168
	<u>608,287</u>	<u>578,387</u>
<b>Unrestricted</b>		
General surplus	1,303,955	1,279,127
	<u>1,912,242</u>	<u>1,857,514</u>
Contingencies (note 19)		
Subsequent events (note 20)		
	<u>\$8,231,040</u>	<u>\$7,920,009</u>

**GATEWAY RESIDENTIAL AND COMMUNITY  
SUPPORT SERVICES OF NIAGARA INC.**

Statement of Operations - Summary of Programs - General Unrestricted Fund for the year ended  
March 31, 2019

	2019	2018
<b>Revenue</b>		
Funding - LHIN/Ministry of Health (MOHLTC)	\$2,235,136	\$2,057,296
Funding - Ministry of Health (MOHLTC) - one-time	-	1,100
Funding - Niagara Region	156,857	129,846
Funding - United Way Niagara - NPI	104,169	57,808
Funding - Community Addictions Services of Niagara	-	11,930
Funding - Foundations/grants	15,188	16,449
Canal View - Case and Property Management	55,356	49,586
Good Food Box sales	-	4,115
Rental income	1,212,957	1,157,421
Donations, fundraising and other income	72,088	88,554
	<u>3,851,751</u>	<u>3,574,105</u>
<b>Expenses</b>		
Wages - direct service	1,206,243	1,107,838
Wages - administration	158,738	150,864
Employee benefits	313,811	261,129
Administration expense	4,049	13,840
Contracted services	3,099	12,355
Travel expenses	104,373	98,714
Audit expense	10,516	6,047
Professional fees	22,496	12,865
Staff education	30,255	8,024
Computer maintenance and supplies	21,067	10,561
Telephone	29,781	33,033
Rent and occupancy expense	1,143,237	1,031,870
Utilities	148,669	148,275
Insurance	31,794	31,467
Bank charges and interest	6,558	6,463
Maintenance	178,238	141,123
Mortgage interest/loan interest	157,592	160,393
Property taxes	923	895
Good Food Box purchases	-	4,621
Program expenditures	117,707	127,649
Replacement reserve fund	16,224	14,896
	<u>3,705,370</u>	<u>3,382,922</u>
Excess of revenue over expenditures before capital items	146,381	191,183
Depreciation expense	(199,666)	(199,403)
Amortization of deferred capital contributions	72,343	72,343
<b>Excess of revenue over expenditures</b>	<u>\$19,058</u>	<u>\$64,123</u>

See accompanying notes to the financial statements



**GATEWAY RESIDENTIAL AND COMMUNITY  
SUPPORT SERVICES OF NIAGARA INC.**

Statement of Changes in Net Assets - Unrestricted for the year ended March 31, 2019

<b>GENERAL FUND</b>	<b>2019</b>	<b>2018</b>
Net assets, beginning of the year		
As previously reported	\$1,279,127	\$1,215,004
Subsidy Settlement MOHLTC Funding - prior year	5,770	-
As restated	<u>1,284,897</u>	<u>1,215,004</u>
Excess of revenue over expenditures (expenditures over revenue)		
Community Support (Schedule 1)	-	-
Homelessness - Service Delivery (Schedule 2)	-	-
Homelessness - Rent Subsidy (Schedule 2)	916	15,832
Welland House - Ministry Funded (Schedule 3)	-	-
Welland House - Resident Program (Schedule 3)	-	-
Housing First - Service Delivery (Schedule 4)	-	-
Housing First - Rent Subsidy (Schedule 4)	-	(1,147)
Home for Good - Service Delivery (Schedule 5)	-	-
Home for Good - Rent Subsidy (Schedule 5)	-	-
HRSDC (Schedule 6)	-	-
Good Food Box (Schedule 7)	-	-
Haven of Hope (Schedule 8)	(42,042)	(8,633)
Repei Place (Schedule 9)	18,278	17,529
Berard House (Schedule 10)	930	1,161
Fundraising (Schedule 11)	40,976	39,381
	<u>19,058</u>	<u>64,123</u>
<b>Net assets, end of the year</b>	<u><u>\$1,303,955</u></u>	<u><u>\$1,279,127</u></u>

See accompanying notes to the financial statements

**GATEWAY RESIDENTIAL AND COMMUNITY  
SUPPORT SERVICES OF NIAGARA INC.**

Statement of Changes in Net Assets - Restricted for the year ended March 31, 2019

	Replacement Reserve Funds	Replacement Reserve Fund - Repei	Lottery Fund	Grundy Fund	Residential Joint Venture Fund	2019	2018
Net assets, beginning of the year	\$144,293	\$40,000	\$17,452	\$1,147	\$3,327	\$206,219	\$189,297
Revenue	16,673	-	13,302	-	26,258	56,233	54,294
Expenditures	-	-	-	-	(26,333)	(26,333)	(37,372)
Excess of revenue over expenditures	16,673	-	13,302	-	(75)	29,900	16,922
<b>Net assets, end of the year</b>	<b>\$160,966</b>	<b>\$40,000</b>	<b>\$30,754</b>	<b>\$1,147</b>	<b>\$3,252</b>	<b>\$236,119</b>	<b>\$206,219</b>

See accompanying notes to the financial statements (note 16 & note 17)

**GATEWAY RESIDENTIAL AND COMMUNITY  
SUPPORT SERVICES OF NIAGARA INC.**  
Statement of Cash Flows for the year ended March 31, 2019

