



# RESTORATIONS

SECOND STAGE HOMES

ANNUAL REPORT

2022-23

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# EXECUTIVE DIRECTOR'S STATEMENT

This year, we celebrated 10 years of Restorations! Restorations grew out of the unified passion of a small group of individuals who were concerned about the lack of individualized, long-term services for survivors of exploitation and trafficking in Canada. In September 2013, gathered in the living room of a home, a group of people met for the first time and committed to the work of opening a home to provide a safe, stable, and supportive place for survivors to address their physical, mental, emotional, social, and spiritual health needs.

What an incredible 10 years! From coming together as a group of people passionate to see a positive difference in the lives of survivors, to starting a charity, establishing the framework of what survivors said they needed in a long-term housing program, starting a Survivor-Led Peer Advocacy Program, and opening Nancy's House - we have seen how being positioned to journey alongside survivors and provide long-term relationships of compassion, empathy, and support has made a real difference.

In celebration of our 10 year anniversary, we took a look back through the years and gathered stories from individuals who have been a part of Restorations' growth and impact. Seeing the ways that this organization has had an impact on so many - survivors, volunteers, employees, supporters, and community members - has been powerful.

And as we looked back from where we've come, we also looked ahead to where we are going. In 2023, Restorations was the recipient of a Community Services Recovery Fund grant to support our project "Revitalizing Restorations' governance strength and planning for continued growth." This project (ending June 2024) allows us to evaluate and update our current governance policies and develop an organizational strategic plan.

As we have celebrated achieving our initial goal of opening a home for survivors, we are planning for our next phase of growth so we can have an even greater impact in the lives of survivors.

None of this would be possible without the commitment and dedication of our supporters. We thank you for the ways you care abundantly and deeply for Restorations and for survivors.



**JENNIFER LUCKING**  
Executive Director

# **BOARD CHAIR'S STATEMENT**

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2022-23 can be summed up in one word - INCREASE. There has been an increase in the number in our Peer Advocacy program, in the number of residents in Nancy's House, and in our funding. We have welcomed new staff and volunteer committee members, and we have grown in recognition and in community collaboration. It has truly been an incredible year!

As we celebrate 10 years at Restorations we know that nothing we have been able to accomplish would be possible without the continued support of our faithful donors and so we thank you! I also want to thank all current and former board directors, some before my time, for their passion and dedication to stay true to our values as we've pursued our mission these 10 years. As we embark on the work of strategic planning that lies ahead of us in 2024, we look forward with anticipation to the even greater increase that lies ahead.

Thank you!



**JENNIFER POTTER**  
Chair, Board of Directors



*A survivor living at Nancy's House discovered a real love of gardening, and our gardens in the summer reflected her hard work and commitment.*



“

**I am so blessed to be here. It has changed my life.**

**Who knows where I would be  
right now if I was not here.**

**The women in this house have changed me.  
I'll forever be grateful to have them in my life.**

”

# HIGHLIGHTS

## NANCY'S HOUSE

Nancy's House is positioned to support those who:

- Are survivors of sexual exploitation and/or human trafficking.
- Are looking for a communal living environment that can provide supports to address a variety of needs like counseling, education, job training, life skills development, and/or social supports.
- Are comfortable living independently with in-house staff supports throughout weekdays.
- Are willing to live in a sober living environment.
- Are looking for housing for a minimum of 6 months and up to 2 years.
- Do not have dependent children or pets in their care.

