

**ADSUM FOR WOMEN & CHILDREN**  
**Index to Financial Statements**  
**Year Ended March 31, 2022**

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## INDEPENDENT AUDITOR'S REPORT

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To the Board Members of Adsum for Women & Children

### *Qualified Opinion*

We have audited the financial statements of Adsum for Women & Children (the Association), which comprise the statement of financial position as at March 31, 2022, and the statements of revenues and expenditures, 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 possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2022, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

### *Basis for Qualified Opinion*

In common with many not-for-profit organizations, the Association derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Association. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2022, current assets and net assets as at March 31, 2022. Our audit opinion on the financial statements for the year ended March 31, 2021 was modified accordingly because of the possible effects of this limitation of 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 the Association in accordance with 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 ASNPO, 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 Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association'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 Association'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 Association 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.

Halifax, Nova Scotia  
June 27, 2022



Sutherland Watt CPAs Inc.  
Chartered Professional Accountants

**ADSUM FOR WOMEN & CHILDREN**  
**Statement of Revenues and Expenditures**  
**Year Ended March 31, 2022**

	2022	2021
<b>Revenues</b>		
Donations	\$ 874,212	\$ 1,231,958
Amortization of deferred contributions (Note 19)	97,397	127,686
Investment income (Note 3)	24,195	69,033
Fundraising events	49,441	962
Government fees for services	2,021,839	2,096,517
Rental operations	368,611	337,346
Per diems from authorities	16,395	12,473
Major gifts	159,333	263,842
Reimbursement for hotel costs (Note 4)	658,731	-
	<b>4,270,154</b>	<b>4,139,817</b>
<b>Expenses</b>		
Administrative costs	96,112	106,425
Amortization	117,500	145,699
Bad debts	953	2,550
Mortgage interest	6,587	7,151
Hotel expense (Note 4)	668,706	-
Operations	1,017,954	1,183,714
Promotion and fundraising	74,681	26,815
Property expenses	506,128	654,041
Salaries and benefits	1,378,072	1,561,352
	<b>3,866,693</b>	<b>3,687,747</b>
Excess of revenues over expenses from operations	<b>403,461</b>	<b>452,070</b>
Other income		
Loss on disposal of capital assets	-	(31,414)
Unrealized (loss) gain on investments (Note 3)	78,145	183,158
	<b>78,145</b>	<b>151,744</b>
Excess (deficiency) of revenues over expenses for the year	<b>481,606</b>	<b>603,814</b>
Internally restricted for Sunflower Project Build (Note 5)	<b>(299,280)</b>	<b>(452,070)</b>
<b>Excess (deficiency) of revenues over expenses for the year after restriction</b>	<b>\$ 182,326</b>	<b>\$ 151,744</b>

**ADSUM FOR WOMEN & CHILDREN**  
**Statement of Financial Position**  
**March 31, 2022**

	2022	2021
<b>ASSETS</b>		
Current		
Cash (Note 6)	\$ 307,182	\$ 549,961
Marketable securities (Note 7)	1,001,573	3,500,000
Accounts receivable (Note 8)	526,874	172,850
Prepaid expenses	49,103	27,266
	<b>1,884,732</b>	4,250,077
Capital assets (Note 9)	6,044,072	2,952,445
Long term investments - unrestricted (Note 10)	1,895,720	1,511,940
Long term investments - restricted (Note 10)	114,427	112,782
	<b>\$ 9,938,951</b>	<b>\$ 8,827,244</b>
<b>LIABILITIES</b>		
Current		
Accounts payable	\$ 590,241	\$ 397,813
Current portion of long term debt (Note 11)	9,763	15,290
Unearned income	6,531	8,062
Tenants' damage deposits	8,994	11,216
	<b>615,529</b>	432,381
Long term debt (Note 11)	162,857	172,622
Deferred contributions - capital assets (Note 19)	1,963,638	2,061,035
Deferred contributions - future expenditures (Note 20)	5,323,522	4,771,052
	<b>8,065,546</b>	7,437,090
Net assets		
Investment in capital asset fund	1,219,758	898,170
Investment in endowment fund (Note 14)	114,428	112,783
Unrestricted fund	539,219	379,201
	<b>1,873,405</b>	1,390,154
	<b>\$ 9,938,951</b>	<b>\$ 8,827,244</b>