	2019	2018
<b>Cash flows from operating activities</b>		
Excess of revenue over expenditures	\$48,958	\$81,045
Items not affecting cash:		
Depreciation	206,746	206,298
Amortization of deferred capital contributions	(72,343)	(72,343)
Changes in non-cash working capital:		
Accounts receivable	(159,584)	92,026
HST receivable	(61,283)	(81,126)
Prepaid expenses	176	(1,516)
Prepaid last months rent	(768)	(6,809)
Accounts payable and accrued liabilities	207,882	12,799
Deferred revenue	38,171	27,609
Last month & security deposits/trusteeship	19,753	(5,244)
<b>Net cash provided by operating activities</b>	<b>227,708</b>	<b>252,739</b>
<b>Cash flows from investing activities</b>		
Acquisition of capital assets (net)	(233,475)	(25,157)
<b>Net cash used in investing activities</b>	<b>(233,475)</b>	<b>(25,157)</b>
<b>Cash flows from financing activities</b>		
Proceeds from term loan payable (net of repayments)	68,926	(45,190)
Repayment of long-term debt	(44,580)	(42,829)
Deferred contributions - capital received	45,500	5,000
Due to Mainstream - Residential Joint Venture	(7,006)	(8,245)
Proceeds from (to) relating to previous years' - MOHTLC	5,770	-
<b>Net cash provided by (used in) financing activities</b>	<b>68,610</b>	<b>(91,264)</b>
<b>Net increase in cash</b>	<b>62,843</b>	<b>136,318</b>
Cash at the beginning of the year	725,729	589,411
<b>Cash at the end of the year</b>	<b>\$788,572</b>	<b>\$725,729</b>

See accompanying notes to the financial statements

<b>Cash consists of:</b>		
Cash	\$446,399	\$447,637
Restricted cash	342,173	278,092
	<u>\$788,572</u>	<u>\$725,729</u>

## GATEWAY RESIDENTIAL AND COMMUNITY SUPPORT SERVICES OF NIAGARA INC.

Notes to Financial Statements  
Year Ended March 31, 2019

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### 1. Purpose of the Organization

Gateway Residential and Community Support Services of Niagara Inc. (Gateway) is an incorporated entity and delivers mental health services to consumers largely to assist with residency and daily living. Its community of service is the Niagara Peninsula. It is a registered charity under the income tax laws of Canada. The programs provided are:

- |  |   |
|--|---|
| (i) Community Support<br>(Schedule 1)                | to provide moderate and/or intense case management support services to mental health consumers living independently in the community  |
| (ii) Homelessness<br>(Schedule 2)                    | to provide case management and affordable housing to mental health consumers  |
| (iii) Welland House<br>(Schedule 3)                  | to provide short-term, transitional housing to mental health consumers  |
| (iv) Housing First<br>(Schedule 4)                   | to provide case management and housing to mental health consumers   |
| (v) Home for Good<br>(Schedule 5)                    | to provide case management and housing to chronically homeless consumers  |
| (vi) HRSDC - Government<br>of Canada<br>(Schedule 6) | to provide summer student wage grants   |
| (vii) Good Food Box<br>(Schedule 7)                  | to provide local, fresh fruit and vegetables, monthly to consumers and their community in St. Catharines, Welland and Niagara Falls   |
| (viii) Haven of Hope<br>(Schedule 8)                 | to provide supportive housing to mental health consumers and administrative offices for the organization                              |
| (ix) Repei Place<br>(Schedule 9)                     | to provide 23 units of supportive housing for mental health consumers<br>Repei Place is a newly constructed facility in Port Colborne |
| (x) Berard House<br>(Schedule 10)                    | to provide 9 units of supportive housing for mental health consumers<br>Berard House is a newly constructed facility in Niagara Falls |
| (xi) Fundraising<br>(Schedule 11)                    | to raise funds through various events for program needs, such as the golf tournament  |

**GATEWAY RESIDENTIAL AND COMMUNITY  
SUPPORT SERVICES OF NIAGARA INC.**

Notes to Financial Statements  
Year Ended March 31, 2019

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**2. Summary of Significant Accounting Policies**

The financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) and include the following significant accounting policies:

(a) Basis of Accounting

The organization maintains its books and records in accordance with the principles of fund accounting in order that limitations and restrictions placed on the use of resources available are maintained. The financial statements of the organization have been prepared using the accrual basis of accounting and follow the restricted fund method of accounting for contributions.

(i) Replacement Reserve Fund

The replacement reserve fund includes reserves set aside for future major capital expenditures. The following programs maintain replacement reserves:

Welland House	Certain funds are required to be transferred to the replacement reserve annually by the Ministry of Health and Long-term Care (Externally restricted);
Haven of Hope	Certain funds are required to be transferred to the replacement reserve by the mortgagor Sun Life Assurance. These reserve funds are held by Sun Life and accessible as required for capital expenditures on the 178 King Street property in Welland (Externally restricted);
Repei Place	Certain funds are transferred to a replacement reserve fund for the property at 569 King Street property in Port Colborne as approved by the Board of Directors. (Internally restricted);

- (ii) Lottery Fund  
Revenue and expenditures related to lottery activities are required to be maintained in this fund (Externally restricted);
- (iii) Grundy Fund  
Monies were contributed by Alan Grundy and are to be used for annual client awards (Externally restricted);

**GATEWAY RESIDENTIAL AND COMMUNITY  
SUPPORT SERVICES OF NIAGARA INC.**

Notes to Financial Statements  
Year Ended March 31, 2019

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**2. Summary of Significant Accounting Policies (con'd)**

(b) Revenue Recognition

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the General fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Rental revenue is recognized as it is earned. Fundraising revenue is recognized when the events are held and donation revenue is recognized when the donations are received.

