

**WINDSOR BAPTIST REFUGEE MINISTRIES**  
**(o/a MATTHEW HOUSE)**

**FINANCIAL STATEMENTS**  
**(Prepared Without Audit)**

**DECEMBER 31, 2021**

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Independent Practitioner's Review Engagement Report	1
Statement of Financial Position	2
Statement of Accumulated Net Assets	3
Statement of Operations	4
Statement of Cash Flows	5
Notes to Financial Statements	6

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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of  
Windsor Baptist Refugee Ministries (o/a Matthew House)

We have reviewed the statement of financial position of Windsor Baptist Refugee Ministries (o/a Matthew House) as at December 31, 2021 and the statement of operations, accumulated net assets and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which required 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 engagement 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 charitable organizations, the Organization derives revenue from contributions and other 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 and we were not able to determine whether any adjustments might be necessary to contributions and other fundraising revenues, excess of revenues over expenditures for the years ended December 31, 2021 and 2020 and accumulated net assets as at December 31, 2021 and 2020. Our conclusion on the financial statements as at and for the year ended December 31, 2020 was modified accordingly because of the possible effects of this limitation in scope.

### 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 these financial statements do not present fairly, in all material respects, the financial position of Windsor Baptist Refugee Ministries (o/a Matthew House) as at December 31, 2021, 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.

Windsor, Ontario  
June 8, 2022



Chartered Professional Accountants  
Licensed Public Accountants

**WINDSOR BAPTIST REFUGEE MINISTRIES  
(o/a MATTHEW HOUSE)**

**STATEMENT OF FINANCIAL POSITION  
(Prepared Without Audit)**

	Year Ended December 31	
	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 291,640	\$ 322,436
Investment, GIC, 1.85%, maturing December 29, 2022	81,779	76,779
HST receivable	13,522	8,669
Rent and wage subsidies receivable--Notes H and I	10,704	4,100
Prepaid expenses and deposits	<u>29,053</u>	<u>29,138</u>
	426,698	441,122
<b>PROPERTY, EQUIPMENT AND LEASEHOLDS--NOTE C</b>		
Furniture and equipment	18,966	16,286
Leasehold improvements - 3185 Forest Glade Dr.	<u>26,375</u>	<u>26,375</u>
	45,341	42,661
Less accumulated amortization	<u>18,780</u>	<u>10,855</u>
	<u>26,561</u>	<u>31,806</u>
	<u>\$ 453,259</u>	<u>\$ 472,928</u>
<b>LIABILITIES AND ACCUMULATED NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 9,105	\$ 13,140
Deferred contributions--Note D	<u>-</u>	<u>48,838</u>
	9,105	61,978
<b>CEBA LOAN, net of forgivable portion</b>	40,000	30,000
<b>ACCUMULATED NET ASSETS</b>		
Equity in property, equipment and leaseholds	26,561	31,806
Unrestricted	<u>377,593</u>	<u>349,144</u>
	<u>404,154</u>	<u>380,950</u>
	<u>\$ 453,259</u>	<u>\$ 472,928</u>

**COMMITMENTS--NOTE G**

APPROVED BY THE BOARD

\_\_\_\_\_ Director

\_\_\_\_\_ Director

See notes to financial statements

**WINDSOR BAPTIST REFUGEE MINISTRIES  
(o/a MATTHEW HOUSE)**

**STATEMENT OF ACCUMULATED NET ASSETS**  
(Prepared Without Audit)

**YEAR ENDED DECEMBER 31, 2021**

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	Invested in Property and <u>Equipment</u>	<u>Unrestricted</u>	Total <u>2021</u>	Total <u>2020</u>
Balance at beginning of year	\$ 31,806	\$ 349,144	\$ 380,950	\$ 315,577
Excess of revenues over expenditures	(7,925)	31,129	23,204	65,373
Net additions to capital assets	<u>2,680</u>	<u>(2,680)</u>	<u>-</u>	<u>-</u>
Balance at end of year	<u>\$ 26,561</u>	<u>\$ 377,593</u>	<u>\$ 404,154</u>	<u>\$ 380,950</u>

See notes to financial statements

**WINDSOR BAPTIST REFUGEE MINISTRIES**  
**(o/a MATTHEW HOUSE)**

**STATEMENT OF OPERATIONS**

(Prepared Without Audit)