**ON BEHALF OF THE BOARD**

\_\_\_\_\_ Director

\_\_\_\_\_ Director

See notes to financial statements

**ADSUM FOR WOMEN & CHILDREN**  
**Statement of Changes in Net Assets**  
**Year Ended March 31, 2022**

	Investment in Capital Asset Fund	Investment in Endowment Fund	Unrestricted Fund	<b>2022</b>	2021
<b>Net assets - beginning of year</b>	\$ 898,170	\$ 112,783	\$ 379,201	<b>\$ 1,390,154</b>	\$ 765,510
Excess of revenues over expenses	22,308	-	459,298	<b>481,606</b>	603,812
Unrealized gain (loss) on investments	-	1,645	-	<b>1,645</b>	20,832
Interfund transfer of investment income in Endowment Fund (Note 5)	299,280	-	(299,280)	-	-
<b>Net assets - end of year</b>	<b>\$ 1,219,758</b>	<b>\$ 114,428</b>	<b>\$ 539,219</b>	<b>\$ 1,873,405</b>	<b>\$ 1,390,154</b>

**ADSUM FOR WOMEN & CHILDREN**  
**Statement of Cash Flows**  
**Year Ended March 31, 2022**

	2022	2021
<b>Operating activities</b>		
Excess of revenues over expenses	\$ 182,326	\$ 151,744
Items not affecting cash:		
Amortization of capital assets	117,500	145,699
Restricted for future use in Project Sunflower (Note 5)	299,280	452,070
Amortization of deferred contributions	(97,397)	(127,686)
Unrealized (loss) gain on investments	(78,145)	(183,158)
Reinvested investment income	(11,031)	(69,033)
Inkind donations to investment account	(42,703)	(272,843)
Loss on disposal of capital assets	-	31,414
	<u>369,830</u>	<u>128,207</u>
Changes in non-cash working capital:		
Accounts receivable	(354,024)	(111,699)
Accounts payable	192,426	186,540
Unearned income	(1,531)	(3,609)
Prepaid expenses	(21,837)	(4,122)
Tenants' damage deposits	(2,222)	2,532
	<u>(187,188)</u>	<u>69,642</u>
Cash flow from operating activities	<u>182,642</u>	<u>197,849</u>
<b>Investing activities</b>		
Purchase of capital assets	(3,209,126)	(290,578)
Proceeds on disposal of capital assets	-	534,031
Withdrawn from (deposit to) investment account	-	(327,515)
Purchase of GIC	-	(3,500,000)
Maturity of GIC	2,500,000	-
	<u>(709,126)</u>	<u>(3,584,062)</u>
Cash flow used by investing activities	<u>(709,126)</u>	<u>(3,584,062)</u>
<b>Financing activities</b>		
Repayment of long term debt	(15,291)	(23,350)
Increase (decrease) in deferred contribution	298,996	4,077,460
	<u>283,705</u>	<u>4,054,110</u>
Cash flow from financing activities	<u>283,705</u>	<u>4,054,110</u>
<b>Increase (decrease) in cash flow</b>	<u>(242,779)</u>	<u>667,897</u>
Cash (deficiency) - beginning of year	<u>549,961</u>	<u>(117,936)</u>
<b>Cash - end of year</b>	<u>\$ 307,182</u>	<u>\$ 549,961</u>

See notes to financial statements

## ADSUM FOR WOMEN & CHILDREN

### Notes to Financial Statements

Year Ended March 31, 2022

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#### 1. Description of business

Adsum Association for Women & Children (the "Association") is a charitable organization incorporated provincially under the Societies Act of Nova Scotia. As a registered charity the association is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

The Association provides housing and other support services to women, families and gender expansive persons in an effort to end homelessness and support independent living. The Association operates the following facilities with Halifax Regional Municipality:

Adsum House, an emergency shelter for women, families and gender expansive persons who are homeless.