(c) Cash and Cash Equivalents

The organization's policy is to present bank balances under cash and cash equivalents including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn.

(d) Capital Assets

- (i) Land, buildings and major renovations to the buildings (other than those funded by replacement reserve monies) are currently capitalized on the statement of financial position at cost;
- (ii) Capital assets purchased from replacement reserve monies are charged to the replacement reserve in the year of acquisition rather than being capitalized on the balance sheet and amortized over their estimated useful lives;
- (iii) All other capital assets, unless expenditures relate to acquisition of capital assets purchased from loans, in which case they are capitalized, are expensed on the statement of general revenue and expenditure in the year of acquisition rather than being capitalized on the balance sheet and amortized over their estimated useful lives.
- (iv) The Welland House is depreciated at a rate equal to the amount of principal reduction of mortgage payable rather than on its estimated useful life.
- (v) A reserve for future capital replacement is appropriated annually from operations as required by the applicable funder.

**GATEWAY RESIDENTIAL AND COMMUNITY  
SUPPORT SERVICES OF NIAGARA INC.**

Notes to Financial Statements  
Year Ended March 31, 2019

**2. Summary of Significant Accounting Policies (con'd)**

(d) Capital Assets (con'd)

Capital assets that are capitalized, as described in 2 (d) (i) and (iii) above, are recorded at cost. Amortization is provided at rates as set out below:

Asset	Method	Rate
Welland House	Rate equal to annual principal reduction of mortgage	
Haven of Hope	straight-line	40 years
Repei Place	straight-line	40 years
Berard House	straight-line	40 years
Van	straight-line	5 years

(e) Contributed Services

Because of the difficulty in determining the fair market value of all contributed services, contributed services are not recognized in the financial statements.

(f) Investment in Joint Venture

Gateway Residential and Community Support Services of Niagara Inc. is party to a 50/50 Joint Venture agreement with Mainstream: An Unsheltered Workshop. Mainstream: An Unsheltered Workshop is a registered charitable organization that provides vocational and life skills for adults with developmental disability. The joint venture operates a nine unit residential complex at 160 Ontario Street, St. Catharines. Gateway accounts for its joint venture interest using the proportionate consolidation method such that 50% of the assets and liabilities of the joint venture are presented on the statement of financial position and 50% of the revenues and expenditures are presented in note 17 to the financial statements.

(g) Financial Instruments

*Measurement*

The organization initially measures its financial assets and financial liabilities at fair value with the exception of the Niagara Regional Housing capital funding loan, which is at its carrying amount.

The organization subsequently measures all its financial assets and financial liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations.

**GATEWAY RESIDENTIAL AND COMMUNITY  
SUPPORT SERVICES OF NIAGARA INC.**

Notes to Financial Statements  
Year Ended March 31, 2019

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**2. Summary of Significant Accounting Policies (con'd)**

(g) Financial Instruments (con'd)

Financial assets measured at amortized cost include cash, accounts receivable and HST receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, and loans payable.

For financial assets subsequently measured at cost or amortized cost, the organization regularly assesses whether there are any indications of impairment. If there is an indication of impairment, and the organization determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the statement of operations. Any reversals of previously recognized impairment losses are recognized in operations in the year the reversal occurs.

(h) Use of Estimates

The preparation of financial statements in accordance 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 at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

**3. Accounts Receivable**

	2019	2018
Accounts receivable - grants	\$108,724	\$14,164
Accounts receivable - tenants	13,091	223
Accounts receivable - other	56,653	4,497
	<u>\$178,468</u>	<u>\$18,884</u>



**GATEWAY RESIDENTIAL AND COMMUNITY  
SUPPORT SERVICES OF NIAGARA INC.**

Notes to Financial Statements  
Year Ended March 31, 2019

**4. Capital Assets**

	Cost	Accumulated Amortization	2019 Net Book Value	2018 Net Book Value
Welland house	\$268,220	\$203,311	\$64,909	\$77,841
Haven of Hope				
Land	206,719	-	206,719	206,719
Building	3,059,610	789,462	2,270,148	2,346,639
	<u>3,266,329</u>	<u>789,462</u>	<u>2,476,867</u>	<u>2,553,358</u>
Repei Place				
Land	175,000	-	175,000	175,000
Building	2,945,996	540,100	2,405,896	2,479,546
	<u>3,120,996</u>	<u>540,100</u>	<u>2,580,896</u>	<u>2,654,546</u>
Berard House				
Land	99,045	-	99,045	99,045
Building	1,244,669	72,606	1,172,063	1,203,180
	<u>1,343,714</u>	<u>72,606</u>	<u>1,271,108</u>	<u>1,302,225</u>
Vehicle - Van	27,379	27,379	-	5,476
Construction in Progress-Repei Place Phase II	258,632	-	258,632	25,157
	<u>\$8,285,270</u>	<u>\$1,632,858</u>	<u>\$6,652,412</u>	<u>\$6,618,603</u>

The organization has been approved for a capital grant by the Regional Municipality of Niagara for construction costs for the Repei Place Phase II project. During the year such expenditures with a cost of \$233,475 (2018 - \$25,157) were incurred. These costs will not be amortized until construction is completed and the building is occupied.

