

HOPE'S HOME INCORPORATED

FINANCIAL STATEMENTS

MARCH 31, 2020

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The accompanying financial statements of **Hope's Home Incorporated** have been prepared by the Organization's management in accordance with Canadian accounting standards for not-for-profit organizations and necessarily include some amounts based on informed judgement and management estimates.

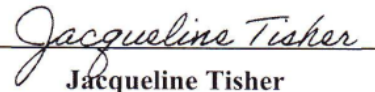
To assist management in fulfilling its responsibilities, a system of internal controls has been established to provide reasonable assurance that the financial statements are accurate and reliable and that assets are safeguarded.

The Board of Directors have reviewed and approved these financial statements.

These financial statements have been examined by the independent auditors, **Virtus Group LLP**, and their report is presented separately.



Todd Klink
Board Chair



Jacqueline Tisher
Chief Executive Officer



INDEPENDENT AUDITORS' REPORT

**To the Board of Directors,
Hope's Home Incorporated**

Qualified Opinion

We have audited the financial statements of **Hope's Home Incorporated**, which comprise the statement of financial position as at March 31, 2020, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the 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 Organization as at March 31, 2020, and its financial performance and 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 not-for-profit organizations, the Organization derives a portion of its revenue in the form of donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Organization and we are not able to determine whether any adjustments might be necessary to revenues, expenses or net assets.

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 Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Saskatchewan, 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 opinion.

Other matter

The financial statements of Hope's Home Incorporated for the year ended March 31, 2019 were audited by another auditor who expressed an unmodified opinion on those statements on June 25, 2019.

Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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.

INDEPENDENT AUDITORS' REPORT continued

In preparing the financial statements, management is responsible for assessing the Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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 Organization'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 Organization'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 Organization 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 significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

June 2, 2020
Regina, Saskatchewan

VIRTUS GROUP LLP
Chartered Professional Accountants

HOPE'S HOME INCORPORATED
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2020
(with comparative figures for 2019)

	General Fund	Restricted Fund	Capital Fund	2020	2019
Assets					
Current assets					
Cash (Note 3)	\$ 1,440,879	\$ 667,078	\$ -	\$ 2,107,957	\$ 1,592,943
Accounts receivables	295,053	-	-	295,053	312,559
Good and services tax recoverable	24,182	-	-	24,182	21,046
Prepaid expenses	121,392	-	-	121,392	29,578
Deposits	14,043	-	-	14,043	12,274
	<u>1,895,549</u>	<u>667,078</u>	<u>-</u>	<u>2,562,627</u>	<u>1,968,400</u>
Tangible capital assets (Note 4)	-	-	3,350,897	3,350,897	3,004,765
Intangible assets (Note 5)	-	-	20,000	20,000	20,000
	<u>\$ 1,895,549</u>	<u>\$ 667,078</u>	<u>\$ 3,370,897</u>	<u>\$ 5,933,524</u>	<u>\$ 4,993,165</u>
Liabilities					
Current liabilities					
Bank indebtedness (Note 6)	\$ 2,361	\$ -	\$ -	\$ 2,361	\$ 2,631
Accounts payable	297,074	81,291	-	378,365	143,763
Employee deductions payable	47,747	-	-	47,747	63,737
Wages payable	405,038	-	-	405,038	378,096
Interest payable	-	-	5,327	5,327	3,154
Deferred revenue (Note 7)	300,904	347,050	-	647,954	648,390
Current portion of long term debt (Note 8)	-	-	98,484	98,484	157,665
	<u>1,053,124</u>	<u>428,341</u>	<u>103,811</u>	<u>1,585,276</u>	<u>1,397,436</u>
Long term debt (Note 8)	-	-	1,835,572	1,835,572	1,930,461
	<u>1,053,124</u>	<u>428,341</u>	<u>1,939,383</u>	<u>3,420,848</u>	<u>3,327,897</u>
Net Assets					
Invested in tangible capital assets	-	-	1,431,514	1,431,514	933,485
Restricted	-	238,737	-	238,737	288,709
Unrestricted	842,425	-	-	842,425	443,074
	<u>842,425</u>	<u>238,737</u>	<u>1,431,514</u>	<u>2,512,676</u>	<u>1,665,268</u>
	<u>\$ 1,895,549</u>	<u>\$ 667,078</u>	<u>\$ 3,370,897</u>	<u>\$ 5,933,524</u>	<u>\$ 4,993,165</u>

See accompanying notes to the financial statements.