Adsum Court, a supportive complex with affordable apartments.

The Alders, a supportive complex with affordable apartments.

Three condos providing affordable supported family housing.

#### 2. Summary of significant accounting policies

##### Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents in these financial statements reflect both donated and purchased gift cards to use to support the mission of the Association.

##### Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

##### Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

##### Bank indebtedness

Bank indebtedness consists of cash on hand, bank balances held with financial institutions, including a line of credit with a limit of \$200,000 and interest rate of 3.85%.

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**ADSUM FOR WOMEN & CHILDREN**

**Notes to Financial Statements**

**Year Ended March 31, 2022**

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2. Summary of significant accounting policies *(continued)*

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives on a declining balance basis at the following rates and methods:

Buildings	20-35 years
Equipment	5 years
Computer equipment	3 years
Leasehold improvements	5 years

The association regularly reviews its capital assets to eliminate obsolete items.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Investments

Investments for which there are quoted prices in an active market are carried at fair value. Unrealized gains or losses are reported as part of net income.

Revenue recognition

Adsum for Women & Children follows the deferral method of accounting for contributions.

Restricted contributions, other than endowments, 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. Endowment contributions are recognized as direct increases in endowment net assets.

Contributions of non-depreciable capital assets and contributions for purposes of acquiring such assets are recognized as direct increase in investment in capital assets in the period in which the capital assets are acquired.

All other revenue sources are recognized at the time that the service is rendered.

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## ADSUM FOR WOMEN & CHILDREN

### Notes to Financial Statements

Year Ended March 31, 2022

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#### 2. Summary of significant accounting policies *(continued)*

##### Fund accounting

The Unrestricted Fund accounts for the association's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

The Investment in Capital Asset Fund is used to account for capital assets, including their acquisition, financing, amortization and disposal. Operating costs of the capital assets are accounted for in the Unrestricted Fund.

The Endowment Fund reports resources contributed for endowment. The Endowment Fund was established with the goal of generating income to provide a long-term source of funding to assist with operations of the Association. Investment income earned on resources of the Endowment Fund is reported in the General Fund depending on the nature of any restrictions imposed by contributors of funds for endowment.

##### Contributed services

Volunteers contribute a significant amount of their time each year. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

##### Accounting 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 and disclosure of contingencies at the date of the financial statements, and the report amounts of revenues and expenses during the reporting period. Estimates are used when accounting for items and matters such as useful lives of capital assets, certain accrued liabilities and provisions. Actual results could differ from those estimates.

##### Gifts in kind

Donated food and clothing are recorded at their fair market value at the time of the donation. During the year \$146,121 in goods were donated (2021 - \$145,034).

##### Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

**ADSUM FOR WOMEN & CHILDREN**  
**Notes to Financial Statements**  
**Year Ended March 31, 2022**

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3. Unrestricted investment income

	<u>2022</u>	<u>2021</u>
<u>Realized investment income</u>		
Interest and dividend income	\$ 38,585	\$ 22,568
Gains on sale of investments	(15,018)	41,664
Transfer from endowment fund	628	4,791
	<u>24,195</u>	<u>69,023</u>
 <u>Unrealized investment income (loss)</u>		
Unrealized (loss) gain on investment	<u>78,145</u>	183,158
	<u>\$ 102,340</u>	<u>\$ 252,181</u>

4. Hotel reimbursements

Given the emergency housing crisis in Halifax, the municipal government agreed to cover expenses associated with sheltering people in hotels.

Adsum for Women & Children administered the funds for this work on behalf non-profit organizations in the community and were reimbursed for the cost of the hotel stays between October 2021 and March 2022. More than 100 individuals were supported.

In January 2022, the Association started a new program called Shelter Diversion Supports at the request of the provincial government. This program also makes significant use of hotels when alternate shelter or housing is not available. Under Shelter Diversion, Adsum is covering expenses associated with renting 55-65 hotels rooms that shelter almost 100 people (children included) and invoices associated with the hotels are reimbursed by the provincial Department of Community Services.