**5. Capital Assets - Residential Joint Venture**

	Cost	Accumulated Amortization	2019 Net Book Value	2018 Net Book Value
Joint Venture - 160 Ontario Street (50%)				
Land	\$109,675	-	\$109,675	\$109,675
Building & Fixtures	353,688	50,873	302,815	309,895
	<u>\$463,363</u>	<u>\$50,873</u>	<u>\$412,490</u>	<u>\$419,570</u>

**GATEWAY RESIDENTIAL AND COMMUNITY  
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**6. Bank Indebtedness**

The organization has an approved line of credit facility at a financial institution with a credit limit of \$50,000. The line of credit bears interest at a variable rate of prime + 2%. The balance of the line of credit is nil as at year end. The security is included in the credit facility for the Meridian Credit Union term loans payable as discussed in Note 7.

**7. Term loans payable**

	<u>2019</u>	<u>2018</u>
The organization has a demand term loan payable to a financial institution, bearing interest at a fixed rate of 5.19%. The loan requires monthly blended payments of \$3,255.00. The loan is amortized over 205 months and matures September 7, 2019 (property at 569 King Street). The net book value of the property is \$2,580,896.	\$322,138	\$343,855
The organization has a demand term loan payable to a financial institution, bearing interest at a fixed rate of 4.48%. The loan requires monthly blended payments of \$1,352.00. The loan is amortized over 240 months and matures December 10, 2020 (renovation of 3 units at 178 King Street).	189,740	197,277
The organization has a demand term loan payable to a financial institution, bearing interest at a fixed rate of 4.86%. The loan requires monthly blended payments of \$460.00. The loan matured during the year and was paid in full.	-	2,683
The organization has a demand term loan payable to a financial institution, bearing interest at a fixed rate of 4.36%. The loan requires monthly blended payments of \$2,904.00. The loan is amortized over 60 months and matures January 3, 2022 (property at 4750 Huron Street). The net book value of the property is \$1,271,108.	502,220	514,867
The organization has a demand term loan payable to a financial institution, bearing interest at a fixed rate of 6.2% and requires monthly interest only payments. (Repei Place Phase II).	113,510	-
The security for the term loans presented above is a general security agreement, a first position collateral mortgage for \$1,800,000 over the property at 569 King Street in Port Colborne and a first position collateral mortgage for \$530,000 over the property at 4750 Huron Street in Niagara Falls.		
	<u>\$1,127,608</u>	<u>\$1,058,682</u>

**GATEWAY RESIDENTIAL AND COMMUNITY  
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Notes to Financial Statements  
Year Ended March 31, 2019

**8. Deferred revenue**

The deferred revenue balances are designated for specific purposes and are as follows:

	Niagara Region - Housing First	Niagara Region - Home for Good	Other	2019	2018
Balance, beginning of year	\$12,385	\$13,882	\$13,877	\$40,144	\$12,535
Received during the year	121,456	65,416	11,915	198,787	168,190
Recognized as revenue during the year	(107,641)	(49,216)	(13,877)	(170,734)	(140,581)
<b>Balance, end of year</b>	<b>\$26,200</b>	<b>\$30,082</b>	<b>\$11,915</b>	<b>\$68,197</b>	<b>\$40,144</b>

**9. Trusteeships**

Trusteeships are funds of the consumers managed by Gateway Residential and Community Support Services of Niagara Inc. for the benefit of members requiring assistance with financial matters.

**GATEWAY RESIDENTIAL AND COMMUNITY  
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Notes to Financial Statements  
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**10. Long-Term Debt**

	<u>2019</u>	<u>2018</u>
<u>Welland House</u>		
Canada Mortgage and Housing Corporation, 2.22% mortgage payable; \$1,202 monthly including principal and interest, due September 1, 2023, secured by the Welland house. The net book value of the property is \$64,909.	\$61,701	\$74,633
<u>Haven of Hope</u>		
Sun Life Assurance Company of Canada, 5.52% mortgage payable; \$11,259 monthly including principal and interest, due July 1, 2027, secured by land and building at 178 King Street, Welland and assignments of rents. The net book value of the property is \$2,476,867.	1,946,337	1,974,385
Niagara Regional Housing capital funding loan - incurred to assist with the renovation of 3 Supported Transitional housing units at Repei Place, 569 King Street in Port Colborne; non-interest bearing; repayable at a rate of \$300 per month over a period of 19 years and 2 months; secured with a third position registered mortgage on the property at 569 King Street Port Colborne.	44,734	48,334
Total Long-term debt	<u>2,052,772</u>	<u>2,097,352</u>
Less current portion	<u>46,433</u>	<u>44,589</u>
Long-term portion	<u>\$2,006,339</u>	<u>\$2,052,763</u>

Principal repayments on the long-term debt over the next five years are as follows:

2020	\$46,433
2021	\$48,371
2022	\$50,407
2023	\$52,549
2024	\$47,578

**GATEWAY RESIDENTIAL AND COMMUNITY  
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Notes to Financial Statements  
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**11. Deferred Capital Contributions - Repei Place**

In years 2011 and 2012, the organization received a forgivable loan in the amount of \$2,119,634 from Niagara Regional Housing to assist with the construction costs of Repei Place at 569 King Street Port Colborne. The term of the loan is twenty-five years and bears interest at a rate of 8% per annum. The interest is forgiven annually and the full amount of the loan will be forgiven at the end of the twenty-five years provided the organization continues to fulfill all of the requirements of the program as set out in the agreement with NRH. The forgivable loan is secured with a second position registered mortgage (second to the financial institution loan described in note 7) on the property at 569 King Street in Port Colborne as well as an assignment of rents and a security agreement over the chattels. The net book value of the property is \$2,580,896.

Given that the organization is of the opinion that it has satisfied and will continue to satisfy all the requirements of the program as set out in the agreement with NRH, the forgivable loan is presented as Deferred Capital Contributions and is being amortized at a rate equal to the amortization rate on the building, which amortization is straight-line over 40 years.

