

**Spencer House Seniors Centre**  
**Halifax, Nova Scotia**

**Financial Statements**  
**December 31, 2024**

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## **Morse Brewster Lake**

Chartered Professional Accountants

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### **INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT**

To the Members of the

#### **Spencer House Seniors Centre**

We have reviewed the accompanying financial statements of **Spencer House Seniors Centre** that comprise the statement of financial position as at December 31, 2024, and the statements of operation, statement of changes in net asset 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 non 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 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, and 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.

#### **Basis for Qualified Conclusion**

In common with many not-for-profit organizations, the Organization derives revenue from fundraising activities, the completeness of which is not susceptible to us obtaining evidence we considered necessary for the purpose of the review. Accordingly, the evidence obtained of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were unable to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended December 31, 2024 and December 31, 2023, current assets and net assets as at December 31, 2024 and December 31, 2023.

## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT (CONTINUED)

### Qualified Conclusion

Based on our review, except for the possible effects of the matter described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of **Spencer House Seniors Centre** as at December 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for non profit organizations.

Berwick, Nova Scotia  
May 15, 2025

*Mona Brewster Lake*

Chartered Professional Accountants

# Spencer House Seniors Centre

## Statement of Financial Position

December 31, 2024

	<u>2024</u>	<u>2023</u>
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 266,922	\$ 284,314
Accounts receivable	17,401	-
HST receivable	4,804	9,176
Investments (note 3)	412,000	10,923
Prepaid expenses	<u>756</u>	<u>12</u>
	701,883	304,425
<b>Investments</b> (at fair market value, note 3)	328,520	302,390
<b>Property and Equipment</b> (note 4)	<u>119,251</u>	<u>108,474</u>
	<u>\$1,149,654</u>	<u>\$ 715,289</u>
<b>Liabilities</b>		
<b>Current</b>		
Payables and accruals	\$ 19,840	\$ 5,602
Deferred revenue (note 5)	<u>528,624</u>	<u>201,389</u>
	548,464	206,991
<b>Deferred Capital Grants</b> (note 6)	<u>116,141</u>	<u>108,474</u>
	<u>664,605</u>	<u>315,465</u>
<b>Net Assets</b>		
<b>Net Assets Invested in Property and Equipment</b> (page 5)	3,110	-
<b>Unrestricted Net Assets</b> (page 5)	<u>481,939</u>	<u>399,824</u>
	<u>485,049</u>	<u>399,824</u>
	<u>\$1,149,654</u>	<u>\$ 715,289</u>

On Behalf of the Board

 , Director
  , Director

# Spencer House Seniors Centre

## Statement of Operations

Year Ended December 31, 2024

	<u>2024</u>	<u>2023</u>
<b>Revenue</b>		
Revenue (See note 7)	\$ <u>791,028</u>	\$ <u>371,997</u>
<b>Cost of Goods Sold</b>		
Activities	4,854	1,980
Grant related expenses	428,578	91,102
Luncheon	<u>67,785</u>	<u>57,279</u>
	<u>501,217</u>	<u>150,361</u>
<b>Gross Profit</b>	<u>289,811</u>	<u>221,636</u>
<b>Expenditures</b>		
Advertising	1,132	1,537
Insurance	3,928	3,662
Interest and bank charges	1,110	539
Investment advisor fees	3,897	3,761
Office expenses	2,108	2,542
Property taxes	1,498	1,481
Professional fees	9,944	8,708
Rent	7,619	6,984
Repairs and maintenance	16,924	16,103
Salaries and benefits	146,794	117,987
Telephone and technology	2,504	2,100
Utilities	6,748	6,560
Travel	<u>35</u>	<u>215</u>
	<u>204,241</u>	<u>172,179</u>
Excess of Revenue over Expenditure Before Amortization	<u>85,570</u>	<u>49,457</u>
Amortization of property and equipment	(14,589)	(12,053)
Amortization of deferred contributions	<u>14,244</u>	<u>12,053</u>
	<u>(345)</u>	<u>-</u>
<b>Excess of Revenue over Expenditures</b>	<u>\$ 85,225</u>	<u>\$ 49,457</u>