5. Interfund transfer

The Board of Directors for the Association unanimously voted to internally restrict any realized excess of revenues over expenses for the Sunflower Project Build excluding the gift-cards on-hand at year-end reserved for operational use.

6. Cash

Unrestricted Fund cash includes in-kind gift cards with a value of \$25,151 and purchased gift cards on-hand with a value of \$79,030. These gift cards are used to support the mission of the Association.

**ADSUM FOR WOMEN & CHILDREN**  
**Notes to Financial Statements**  
**Year Ended March 31, 2022**

7. Marketable securities

	<u>2022</u>	<u>2021</u>
1 year GIC	<b>\$ 1,001,573</b>	\$ 3,500,000

The Association purchased a 1 year GIC with variable interest that matures March 15, 2022. The GIC is recorded at fair market value.

8. Accounts receivable

	<u>2022</u>	<u>2021</u>
Due from provincial/municipal governments	<b>\$ 261,334</b>	\$ 65,655
Due from federal government - HST rebate	<b>260,039</b>	88,705
Other	<b>5,501</b>	18,490
	<b><u>\$ 526,874</u></b>	<u>\$ 172,850</u>

9. Capital assets

	Cost	Accumulated amortization	<b>2022 Net book value</b>	2021 Net book value
Land	\$ 495,428	\$ -	<b>\$ 495,428</b>	\$ 495,428
Buildings	3,126,853	1,074,747	<b>2,052,106</b>	2,151,039
Equipment	251,303	225,507	<b>25,796</b>	28,464
Computer equipment	93,582	61,606	<b>31,976</b>	20,754
Assets under construction	3,438,766	-	<b>3,438,766</b>	256,760
	<b><u>\$ 7,405,932</u></b>	<b><u>\$ 1,361,860</u></b>	<b><u>\$ 6,044,072</u></b>	<u>\$ 2,952,445</u>

10. Long term investments

	<u>2022</u>	<u>2021</u>
Investments held in the unrestricted fund, at cost	<b>\$ 1,741,380</b>	\$ 1,310,490
Investment held in the endowment fund, at cost	<b>100,000</b>	100,000
	<b><u>-</u></b>	<u>-</u>
Total long term investments, at cost	<b><u>\$ 1,841,380</u></b>	<u>\$ 1,410,490</u>
Market value as per financial statements	<b><u>\$ 2,010,147</u></b>	<u>\$ 1,624,722</u>

**ADSUM FOR WOMEN & CHILDREN****Notes to Financial Statements****Year Ended March 31, 2022**

## 11. Long term debt

	<u>2022</u>	<u>2021</u>
Royal Bank demand loan bearing interest at 3.19% per annum, repayable in monthly blended payments of \$1,245. The loan matured on August 1, 2021 and was secured by a mortgage on land and building with a net book value of \$543,781.	\$ -	\$ 6,176
Royal Bank loan bearing interest at 3.68% per annum, repayable in monthly blended payments of \$1,305. The loan matures on May 18, 2023 and is secured by a loan on land and building with a net book value of \$754,084.	<u>172,620</u>	<u>181,736</u>
	<u>172,620</u>	<u>187,912</u>
Amounts payable within one year	<u>(9,763)</u>	<u>(15,290)</u>
	<u>\$ 162,857</u>	<u>\$ 172,622</u>

Principal repayment terms are approximately:

2023	\$ 9,763
2024	9,457
2025	9,811
2026	10,178
2027	10,559
Thereafter	<u>122,852</u>
	<u>\$ 172,620</u>

## ADSUM FOR WOMEN & CHILDREN

### Notes to Financial Statements

Year Ended March 31, 2022

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#### 12. Commitments/contingencies