	2019	2018
Deferred capital contributions - Niagara Regional Housing	\$1,801,694	\$1,854,684
Less: Amortized for the year	(52,990)	(52,990)
<b>Balance, end of year</b>	<b>\$1,748,704</b>	<b>\$1,801,694</b>

**12. Deferred Capital Contributions - Repei Place - Phase II**

During the year, certain capital contributions were received for the construction of Phase II at Repei Place. These contributions have been deferred and will be amortized into revenue at the same rate that the property will be depreciated.

	2019	2018
Balance, beginning of year	-	-
Deferred capital contributions		
Branscombe Family Foundation	25,000	-
Enbridge Gas - Technical Assistance Incentive	7,500	-
Green Ontario Fund	5,000	-
Wise Guys Charity Fund	8,000	-
	45,500	-
<b>Balance, end of year</b>	<b>\$45,500</b>	<b>-</b>

**GATEWAY RESIDENTIAL AND COMMUNITY  
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Notes to Financial Statements  
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**13. Construction in Progress - Repei Place Phase II**

In the previous year, the organization was approved funding from the Regional Municipality of Niagara through their Home for Good program. The total funding will be based on the principal owing under the long-term financing obtained up to a maximum of \$150,000 per unit. The payments will be paid to the organization over a term of 20 years commencing as of the Initial Occupancy Date of the Project. As at the year end, \$258,632 has been incurred in costs related to planning and construction.

**14. Deferred Capital Contributions - Berard House**

In a prior year, the organization received a forgivable loan in the amount of \$720,000 from Niagara Regional Housing to assist with the purchase of Berard House at 4750 Huron Street Niagara Falls. The full amount of the loan will be forgiven at the end of the twenty-five years provided the organization continues to fulfill all of the requirements of the program as set out in the agreement with NRH. The forgivable loan is secured with a second position registered mortgage (second to the financial institution loan described in note 7) on the property at 4750 Huron Street in Niagara Falls as well as an assignment of rents and a security agreement over the chattels. The net book value of the property is \$1,271,108.

Given that the organization is of the opinion that it has satisfied and will continue to satisfy all the requirements of the program as set out in the agreement with NRH, the forgivable loan is presented as Deferred Capital Contributions and is being amortized at a rate equal to the amortization rate on the building, which amortization is straight-line over 40 years.

	2019	2018
Balance, beginning of year	\$696,000	\$714,000
Less: Amortized for the year	(18,000)	(18,000)
<b>Balance, end of year</b>	<b>\$678,000</b>	<b>\$696,000</b>

**GATEWAY RESIDENTIAL AND COMMUNITY  
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**15. Deferred Capital Contributions - Berard House**

In addition to the forgivable loan received in Note 14, the organization also received funding from other sources as shown below. These monies are presented as Deferred Capital Contributions and are being amortized at a rate equal to the amortization rate on the building, which amortization is straight-line over 40 years.

	2019	2018
Balance, beginning of year	\$51,406	\$47,759
Deferred capital contributions		
Miscellaneous donations	-	5,000
	-	5,000
Less: Amortized for the year	(1,353)	(1,353)
<b>Balance, end of year</b>	<b>\$50,053</b>	<b>\$51,406</b>

**16. Replacement Reserve Funds - Externally Restricted**

The replacement reserves are monies set aside for capital expenditures as required by funding agreements for the Welland House and the Haven of Hope.

	Welland House	Haven of Hope	2019	2018
Balance, beginning of year	\$33,745	\$110,548	\$144,293	\$141,423
Current year transfer from general fund	2,100	14,088	16,188	13,896
Current year transfer from MOHLTC - one-time	-	-	-	1,000
Interest earned	-	485	485	451
	2,100	14,573	16,673	15,347
Less: Expenditures				
Window replacement	-	-	-	(12,477)
	-	-	-	(12,477)
<b>Balance, end of year</b>	<b>\$35,845</b>	<b>\$125,121</b>	<b>\$160,966</b>	<b>\$144,293</b>

**GATEWAY RESIDENTIAL AND COMMUNITY  
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Notes to Financial Statements  
Year Ended March 31, 2019

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**17. Residential Joint Venture - Revenue and Expenditures**

Presented below is the proportionate 50% of revenue and expenditures for the Joint Venture as presented in the financial statements audited by the public accountant for Mainstream: An Unsheltered Workshop for the year ends March 31, 2019 and March 31, 2018.

	2019	2018
Revenue		
Rental income	\$26,258	\$26,089
	<u>26,258</u>	<u>26,089</u>
Expenditures		
Depreciation	7,080	6,895
Building Costs	2,650	3,384
Insurance	1,640	1,367
Interest and bank charges	58	58
Interest on long-term debt	2,910	2,980
Office and meetings	1,500	15
Professional fees	909	-
Purchased services	45	-
Replacement reserve allocation	1,500	1,500
Salaries and benefits	881	806
Utilities and telephone	7,160	7,734
	<u>26,333</u>	<u>24,739</u>
Revenue over expenditures for the year	<u>(\$75)</u>	<u>\$1,350</u>

**18. RSP Matching Plan**

The organization offers to its full-time employees a dollar for dollar matching RSP contribution pension plan (based on 3% of wages). The amount contributed by the organization in the current year to the retirement savings plans was \$33,164 (2018 - \$27,105) for current service and is included as an expenditures in the statement of operations.