	Year Ended December 31	
	<u>2021</u>	<u>2020</u>
<b>Revenues</b>		
Donations		
Individuals	\$ 88,441	\$ 135,387
Churches	58,225	61,360
Associations	17,059	15,979
Corporate	28,357	18,838
Other	2,809	6,646
Canada Emergency Wage Subsidy--Note H	8,995	9,618
Canada Emergency Rent Subsidy--Note I	24,965	2,103
Rental income	135,785	146,997
Grants--Note E	<u>55,588</u>	<u>39,356</u>
	420,224	436,284
<b>Expenditures</b>		
Wages and benefits	172,393	170,774
Lease expense--Note G	86,219	84,945
Property taxes	35,154	34,156
Utilities	51,724	47,995
Repairs and maintenance	11,732	15,132
Refugee food, transportation and services	7,479	10,360
Professional fees	3,000	3,450
Insurance	12,745	8,746
Office supplies and miscellaneous	7,672	5,095
Non-recoverable HST	5,880	6,225
Telephone and internet	4,347	3,442
Travel and mileage	775	1,169
Marketing and fundraising	4,296	4,365
Membership fees and dues	1,325	1,424
Interest and bank charges	974	902
Amortization	<u>7,925</u>	<u>6,889</u>
	413,640	405,069
EXCESS OF REVENUES OVER EXPENDITURES FROM OPERATIONS	6,584	31,215
<b>Other Income</b>		
Insurance proceeds	-	16,494
Interest and other income	6,620	7,664
Forgivable portion of CEBA loan	<u>10,000</u>	<u>10,000</u>
	16,620	34,158
EXCESS OF REVENUES OVER EXPENDITURES	23,204	65,373
Accumulated net assets at beginning of year	<u>380,950</u>	<u>315,577</u>
ACCUMULATED NET ASSETS AT END OF YEAR	<u>\$ 404,154</u>	<u>\$ 380,950</u>

See notes to financial statements

**WINDSOR BAPTIST REFUGEE MINISTRIES**  
**(o/a MATTHEW HOUSE)**

**STATEMENT OF CASH FLOWS**  
**(Prepared Without Audit)**

	Year Ended December 31	
	<u>2021</u>	<u>2020</u>
<b>CASH FLOWS PROVIDED BY (USED FOR):</b>		
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenditures	\$ 23,204	\$ 65,373
Charges to income not affecting cash		
Amortization	7,925	6,889
Changes in non-cash components of working capital		
Rent and wage subsidies receivable	(6,604)	(4,100)
HST receivable	(4,853)	(1,630)
Prepaid expenses and deposits	85	15,729
Accounts payable and accrued liabilities	(4,035)	(16,499)
Government remittances payable	-	(404)
Deferred contributions	(48,838)	48,838
	<u>(33,116)</u>	<u>114,196</u>
<b>FINANCING ACTIVITIES</b>		
Increase in CEBA loan payable	10,000	30,000
<b>INVESTMENT ACTIVITIES</b>		
Purchase of investment	(5,000)	(76,779)
Additions to property, equipment and leaseholds	(2,680)	(12,344)
	<u>(7,680)</u>	<u>(89,123)</u>
INCREASE (DECREASE) IN CASH	(30,796)	55,073
Cash at beginning of year	<u>322,436</u>	<u>267,363</u>
CASH AT END OF YEAR	<u>\$ 291,640</u>	<u>\$ 322,436</u>

See notes to financial statements

**WINDSOR BAPTIST REFUGEE MINISTRIES  
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**NOTES TO FINANCIAL STATEMENTS**  
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**DECEMBER 31, 2021**

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**A. GENERAL**

Windsor Baptist Refugee Ministries is a not-for-profit religious organization whose mission is to:

- (1) provide temporary homes and settlement support for refugee claimants;
- (2) orientating refugee claimants to Canadian life

The Organization is incorporated without share capital in the Province of Ontario and is a registered charity under the Income Tax Act.

**B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**BASIS OF ACCOUNTING:** These financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations.

**REVENUE RECOGNITION:** The Organization follows the deferral method of accounting for contributions. Under the deferral method, amounts received in the year for expenses to be incurred in the following year are recorded as deferred revenue.

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

Contributions to the various initiatives which have been internally designated as restricted are recognized as revenue in the year in which the related expenses are incurred.

**USE OF ACCOUNTING ESTIMATES:** The preparation of financial statements requires management and the Board of Directors to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

**CONTRIBUTED SERVICES:** The operation of the Organization relies upon the many hours of service provided by its members. Because of the difficulties of determining their fair value, contributed services are not recognized in these financial statements. Directors are not remunerated for their services.

**FINANCIAL INSTRUMENTS:** The Organization's financial instruments consist of cash, HST receivable, prepaid expenses and deposits, accounts payable and accruals and government remittances payable. The Organization initially measures its financial assets and financial liabilities at fair value. The Organization subsequently measures all of its financial assets and financial liabilities at amortized cost.

**PROPERTY, EQUIPMENT AND LEASEHOLDS:** Property, equipment and leaseholds are recorded at cost. Amortization is calculated by using the following methods and annual rates:

Leasehold improvements	20 %	straight-line
Furniture and equipment	20 %	declining balance

**WINDSOR BAPTIST REFUGEE MINISTRIES  
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**NOTES TO FINANCIAL STATEMENTS (Continued)**  
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**DECEMBER 31, 2021**

**C. PROPERTY, EQUIPMENT AND LEASEHOLDS**

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2021 Net</u>	<u>2020 Net</u>
Furniture and equipment	\$ 18,966	\$ 7,027	\$ 11,939	\$ 11,909
Leasehold improvements	<u>26,375</u>	<u>11,753</u>	<u>14,622</u>	<u>19,897</u>
	<u>\$ 45,341</u>	<u>\$ 18,780</u>	<u>\$ 26,561</u>	<u>\$ 31,806</u>

**D. DEFERRED CONTRIBUTIONS**

Deferred contributions represent externally restricted funding received for specific purposes.