1. In 2014, the Association entered into a Contribution Agreement with Her Majesty the Queen in Right of Canada (HMQ), in which HMQ contributed its 50% interest in the property located at 2421 Brunswick Street. The agreement is subject to a restrictive covenant whereby for a period of 15 years the Association would be required to pay HMQ a sum equivalent to 50% of the fair market value if they breach the covenants. The Association also entered into an agreement with the Halifax Regional Municipality (HRM) to acquire their 50% interest in the property located at 2421 Brunswick Street. The agreement is subject to the terms of a buy-back agreement in favour of HRM which gives HRM a right to repurchase the Property upon the occurrence of certain events or if the Association fails to operate the Property for shelter or affordable housing. The buy-back agreement expires at the end of a 15 year period, at which Adsum would own the property with no commitments to usage.
2. In 2012, the Association entered into funding agreements with the Government of Canada and the Province of Nova Scotia in each it designed and built a 10 unit housing complex that is affordable and supportive in the Halifax Regional Municipality. The Association has undertaken a commitment to both the Government of Canada and the Province of Nova Scotia to operate this facility for its intended use for a period of not less than 15 years. If the Association does not meet the terms and conditions of the funding agreement then certain amounts may be repayable to the Province of Nova Scotia.
3. In 2021, the Association entered into a funding agreement with Halifax Regional Municipality (HRM) to construct and operate affordable multi-residential housing Units. As per the agreement the Units must be available for occupancy commencing on July 31, 2022. The Association has undertaken a commitment to HRM to ensure the Units meet the Affordability Criteria and are for People and Populations Who are Vulnerable for a minimum period of 20 years. If the Association does not meet the terms and conditions of the funding agreement then certain amounts may be repayable to HRM.

#### 13. Financial Instruments

The Association is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Association's risk exposure and concentration as of March 31, 2022.

##### **(a) Credit risk**

Credit risk arises from the potential that a counter party will fail to perform its obligations. The association is exposed to credit risk from customers. In order to reduce its credit risk, the association reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The association has a significant number of customers which minimizes concentration of credit risk.

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## ADSUM FOR WOMEN & CHILDREN

### Notes to Financial Statements

Year Ended March 31, 2022

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#### 13. Financial Instruments *(continued)*

##### ***(b) Liquidity risk***

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The association is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long-term debt, obligations under capital leases, contributions to the pension plan, and accounts payable.

##### ***(c) Market risk***

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The association is mainly exposed to interest rate risk and other price risk.

##### ***(d) Interest rate risk***

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the association manages exposure through its normal operating and financing activities. The association is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

##### ***(e) Other price risk***

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The association is exposed to other price risk through its investment in quoted shares.

All secured financial liabilities have a combined carrying amount of \$187,912 (\$211,261 in 2021).

Unless otherwise noted, it is management's opinion that the association is not exposed to significant other price risks arising from these financial instruments.

#### 14. Endowment fund

The Endowment Fund is subject to externally imposed restrictions stipulating that the capital be maintained for a period of at least ten years and the investment income (including capital gains) be used towards operating expenses. During the year, the Association received an endowment contribution of Nil (2021- Nil) and had an overall investment income of \$628 (2021 - \$4,791) which has been reported as income in the endowment fund and then a transfer to the unrestricted fund. These funds are originally recorded at cost with annual adjustments to reflect fair value and are comprised of Canadian and Foreign equities with a cost of \$100,000 (same in 2021).

## ADSUM FOR WOMEN & CHILDREN

### Notes to Financial Statements

Year Ended March 31, 2022

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#### 15. Contingent liability

The employees of the Association are permitted to accumulate and carry forward up to 200 hours of sick time. As of March 31, 2022, the employees have accumulated 2542 hours which amounts to \$59,772. This amount has not been recorded in the financial statements as a liability due to the uncertainty surrounding how much time will be used and because the accrued sick time cannot be paid out in lieu of time taken.