**GATEWAY RESIDENTIAL AND COMMUNITY  
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Notes to Financial Statements  
Year Ended March 31, 2019

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**19. Contingencies**

The deferred capital contributions consist of a forgivable loan in the amount of \$2,119,634 from Niagara Regional Housing relating to the construction of Repei Place as indicated in Note 11. The amount of the loan will be forgiven only at the end of the 25 years provided the organization continues to fulfill all the requirements of the program as set out in the agreement with Niagara Regional Housing.

The deferred capital contributions consist of a forgivable loan in the amount of \$720,000 from Niagara Regional Housing relating to the construction of Berard House as indicated in Note 14. The amount of the loan will be forgiven only at the end of the 25 years provided the organization continues to fulfill all the requirements of the program as set out in the agreement with Niagara Regional Housing.

As described in the Accounting Policy Note 2, Gateway and Mainstream are parties in a Joint Venture. In 2009 the construction was funded by Federal and Provincial government forgivable loans, a grant from the Regional Municipality of Niagara and fundraising activities that assisted in the capital costs related to the Joint Venture. The Federal and Provincial loans are forgivable over 20 years as long as the Joint Venture maintains ownership of 160 Ontario Street, and there is no change in the use of the property during this time frame. If the Residential Joint Venture disposes of the real estate, the Federal and Provincial forgivable loans are required to be repaid.

**20. Subsequent Events**

On April 1, 2019, Gateway entered into an agreement with Open Door Concepts Welland Inc. ("Open Door") to transfer its net assets to Gateway. Prior to the transition, Niagara Regional Housing (NRH) funded a significant portion of Open Door's operations. Subsequent to transition date, NRH has approved to transfer the funds to continue operations in accordance with their agreement.

As of the transition date, Gateway assumed the net assets of Open Door. As at the auditor's report date, the audit for Open Door has not yet been completed and therefore the carrying value of the net assets have not yet been confirmed.

**21. Financial Instruments**

The organization is exposed to various risks through its financial instruments.

*Interest rate risk*

The organization is subject to interest rate risk due to changes to the prime lending rate on certain credit facilities that bear a variable interest rate. The organization monitors its interest rate risk on this loan on an on-going basis.

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Notes to Financial Statements  
Year Ended March 31, 2019

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**21. Financial Instruments (con'd)**

*Credit risk*

Financial assets held by the company expose it to credit risk. As at the year end, the company's financial instruments that are exposed to concentration of credit risk consist primarily of cash. The company maintains cash with Canadian chartered banks in excess of federally insured limited and is exposed to the credit risk from this concentration of cash.

*Liquidity risk*

Liquidity risk is the risk of being unable to meet cash requirement obligations as they come due. The organization manages its liquidity risk by constantly monitoring forecasted and actual cash flows and financial liability maturities, and by holding assets that can be readily converted into cash.

*Risk Changes*

The extent of the organization's exposure to the above risks did not change during 2019.

**22. Allocation of Expenses**

The organization engages in several programs. The cost of certain programs includes general support expenses that are common to the administration of the organization and these programs. The general support expenses are allocated by identifying an appropriate basis of allocation.

**GATEWAY RESIDENTIAL AND COMMUNITY  
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Schedule of Revenue and Expenditures for the year ended March 31, 2019

<b>SCHEDULE 1</b>	<b>2019</b>	<b>2018</b>
<b>COMMUNITY SUPPORT</b>		
<b>Revenue</b>		
Funding - LHIN/MOHLTC	\$651,130	\$642,758
Funding - Community Addictions Services of Niagara	-	11,930
	<u>651,130</u>	<u>654,688</u>
<b>Expenses</b>		
Wages - direct service	356,470	394,764
Wages - administration	62,805	45,599
Employee benefits	107,345	89,852
Travel	46,820	50,968
Audit	4,500	2,160
Professional fees	6,414	-
Staff education	5,286	1,931
Computer maintenance and supplies	7,431	6,375
Telephone	11,127	13,436
Occupancy expense	10,587	6,000
Insurance	4,608	6,362
Supplies and miscellaneous	21,020	30,778
Maintenance	159	-
Bank charges and interest	6,558	6,463
	<u>651,130</u>	<u>654,688</u>
<b>Excess of revenue over expenditures</b>	<u>-</u>	<u>-</u>

See accompanying notes to the financial statements

**GATEWAY RESIDENTIAL AND COMMUNITY  
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Schedule of Revenue and Expenditures for the year ended March 31, 2019

<b>SCHEDULE 2</b>	<b>2019</b>	<b>2018</b>
<b>HOMELESSNESS - SERVICE DELIVERY</b>		
<b>Revenue</b>		
Funding - MOHLTC	\$1,074,048	\$948,401
	<u>1,074,048</u>	<u>948,401</u>
<b>Expenses</b>		
Wages - direct service	637,322	561,100
Wages - administration	64,106	73,523
Employee benefits	167,906	137,093
Travel	35,100	32,927
Audit	3,000	1,440
Professional fees	3,524	865
Staff education	24,365	5,848
Computer maintenance and supplies	12,565	4,186
Telephone	10,630	12,283
Occupancy expense	6,996	6,996
Insurance	4,608	6,362
Supplies and miscellaneous	29,390	33,623
Maintenance	75,199	69,967
Program assistance	(663)	1,939
Loan interest	-	249
	<u>1,074,048</u>	<u>948,401</u>
<b>Excess of revenue over expenditures</b>	<u>-</u>	<u>-</u>
<b>HOMELESSNESS - RENT SUBSIDY</b>		
	<b>2019</b>	<b>2018</b>
<b>Revenue</b>		
Funding - MOHLTC	\$445,400	\$410,607
Rental income	562,234	549,118
	<u>1,007,634</u>	<u>959,725</u>
<b>Expenses</b>		
Rent expense	991,030	925,871
Utilities	15,688	18,022
	<u>1,006,718</u>	<u>943,893</u>
<b>Excess of revenue over expenditures</b>	<u>\$916</u>	<u>\$15,832</u>