HOPE'S HOME INCORPORATED
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2020
(with comparative figures for the year ended March 31, 2019)

	General Fund	Restricted Fund	Capital Fund	2020	2019
Net assets - beginning of year	\$ 443,074	\$ 288,709	\$ 933,485	\$ 1,665,268	\$ 713,646
Excess of revenue over expenses	495,520	165,488	186,400	847,408	951,622
Tangible capital asset purchases	(174,062)	(433,101)	607,163	-	-
Repayment of long term debt	(228,199)	-	228,199	-	-
Gain on disposal of tangible capital assets	(9,708)	-	9,708	-	-
Externally restricted transfers	(217,641)	217,641	-	-	-
Externally restricted transfers	533,441		(533,441)	-	-
Net assets - end of year	<u>\$ 842,425</u>	<u>\$ 238,737</u>	<u>\$ 1,431,514</u>	<u>\$ 2,512,676</u>	<u>\$ 1,665,268</u>

See accompanying notes to the financial statements.

HOPE'S HOME INCORPORATED
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2020
(with comparative figures for the year ended March 31, 2019)

	General Fund	Restricted Fund	Capital Fund	2020	2019
Revenue					
Daycare fees	\$ 2,886,409	\$ -	\$ -	\$ 2,886,409	\$ 2,709,936
Donations and fundraising	641,728	165,488	536,594	1,343,810	703,683
Provincial grants	8,413,280	-	-	8,413,280	7,988,922
	<u>11,941,417</u>	<u>165,488</u>	<u>536,594</u>	<u>12,643,499</u>	<u>11,402,541</u>
Expenses					
Administration costs	325,357	-	-	325,357	244,045
Bad debts	27,632	-	-	27,632	20,159
Bank fees and charges	56,362	-	-	56,362	35,696
Direct operations costs	581,825	-	-	581,825	616,088
Fundraising costs	225,181	-	-	225,181	113,539
Occupancy costs	437,407	-	340,486	777,893	742,165
Professional services	238,030	-	-	238,030	208,609
Wages and benefits	9,661,950	-	-	9,661,950	8,504,939
	<u>11,553,744</u>	<u>-</u>	<u>340,486</u>	<u>11,894,230</u>	<u>10,485,240</u>
Excess of revenue over expenses from operations	387,673	165,488	196,108	749,269	917,301
Other revenue and expenses					
Gains (losses) on disposal of assets	-	-	(9,708)	(9,708)	28,000
Other revenue	107,847	-	-	107,847	6,321
Excess of revenue over expenses	<u>\$ 495,520</u>	<u>\$ 165,488</u>	<u>\$ 186,400</u>	<u>\$ 847,408</u>	<u>\$ 951,622</u>

See accompanying notes to the financial statements.

HOPE'S HOME INCORPORATED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2020
(with comparative figures for the year ended March 31, 2019)

	<u>2020</u>	<u>2019</u>
Cash provided by (used in) operating activities:		
Excess of revenue over expenses	\$ 847,408	\$ 951,622
Items not involving cash		
- Amortization of tangible capital assets	261,031	219,687
	1,108,439	1,171,309
Change in non-cash operating working capital		
Accounts receivables	17,506	(85,777)
Goods and services tax payable/receivable	(3,136)	4,820
Inventory	-	2,588
Prepaid expenses	(91,814)	11,783
Deposits	(1,769)	3,150
Accounts payable	234,602	(10,483)
Employee deductions payable	(15,990)	(69,523)
Wages payable	26,942	(65,256)
Interest payable	2,173	65
Deferred revenue	(436)	(1,077)
	168,078	(209,710)
	1,276,517	961,599
Cash provided by (used in) investing activities:		
Purchase of tangible capital assets	(607,163)	(635,790)
	(607,163)	(635,790)
Cash provided by (used in) financing activities:		
Repayment of long term debt	(154,070)	(169,372)
	(154,070)	(169,372)
Increase in cash	515,284	156,437
Cash position - beginning of year	1,590,312	1,433,875
Cash position - end of year	\$ 2,105,596	\$1,590,312

See accompanying notes to the financial statements.