#### 16. Endowment investment income

	<u>2022</u>	<u>2021</u>
<u>Realized investment income</u>		
Interest and dividends income	\$ 1,534	\$ 1,683
Gains on sale of investments	(906)	3,108
Transfer to unrestricted fund	(628)	(4,791)
	<u>-</u>	<u>-</u>
<u>Unrealized investment income (loss)</u>		
Gain (loss) on investments	\$ 1,645	\$ 20,831

#### 17. Disclosure of compensation

The Public Sector Compensation Disclosure Act (the "Act") of the Province of Nova Scotia requires a public sector body to disclose to the public the amount of compensation it pays to any employee if that compensation is in excess of \$100,000 in a fiscal year. Compensation includes total base salary before taxes as well as overtime payments, retirement or severance payments, lump-sum payments and vacation payout, payments made for exceptional benefits not provided to the majority of the employees and the value of the benefit derived from vehicle or allowances with respect to vehicles.

Adsum Association for Women & Children is a public sector body as defined by Section 2(f) of the Public Sector Compensation Disclosure Act. For the 2021-2022 fiscal year, the following employee received compensation of \$100,000 or more:

Employee, title:

Sheri Lecker, Executive Director	\$120,000
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## ADSUM FOR WOMEN & CHILDREN

### Notes to Financial Statements

Year Ended March 31, 2022

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#### 18. Significant Events

In March 2020, the World Health Organization declared a global pandemic due to the novel coronavirus (COVID-19). The situation is constantly evolving, and the measures put in place are having multiple impacts on local, provincial, national and global economies.

Management is uncertain of the effects of these changes on its financial statements and believes that any disturbance may be temporary; however, there is uncertainty about the length and potential impact of the disturbance.

As of June 2022, the pandemic is still underway. As a result, we are unable to estimate the potential impact on the Association's operations as at the date of these financial statements.

#### 19. Deferred contributions

	<u>2022</u>	<u>2021</u>
<u>Capital assets</u>		
Various deferred grants for purchases of capital properties, to be recognized as buildings are amortized. There have been no contributions received for this purpose in 2021 and 2022, and the deferred revenue balance represents unrecognized money at year end.	<u>\$ 1,963,638</u>	<u>\$ 2,061,035</u>
Grand total	<u>\$ 1,963,638</u>	<u>\$ 2,061,035</u>

The balance in deferred contributions represents funding received for the purposes outlined above, that is unspent but committed for each project.

## ADSUM FOR WOMEN & CHILDREN

### Notes to Financial Statements

Year Ended March 31, 2022

#### 20. Deferred contributions - future expenditures

	Deferred expenditures beginning	Receipts	Revenue	Deferred expenditures ending
<b>Deferred contributions - future expenditures</b>				
Shelter Diversion Support	\$ -	\$ 113,340	\$ (90,169)	\$ 23,171
Journey Home	-	44,690	(23,707)	20,983
Unlocking Hope	(753)	37,500	(36,747)	-
Peer Works	8,828	19,645	(22,261)	6,212
Association	106,620	193,451	(270,904)	29,167
Diverting Families	113,361	540,027	(549,829)	103,559
Sunflower House	4,542,996	932,234	(334,800)	5,140,430
<b>Total future expenditures</b>	<b>\$ 4,771,052</b>	<b>\$ 1,880,887</b>	<b>\$ (1,328,417)</b>	<b>\$ 5,323,522</b>

Shelter Diversion Support - Provincial funding received from the Department of Community Services to assist in accommodating those in need with shelter.

Journey Home - Provincial funding received from the Department of Community Services to assist in safe emergency housing for longer-term housing in specified locations.

Unlocking Hope - The Status of Women Council funded initiative to support survivors of family violence.

Peer Works - Funding provided from various contributors to assist in providing opportunities within the community to facilitate work.

Association - Funding received from the Canadian Women's Foundation, Halifax Regional Municipality and TD bank to assist in supporting marginalized women, youth, trans and families with long-term safe housing.

Diverting Families - Primarily funded by the Department of Community Services and other various donation, the diverting family funds are reserved to assist in diverting families from shelters to homes.

Sunflower House - Funding provided through various initiative to assist in the costs to support the construction of a new affordable housing program offering 25 housing units and community space.