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**GATEWAY RESIDENTIAL AND COMMUNITY  
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Schedule of Revenue and Expenditures for the year ended March 31, 2019

<b>SCHEDULE 3</b>	<b>2019</b>	<b>2018</b>
<b>WELLAND HOUSE - MINISTRY FUNDED</b>		
<b>Revenue</b>		
Funding - LHIN/MOHLTC	\$64,558	\$55,530
Funding - MOHLTC	-	1,100
Rental income	8,082	8,868
	<u>72,640</u>	<u>65,498</u>
<b>Expenses</b>		
Travel	65	33
Audit	1,500	720
Professional fees	12,000	12,000
Telephone	3,040	2,974
Utilities	8,301	6,513
Insurance	543	4,094
Supplies and miscellaneous	10,157	3,747
Maintenance	17,042	13,116
Equipment	3,486	4,805
Replacement reserve	2,136	2,136
Replacement reserve - one-time funding MOHLTC	-	1,000
	<u>58,270</u>	<u>51,138</u>
Mortgage interest	1,438	1,691
Depreciation	12,932	12,669
	<u>14,370</u>	<u>14,360</u>
	-	-
<b>Excess of revenue over expenditures</b>	<u>-</u>	<u>-</u>
<b>WELLAND HOUSE - RESIDENT PROGRAM</b>		
<b>Revenue</b>		
Residents' program and recreation revenue	\$13,572	\$15,710
	<u>13,572</u>	<u>15,710</u>
<b>Expenses</b>		
Program and recreation	13,572	15,710
	<u>13,572</u>	<u>15,710</u>
	-	-
<b>Excess of revenue over expenditures</b>	<u>-</u>	<u>-</u>

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**GATEWAY RESIDENTIAL AND COMMUNITY  
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Schedule of Revenue and Expenditures for the year ended March 31, 2019

<b>SCHEDULE 4</b>	<b>Transitional Housing Support</b>	<b>Outreach</b>	<b>2019</b>	<b>2018</b>
<b>HOUSING FIRST - SERVICE DELIVERY</b>				
<b>Revenue</b>				
Funding - Niagara Region	\$103,031	-	\$103,031	\$121,923
Funding - United Way Niagara - NPI	-	104,169	104,169	57,808
Other income	-	1,150	1,150	2,516
	<u>103,031</u>	<u>105,319</u>	<u>208,350</u>	<u>182,247</u>
<b>Expenses</b>				
Wages - direct wages	79,678	77,860	157,538	132,657
Employee benefits	12,679	16,792	29,471	21,844
Administration expense	-	2,049	2,049	12,220
Travel	9,916	5,637	15,553	11,556
Staff education	75	-	75	245
Telephone	347	208	555	591
Supplies and miscellaneous	328	2,773	3,101	3,134
Maintenance	8	-	8	-
	<u>103,031</u>	<u>105,319</u>	<u>208,350</u>	<u>182,247</u>
<b>Excess of revenue over expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

	<b>2019</b>	<b>2018</b>
<b>HOUSING FIRST - RENT SUBSIDY</b>		
<b>Revenue</b>		
Rental income	\$30,722	\$15,748
Rental income - Niagara Regional Housing	87,557	76,108
Funding - Niagara Region	4,610	-
	<u>122,889</u>	<u>91,856</u>
<b>Expenses</b>		
Rent expense	122,889	93,003
	<u>122,889</u>	<u>93,003</u>
<b>Excess of expenditures over revenue</b>	<u>-</u>	<u>(\$1,147)</u>

See accompanying notes to the financial statements

**GATEWAY RESIDENTIAL AND COMMUNITY  
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Schedule of Revenue and Expenditures for the year ended March 31, 2019

<b>SCHEDULE 5</b>	<b>2019</b>	<b>2018</b>
<b>HOME FOR GOOD - SERVICE DELIVERY</b>		
<b>Revenue</b>		
Funding - Niagara Region	\$49,216	\$7,923
	<u>49,216</u>	<u>7,923</u>
<b>Expenses</b>		
Wages - direct service	39,611	5,486
Employee benefits	4,617	372
Administration expense	2,000	1,620
Staff education	503	-
Travel	2,485	445
	<u>49,216</u>	<u>7,923</u>
<b>Excess of revenue over expenditures</b>	<u>-</u>	<u>-</u>

	<b>2019</b>	<b>2018</b>
<b>HOME FOR GOOD - RENT SUBSIDY</b>		
<b>Revenue</b>		
Rental income	\$1,440	-
Rental income - Niagara Regional Housing	10,295	-
	<u>11,735</u>	<u>-</u>
<b>Expenses</b>		
Rent expense	11,735	-
	<u>11,735</u>	<u>-</u>
<b>Excess of revenue over expenditures</b>	<u>-</u>	<u>-</u>

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**GATEWAY RESIDENTIAL AND COMMUNITY  
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Schedule of Revenue and Expenditures for the year ended March 31, 2019