HOPE'S HOME INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020
(with comparative figures for the year ended March 31, 2019)

1. Nature of operations

Hope's Home Incorporated (the "Organization") is a not-for-profit organization incorporated provincially under the *Non-profit Corporations Act, 1995* in Saskatchewan. As a registered charity, the Organization is exempt from the payment of income tax under Section 149(1) of the *Income Tax Act*.

The Organization provides childcare for children with complex medical needs and their siblings, as well as other children from the community, through partnerships with provincial agencies, organizations and communities.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and the financial statements reflect the following policies. The financial statements required management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

Fund accounting

The Organization follows the restricted fund method of accounting for contributions.

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

The Restricted Fund accounts for the Organization's externally restricted funds received which are designated for a specific purpose.

The Capital Fund reports the assets, liabilities, revenues and expenses related to the Organization's tangible capital assets.

Financial instruments

Financial assets and financial liabilities are recorded on the statement of financial position when the Organization becomes party to the contractual provisions of the financial instrument. The Organization initially measures its financial assets and financial liabilities at fair value, except for certain related party transactions that are measured at the carrying amount or exchange amount, as appropriate. Measurement in subsequent periods of equity instruments is at fair value. All other financial assets and financial liabilities are subsequently measured at amortized cost adjusted by transaction costs, which are amortized over the expected life of the instrument.

Fair value is the amount at which a financial instrument could be exchanged at arm's length between willing, unrelated parties in an open market. Changes in fair values of financial assets and financial liabilities measured at fair value are recognized in excess of revenue over expenditures. When there is an indication of impairment the carrying amount of financial assets measured at amortized cost may be reduced. Such impairments can be subsequently reversed if the value improves.

HOPE'S HOME INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020
(with comparative figures for the year ended March 31, 2019)

2. Summary of significant accounting policies continued

Financial instruments continued

The Organization's recognized financial instruments costs of cash, accounts receivable, accounts payable, security deposits, accrued liabilities, and long term debt.

Tangible capital assets

Tangible capital assets are recorded at cost less accumulated amortization. Amortization is provided on the straight line basis over the estimated useful life of the assets at the following annual rates:

Buildings	20 years
Equipment	5 years
Motor vehicles	5 years
Computer equipment	3 to 5 years
Leasehold improvements	5 and 20 years

The Organization has set a cost threshold of \$5,000 for any newly acquired assets to be capitalized.

Claims for assistance under Saskatchewan Housing Corporation grant programs are recorded as a reduction of the cost of the related asset in the period in which eligible expenditures are incurred, with any amortization calculated on the net amount.

Tangible capital assets acquired during the year, but not available to use, are not amortized until they are placed into use.

Intangible asset

The intangible asset has an indefinite life and is not amortized. It is tested for impairment on an annual basis if changes in circumstances indicate they might have sustained an impairment. If fair value is determined to be less than carrying value, the resulting impairment is reported in the statement of operations.

Revenue recognition

The Organization follows the restricted fund method of accounting for contributions. Restricted contributions, including grant funding, related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. 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.

Daycare fees are recognized in the period the childcare services are provided. Donation and fundraising revenues are recorded as they are received. Revenues from events are recognized when the event occurs. Donations of materials are recorded in revenue at fair value when they otherwise would have been purchased and when fair value can reasonably be estimated, as at the date received.

HOPE'S HOME INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020
(with comparative figures for the year ended March 31, 2019)

3. Cash

	2020	2019
<u>Operating fund</u>		
Affinity Credit Union - Investor Savings Account	\$ 821,968	\$ 341,791
Affinity Credit Union - Max 99	391,761	302,259
Affinity Credit Union - Max 4	16,688	171,816
Affinity Credit Union - Max 6	195,551	87,693
Affinity Credit Union - Max 7	4,560	22,312
Affinity Credit Union - Max 9 (Grocery Warman)	1,669	14,811
Bank-Clearing Account	(3,050)	11,866
Affinity Credit Union - Max 1	1,837	6,701
Affinity Credit Union - Max 5	2,929	2,031
Petty Cash - Programming	956	1,389
Affinity Credit Union - Max 10	2,054	1,349
Affinity Credit Union - Max 8	3,958	295
	1,440,879	964,313
<u>Restricted Fund</u>		
Affinity Credit Union - Max 3	658,809	621,559
Petty cash - Social	8,268	7,072
	667,077	628,631
	\$ 2,107,957	\$ 1,592,944

Cash is made up of deposit balances with banks and petty cash funds held for sundry purchases. Cash subject to restrictions that prevent its use for other than specific current purposes is included in restricted cash.