	<u>2021</u>	<u>2020</u>
Deferred contributions, beginning of year	\$ 48,838	\$ -
Add amounts received for current and future purposes	6,750	88,194
Less amounts recognized as revenue in the year	<u>(55,588)</u>	<u>(39,356)</u>
Deferred contributions, end of year	<u>\$ -</u>	<u>\$ 48,838</u>

Deferred contributions are comprised of the following:

	<u>2021</u>	<u>2020</u>
Community Foundation of Canada	\$ -	\$ 27,395
Employment & Social Development Canada	-	15,362
100 Women Who Care Windsor Essex	<u>-</u>	<u>6,081</u>
	<u>\$ -</u>	<u>\$ 48,838</u>

**E. GRANT REVENUE**

Grant revenue is derived from the following sources:

	<u>2021</u>	<u>2020</u>
Community Foundation of Canada	\$ 27,395	\$ -
Employment & Social Development Canada	15,362	9,838
100 Women Who Care Windsor Essex	6,081	2,569
Bell Canada	1,250	-
Matthew House - Toronto	5,500	-
Food Rescue	-	8,217
Province of Ontario - training grant	-	1,732
Windsor Essex Community Foundation	-	5,000
Ontario Council of Agencies Serving Immigrants	<u>-</u>	<u>12,000</u>
	<u>\$ 55,588</u>	<u>\$ 39,356</u>



**WINDSOR BAPTIST REFUGEE MINISTRIES  
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**NOTES TO FINANCIAL STATEMENTS (Continued)**  
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**F. FINANCIAL INSTRUMENTS**

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

**CREDIT RISK:** The Organization is exposed to credit risk in the event of non-performance by counterparties in connection with its HST, rent and wage subsidies receivable. It is the Board of Directors' opinion that the Organization is not exposed to significant credit risk.

**LIQUIDITY RISK:** Liquidity risk is the risk of being unable to meet cash requirements or to fund obligations as they become due. Accounts payable and accrued liabilities are generally paid within 30 days. It is the Board of Directors' opinion that the Organization is not exposed to significant liquidity risk.

**INTEREST RATE RISK:** The Organization has interest-bearing investments. The Board of Directors do not consider this a significant risk at this time.

**G. COMMITMENTS**

On April 1, 2019, the Organization entered into a 20 year lease for its premises at 3185 Forest Glade Drive. The rent is payable in monthly installments of \$7,105 (2020 - \$7,105) plus HST. The base rent will increase yearly by the greater of 1.5% over the previous year's base rent or the increase in the Ontario Works Shelter allowance over the previous year.

The Organization has entered into an operating lease with RCAP leasing for the use of a photocopier machine. Annual payments over the remaining term of the lease are as follows:

2022	\$	344
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**H. CANADA EMERGENCY WAGE SUBSIDY**

In response to the negative economic impact of COVID-19, the Government of Canada announced the Canada Emergency Wage Subsidy ("CEWS") program in April 2020. CEWS provides a wage subsidy on eligible remuneration to eligible employers based on certain criteria. During the year, the Organization assessed its eligibility related to CEWS and determined it has qualified for this subsidy from January 1, 2021 through June 5, 2021. It has accordingly applied for and received \$8,995 (2020 - \$9,618) for the period ended June 5, 2021 and recorded a receivable of \$nil (2020 - \$1,997). This subsidy has been recorded as revenue earned by the Organization during the year.

**I. CANADA EMERGENCY RENT SUBSIDY**

In response to the negative economic impact of COVID-19, the Government of Canada announced the Canada Rent Wage Subsidy ("CERS") program in September 2020. CERS provides a rent subsidy on eligible property expenditures based on certain criteria. During the year, the Organization assessed its eligibility related to CERS and determined it has qualified for this subsidy from January 1, 2021 through September 25, 2021. It has accordingly applied for and received \$14,261 (2020 - \$2,103) for the period ended June 5, 2021 and recorded a receivable of \$10,704 (2020 - \$2,103) for the periods June 6, 2021 to September 25, 2021. This subsidy has been recorded as revenue earned by the Organization during the year.

**WINDSOR BAPTIST REFUGEE MINISTRIES  
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**NOTES TO FINANCIAL STATEMENTS (Continued)**  
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**J. COVID-19**

In March 2020, the World Health Organization ("WHO") declared a global pandemic due to the COVID-19 outbreak. As a result, on March 23, 2020, the government of Ontario ordered the closure of all non-essential businesses effective March 24, 2020.

Consequently, the Organization's normal operations have been interrupted. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Organization as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence.

**K. COMPARATIVE FIGURES**

Certain comparative figures have been restated to conform with the current year's presentation.