<b>SCHEDULE 6</b>	<b>2019</b>	<b>2018</b>
<b>HRSDC - GOVERNMENT OF CANADA (Summer Students)</b>		
<b>Revenue</b>		
Funding - HRSDC	\$15,188	\$14,364
	<u>15,188</u>	<u>14,364</u>
<b>Expenses</b>		
Wages - direct service	14,115	13,499
Employee benefits	1,073	865
	<u>15,188</u>	<u>14,364</u>
<b>Excess of revenue over expenditures</b>	<u>-</u>	<u>-</u>

<b>SCHEDULE 7</b>	<b>2019</b>	<b>2018</b>
<b>GOOD FOOD BOX</b>		
<b>Revenue</b>		
Good Food Box sales	-	\$4,115
Funding - United Way of St. Catharines	-	2,085
	<u>-</u>	<u>6,200</u>
<b>Expenses</b>		
Wages - direct service	-	332
Employee benefits	-	11
Contracted services	-	260
Telephone	-	51
Insurance	-	903
Supplies & miscellaneous	-	22
Program purchases	-	4,621
	<u>-</u>	<u>6,200</u>
<b>Excess of revenue over expenditures</b>	<u>-</u>	<u>-</u>

See accompanying notes to the financial statements



**GATEWAY RESIDENTIAL AND COMMUNITY  
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Schedule of Revenue and Expenditures for the year ended March 31, 2019

<b>SCHEDULE 8</b>	<b>2019</b>	<b>2018</b>
<b>HAVEN OF HOPE</b>		
<b>Revenue</b>		
Rental income	\$295,495	\$297,910
Canal View - Case and Property Management	55,356	49,586
Other income	1,357	14,866
	<u>352,208</u>	<u>362,362</u>
<b>Expenses</b>		
Wages - direct service	1,187	-
Wages - administration	20,868	17,298
Employee benefits	2,233	9,240
Contracted services	-	8,272
Travel	4,060	2,470
Audit	892	180
Staff education	26	-
Computer maintenance and supplies	1,071	-
Telephone	59	-
Utilities	77,382	77,369
Insurance	12,020	7,384
Supplies and miscellaneous	18,735	7,029
Maintenance	40,742	27,501
Program and recreation	3,304	3,112
Loan interest	8,696	8,989
Mortgage interest	106,920	108,424
Replacement reserve	14,088	11,760
	<u>312,283</u>	<u>289,028</u>
Excess of revenue over expenditures before depreciation	39,925	73,334
Depreciation	(81,967)	(81,967)
<b>Excess of expenditures over revenue</b>	<b>(\$42,042)</b>	<b>(\$8,633)</b>

See accompanying notes to the financial statements

**GATEWAY RESIDENTIAL AND COMMUNITY  
SUPPORT SERVICES OF NIAGARA INC.**

Schedule of Revenue and Expenditures for the year ended March 31, 2019

<b>SCHEDULE 9</b>	<b>2019</b>	<b>2018</b>
<b>REPEI PLACE</b>		
<b>Revenue</b>		
Rental income	\$153,398	\$143,469
Other income	2,755	2,301
	<u>156,153</u>	<u>145,770</u>
<b>Expenses</b>		
Wages - Administration	10,959	14,444
Employee benefits	1,166	1,852
Contracted services	2,880	3,000
Travel	290	315
Audit	624	300
Professional fees	558	-
Telephone	2,599	2,425
Utilities	35,826	30,020
Insurance	7,198	6,362
Supplies and miscellaneous	2,034	9,199
Maintenance	34,697	21,319
Mortgage interest	18,384	18,345
	<u>117,215</u>	<u>107,581</u>
Excess of revenue over expenditures before capital items	38,938	38,189
<b>Capital items (expenses):</b>		
Depreciation expense	(73,650)	(73,650)
Amortization of deferred contributions	52,990	52,990
	<u>\$18,278</u>	<u>\$17,529</u>

See accompanying notes to the financial statements

**GATEWAY RESIDENTIAL AND COMMUNITY  
SUPPORT SERVICES OF NIAGARA INC.**

Schedule of Revenue and Expenditures for the year ended March 31, 2019

<b>SCHEDULE 10</b>	<b>2019</b>	<b>2018</b>
<b>BERARD HOUSE</b>		
<b>Revenue</b>		
Rental income	\$63,734	\$66,200
	63,734	66,200
<b>Expenses</b>		
Contracted services	219	823
Audit	-	1,247
Telephone	1,771	1,273
Utilities	11,472	16,351
Insurance	2,817	-
Supplies and miscellaneous	1,293	771
Maintenance	10,391	9,220
Mortgage interest	22,154	22,695
Property taxes	923	895
	51,040	53,275
Excess of revenue over expenditures before depreciation	12,694	12,925
Capital items (expenses):		
Depreciation expense	(31,117)	(31,117)
Amortization of deferred capital contributions	19,353	19,353
<b>Excess of revenue over expenditures</b>	<b>\$930</b>	<b>\$1,161</b>

See accompanying notes to the financial statements

**GATEWAY RESIDENTIAL AND COMMUNITY  
SUPPORT SERVICES OF NIAGARA INC.**

Schedule of Revenue and Expenditures for the year ended March 31, 2019

<b>SCHEDULE 11</b>	<b>2019</b>	<b>2018</b>
<b>FUNDRAISING</b>		
<b>Revenue</b>		
Donations and fundraising	\$14,529	\$15,639
Golf tournament	38,725	37,522
	<hr/>	<hr/>
	53,254	53,161
<b>Expenses</b>		
Golf tournament	12,278	13,780
	<hr/>	<hr/>
	12,278	13,780
	<hr/>	<hr/>
<b>Excess of revenue over expenditures</b>	<b>\$40,976</b>	<b>\$39,381</b>

See accompanying notes to the financial statements