HOPE'S HOME INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020
(with comparative figures for the year ended March 31, 2019)

4. Tangible capital assets

	2020		2019	
	Cost	Accumulated Amortization	Net Book value	Net Book value
Land	\$ 444,135	\$ -	\$ 444,135	\$ 444,135
Building	2,965,588	959,012	2,006,576	2,154,855
Equipment	138,917	108,198	30,719	24,625
Motor vehicles	283,924	206,117	77,807	132,683
Computer equipment	61,288	30,130	31,158	29,666
Furniture and fixtures	13,593	9,934	3,659	704
Leasehold improvements	429,354	86,841	342,513	207,334
Work in progress	414,330	-	414,330	10,763
	<u>\$ 4,751,129</u>	<u>\$ 1,400,232</u>	<u>\$ 3,350,897</u>	<u>\$ 3,004,765</u>

5. Intangible asset

	2020	2019
Swinging With The Stars license	\$ 20,000	\$ 20,000

6. Bank indebtedness

Affinity Credit Union – Max 2 account has an authorized overdraft limit of \$5,000. At March 31, 2020, \$2,361 was drawn (2019 - \$2,631). Affinity Credit Union – Max 99 account has an authorized overdraft limit of \$165,000 bearing interest at prime + .50%. At March 31, 2020, \$Nil was drawn (2019 - \$Nil).

7. Deferred revenue

	2020	2019
Capital development funding - Saskatoon	\$ 347,050	\$ 332,850
Deferred fundraising revenues	52,627	127,920
Deferred daycare fees	131,088	120,318
Grants	117,189	66,500
Other	-	802
	<u>\$ 647,954</u>	<u>\$ 648,390</u>

HOPE'S HOME INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020
(with comparative figures for the year ended March 31, 2019)

8. Long term debt

	2020	2019
Affinity Credit Union loan bearing interest at 3.99% per annum, repayable in monthly blended payments of \$4,656. The loan matures on June 9, 2023 and is secured by land and building located at 339 Brookdale Crescent, Saskatoon, Saskatchewan, which has a carrying value of \$746,397.	\$ 826,038	\$ 848,640
Affinity Credit Union loan bearing interest at 4.09% per annum, repayable in monthly blended payments of \$6,007. The loan matures on June 29, 2023 and is secured by land and building located at 540 First Avenue East, Prince Albert, Saskatchewan, which has a carrying value of \$548,654.	752,810	789,939
Affinity Credit Union loan bearing interest at 4.04% per annum, repayable in monthly blended payments of \$3,100. The loan matures on December 15, 2023 and is secured by land and building located at 350 College Avenue, Regina, Saskatchewan, which has a carrying value of \$389,967.	344,399	366,571
Community Forward Fund loan bearing interest at 5.75% per annum, repayable in monthly blended payments of \$6,427. The loan matured on December 1, 2019.	-	56,480
Daimler Truck Financial loan bearing interest at 4.5% per annum, repayable in monthly blended payments of \$1,378. The loan matures on November 25, 2020 and is secured by a Diamond Coach bus which has a carrying value of \$9,215.	10,809	26,496
Amount payable within one year	1,934,056	2,088,126
	(98,484)	(157,665)
	\$1,835,572	\$1,930,461

Principal repayment due in the next five years:

2021	\$ 98,484
2022	91,343
2023	95,165
2024	99,146
2025	103,294
	\$1,545,770

HOPE'S HOME INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020
(with comparative figures for the year ended March 31, 2019)

9. Commitments

The Organization leases premises under an agreement requiring aggregate minimum payments over the next five years as follows:

2021	\$ 317,282
2022	346,261
2023	346,261
2024	346,261
2025	346,261
	<u>\$ 1,702,327</u>

10. Economic dependence

The Organization currently receives significant funding from the province of Saskatchewan. Funding received in 2020 accounted for 70% (2019 - 73%) of total operating revenues. As a result, the Organization is dependent on the continuance of these grants to maintain operations at its current level of activity.