## Spencer House Seniors Centre

### Statement Changes in of Net Assets

Year Ended December 31, 2024

		Net Assets Invested in Property and Equip.	Unrestricted Net Assets	2024 Total Net Assets	2023 Total Net Assets
Balance, beginning of year	\$	-	\$ 399,824	\$ 399,824	\$ 350,367
Investment in Property and Equipment		3,455	(3,455)	-	-
Amortization of deferred contributions		14,244	(14,244)	-	(12,053)
Amortization of property & equipment		(14,589)	14,589	-	12,053
Excess of Revenue over Expenditures for the year		-	85,225	85,225	49,457
Balance, end of year	\$	<u>3,110</u>	<u>481,939</u>	<u>485,049</u>	<u>399,824</u>

# Spencer House Seniors Centre

## Statement of Cash Flow

Year Ended December 31, 2024

	<u>2024</u>	<u>2023</u>
<b>Cash flow from operating activities:</b>		
Excess of revenue over expenditures	\$ 85,225	\$ 49,457
Non-cash amortization of deferred capital grant	(14,244)	(12,053)
Unrealized (gain) loss on investments	(21,503)	(16,333)
Non-cash amortization	<u>14,589</u>	<u>12,053</u>
	64,067	33,124
 Changes in		
Accounts receivable	(13,029)	(5,685)
Prepaid expense	(744)	16
Accounts payable	14,238	(366)
Deferred revenue	<u>327,235</u>	<u>118,077</u>
	<u>391,767</u>	<u>145,166</u>
 <b>Cash flow from investing activities:</b>		
Purchase of investments	(524,082)	(108,664)
Sale of investments	118,377	70,042
Deferred capital grants	21,912	120,526
Purchase of capital assets	<u>(25,366)</u>	<u>(120,526)</u>
	<u>(409,159)</u>	<u>(38,622)</u>
 <b>Cash (Decrease) Increase</b>	(17,392)	106,544
 <b>Cash and Equivalencies, beginning of year</b>	<u>284,314</u>	<u>177,770</u>
 <b>Cash and Equivalencies, end of year</b>	\$ <u><u>266,922</u></u>	\$ <u><u>284,314</u></u>

# Spencer House Seniors Centre

## Notes to Financial Statements

December 31, 2024

### 1. Nature of Operations

The Centre was incorporated under the Societies Act of Nova Scotia on July 2, 1979. The Centre is exempt from income taxes under Section 149 (1)(L) of the Income Tax Act. The Centre provides affordable cooked meals and organized activities to senior citizens within the community.

### 2. Significant Accounting Policies

#### Basis of Presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not for profit organizations.

#### Cash and cash equivalents

Cash includes cash and cash equivalents. Cash and cash equivalents consist primarily of commercial paper and deposits with an original maturity date of three months or less.

#### Revenue Recognition

The Centre uses the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year 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.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned. Endowment contributions are recognized as direct increases in net assets.

Externally restricted contributions for the purchase of property, plant and equipment that will be amortized are recorded as deferred capital contributions and recognized as revenue on the same basis as the amortization expense related to the acquired property, plant and equipment. Externally restricted contributions for the purchase of property, plant and equipment that will not be amortized are recognized as direct increases in net assets to the Investment in Capital Assets balance.

#### Contributed services

Volunteers contribute many hours per year to assist the Centre in carrying out its activities. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

#### Property and Equipment

Property and equipment are recorded at cost and amortized over their useful lives using straight line amortization as outlined in Note 4. Contributed property and equipment are recorded at fair market value at the date of contribution.

# Spencer House Seniors Centre

## Notes to Financial Statements

December 31, 2024

### 2. Significant Accounting Policies (continued)

#### Financial Instruments

investments available for trade are to be reported at fair market value. Investment held to maturity are to be recorded at cost.

#### Fair Value of Financial Assets and Financial Liabilities

Financial instruments of the Centre consist mainly of cash, accounts receivable, short-term investments, accounts payable and accrued liabilities. The carrying value of these financial instruments approximate their fair values unless otherwise indicated.

#### Use of Estimates

The preparation of financial statements in conformity with Canadian accounting standards for non 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 revenues and expenditures during the reported period. Actual results could differ from management's best estimates as additional information becomes available in the future.

#### Government assistance

Government and other grants related to property, plant and equipment are accounted for as deferred government assistance and amortized on the same basis as the related property, plant and equipment. Operating grants are accounted for as a reduction of operating expenses.