11. Financial risk management

The Organization has a risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The significant financial risks to which the Organization is exposed are:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization is exposed to credit risk on the accounts receivable from its customers, however, does not have a significant exposure to any individual customer or counterpart. In order to reduce its credit risk, the Organization has adopted credit policies to mitigate the risk of lost revenue.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Organization's exposure to liquidity risk is dependent on the receipt of funds from its operations, external funders and external financing, if required. Funds from these sources are primarily used to finance working capital and operational expenses and are considered adequate to meet the Organization's financial obligations.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Organization is exposed to interest rate risk primarily through its floating interest rate bank indebtedness, long term debt and credit facilities. The risk is considered low.

HOPE'S HOME INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020
(with comparative figures for the year ended March 31, 2019)

12. Comparative figures

Certain comparative figures have been reclassified to conform with the presentation in the current year.

The comparative year's financial statements were audited by other accountants, who issued an unmodified report dated June 25, 2019.

13. Subsequent event

On March 11, 2020, the World Health Organization declared a global pandemic for the COVID-19 virus. The Organization is following health advisories and mandatory requirements from local, provincial and national health and government organizations. At this time, the Organization continues to provide child care services, however, attendance has declined significantly and some employees have been temporarily laid off. The Organization has applied to government assistance programs to support operations. The full impact of the pandemic on the Organization's operations and finances is unknown at this time.

HOPE'S HOME INCORPORATED
SCHEDULES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020

Schedule 1: Ministry of Social Services Funded Operations

	Durham	Lakeview	PA Supportive	Saskatoon	Total
Revenue					
Daycare fees	\$ -	\$ -	\$ (6,260)	\$ -	\$ (6,260)
Supportive living operations	917,744	1,294,102	1,234,914	2,146,615	5,593,375
Other revenue	170	255	5,206	24,407	30,038
	<u>917,914</u>	<u>1,294,357</u>	<u>1,233,860</u>	<u>2,171,022</u>	<u>5,617,153</u>
Expenses					
Administrative costs	26,024	30,198	44,254	57,289	157,765
Bank fees and charges	418	418	502	921	2,259
Direct operations costs	44,512	53,512	47,846	109,955	255,825
Fundraising costs	532	532	800	1,119	2,983
Occupancy costs	56,299	54,682	93,625	136,977	341,583
Professional services	13,077	13,077	26,429	29,618	82,201
Wages and benefits	904,342	1,047,384	1,250,829	1,786,563	4,989,118
Total expenses before management expenses	<u>1,045,204</u>	<u>1,199,803</u>	<u>1,464,285</u>	<u>2,122,442</u>	<u>5,831,734</u>
Total surplus (deficit) before fundraising allocation	(127,290)	94,554	(230,425)	48,580	(214,581)
Fundraising revenue allocation	16,875	16,875	9,307	2,309	45,366
(Loss) gain on disposal of tangible capital assets	-	-	(9,415)	9,120	(295)
Net surplus (deficit)	<u>\$ (110,415)</u>	<u>\$ 111,429</u>	<u>\$ (230,533)</u>	<u>\$ 60,009</u>	<u>\$ (169,510)</u>

HOPE'S HOME INCORPORATED
SCHEDULES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020

Schedule 2: Ministry of Social Services Funded Reserves

	College Avenue			Saskatoon			Prince Albert		
	<u>Maintenance</u>	<u>Equipment</u>	<u>Furnishings</u>	<u>Maintenance</u>	<u>Equipment</u>	<u>Furnishings</u>	<u>Maintenance</u>	<u>Equipment</u>	<u>Furnishings</u>
Opening balance	\$ -	\$ -	\$ 12	\$ -	\$ -	\$ 65	\$ -	\$ -	\$ 301
Approved by MSS	2,200	2,200	2,200	1,100	1,100	1,100	1,100	1,100	1,100
Total expenses	<u>(6,004)</u>	<u>(2,210)</u>	<u>6,086</u>	<u>(5,736)</u>	<u>(1,647)</u>	<u>-</u>	<u>(3,957)</u>	<u>(2,100)</u>	<u>(832)</u>
Ending balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,165</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 569</u>