### 3. Investments (at fair market value)

	<u>2024</u>	<u>2023</u>
GIC - Bank of Nova Scotia GIC 3.75%, due Feb 2024	\$ -	\$ 10,923
GIC - Royal Bank GIC 4.90%, due June 2025	12,000	-
GIC - Royal Bank GIC 3.75%, due July 2025	200,000	-
GIC - Royalbank GIC 2.85%, due November 2025	200,000	-
National Bank Financial - Fixed income	83,366	64,909
National Bank Financial - Equity	188,009	168,094
National Bank Financial - Other assets	<u>57,146</u>	<u>69,387</u>
Total	740,521	313,313
Less current portion	<u>(412,000)</u>	<u>(10,923)</u>
	<u>\$ 328,521</u>	<u>\$ 302,390</u>

The National Bank financial funds were received from the estate of the late Margaret Dingley. The board has internally restricted the funds whereby a portion of investment income earned is used for operational purposes annually.

# Spencer House Seniors Centre

## Notes to Financial Statements

December 31, 2024

### 4. Property and Equipment

		<u>2024</u>			<u>2023</u>
	<u>Rates</u>	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Equipment	20%SL	\$ 45,936	\$ 26,935	\$ 19,001	\$ 7,584
Leasehold Improvements	10Y SL	<u>123,844</u>	<u>23,594</u>	<u>100,250</u>	<u>100,890</u>
		<u>\$ 169,780</u>	<u>\$ 50,529</u>	<u>\$ 119,251</u>	<u>\$ 108,474</u>

### 5. Deferred Revenue

	<u>2024</u>	<u>2023</u>
Nova Scotia Department of Community Services	\$ 15,101	\$ 15,103
Societal Services Recovery	-	80,140
Oasis Halifax	378,412	-
Seniors' Centre Without Walls	24,404	-
Happy at Home	75,839	60,142
Outdoor Project	1,757	874
Community Projects	19,073	22,147
Other Projects	<u>14,038</u>	<u>22,983</u>
	<u>\$ 528,624</u>	<u>\$ 201,389</u>

Changes in the deferred revenue balances are as follows:

Balance beginning of year	\$ 201,389	\$ 83,313
Add (Deduct):		
Amounts recognized as revenue during the year	(587,028)	(269,524)
Amounts received related during the year	<u>914,263</u>	<u>387,600</u>
Balance end of year	<u>\$ 528,624</u>	<u>\$ 201,389</u>

### 6. Deferred Capital Grants

Grants received towards the acquisition of property and equipment are deferred and recognized to income at rates similar to the assets to which they relate.

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 108,473	\$ -
Funding received	<u>21,912</u>	<u>120,526</u>
	130,385	120,526
Amortization of assistance	<u>(14,244)</u>	<u>(12,053)</u>
Balance, end of year	<u>\$ 116,141</u>	<u>\$ 108,473</u>

# Spencer House Seniors Centre

## Notes to Financial Statements

December 31, 2024

### 7. Capital Management

The Centre's objectives in managing capital are to ensure that sufficient financial resources are in place to deliver on the priorities set by the Board of Directors. Management and Directors of the Centre monitor its capital on an ongoing basis.

### 8. Revenue Details

	<u>2024</u>	<u>2023</u>
Donations	\$ 113,282	\$ 115,171
Dividends	7,828	9,950
Grant - Community Services	100,024	60,399
Grants - Various	79,828	48,715
Happy at Home	112,836	-
Home Instead Grant	-	10,000
HRM Grant	-	7,527
JTI Grant	-	15,000
In House Games	2,948	2,915
Interest Income	5,591	3,967
Lunch Sales	58,477	32,083
Membership Income	1,520	5,007
Misc. Activities	4,388	-
Oasis Halifax	117,457	-
Other Income	1,031	586
Programs	1,809	1,484
Realized gain on investments	11,657	5,624
Special meals	-	708
Seniors' Centre Without Walls	47,062	-
Social Services Recovery Grant	76,787	9,861
United Way	27,000	26,667
Unrealized gain (loss) on investments	21,503	16,333
	<u>\$ 791,028</u>	<u>\$ 371,997</u>

### 9. Comparative Figures

Certain of the comparative figures have been restated to conform to the financial statement presentation adopted for the current year.