At Restorations, one of our organizational values is Holistic Care, and we seek to empower survivors in their physical, mental, emotional, social, and spiritual restoration. Holistic care is about caring for the whole person and rooted in the understanding that our physical, mental, emotional, social, and spiritual health needs are all part of our overall health. As residents work with staff to create their care plans, we take into consideration these various needs and strive to provide holistic support to care for the whole person. Over the last year, often in partnership with community resources, residents have participated in activities including:

- Counselling
- Educational upgrading
- Recovery/sobriety meetings
- Financial literacy coaching
- Fitness activities at a local gym
- Sessions on nutrition
- Reuniting and/or building relationships with family
- Regular meetings with community resource workers
- Gardening workshop
- Art workshops
- Bird watching workshop
- Horseback riding
- Community meals with residents and staff
- Other fun and/or therapeutic excursions in our wider community





## HIGHLIGHTS PEER ADVOCACY PROGRAM

The Survivor-Led Peer Advocacy Program at Restorations is a space that has been designed by survivors for survivors of human trafficking and exploitation. The program compliments non-peer related services at Restorations as it exists to promote collaborative relationships that empower survivors. Our Peer Advocacy Program aims to mobilize resources, provide a community, nurture reintegration, and support autonomy building through a combination of skill construction and wellness planning activities.

We continue to support survivors living in the Halton and Hamilton regions through 1-1, individualized support and group community building activities. These services are also extended virtually to those living across Canada.

### KEY ACTIVITIES

- Provide 1-1 mentorship and encouragement to survivors as they navigate life's celebrations and challenges.
- Facilitate virtual group activities like drop-in groups, book club, and other social activities to promote connection and community building.
- Share resources with participants that contribute to their professional, educational, financial, or life skills development.
- Respond to times of need by providing access to tangible items like food or clothing.

### FAVOURITE EVENTS FROM OUR 2022-23 YEAR



In December 2022, we visited Medieval Times to celebrate the holiday season and all that peers achieved over the year. Just before Christmas, we hosted our annual virtual party with pjs and cookie decorating kits.



In April 2023, we hosted our first self defence workshop. This event offered peers an opportunity to build their safety skills, increase confidence, and connect in person with their larger community of peers.



In June 2023, we hosted our second annual Peer Retreat. Survivors had the opportunity to connect with their peers, participate in new activities, and experience the peace of nature.



“

**I can look in the mirror and say to myself that I'm finally starting to become myself again and something greater is on the horizon for me.**

**Restorations has truly given me hope for a brighter future.**

”

# HIGHLIGHTS VOLUNTEERS & EVENTS

Over the last year, we have been continuing to develop the committees that exist to provide insight and expertise to further the work of Restorations. In addition to the dedicated volunteers who serve on our Board of Directors, we are grateful for the volunteers that serve on the following committees:

- Communications Committee
- Finance Committee
- Fund Development Committee
- Human Resources Committee
- Program Advisory Committee
- Property Committee



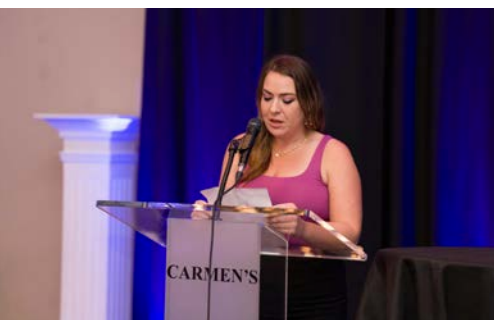
**Restorations is only able to provide support and services to survivors of human trafficking and commercial sexual exploitation because of the tremendous generosity of donors, volunteers, and community partners! Thank you for all the ways you give of your time and resources to make a difference in the lives of survivors!**

## NIGHT OF MYSTERY GALA

In October 2023, we hosted our first fundraising dinner gala. Over \$8,000 was raised at our Night of Mystery banquet to support Restorations and survivors of human trafficking and sexual exploitation. We are looking forward to hosting our second annual gala dinner on October 4, 2024!

*~ Photos on next page*





# LOOKING BACK AT WHERE WE STARTED...


In September 2023, we celebrated 10 years of Restorations, and throughout the fall we posted highlights from some individuals who have been a part of Restorations' growth and impact. To see all our "10 Year Highlight" posts, visit our social media pages.

WHAT HAS MADE ME MOST PROUD ABOUT RESTORATIONS' WORK OVER THE LAST 10 YEARS IS...

“

I WAS FIRST DRAWN TO THE MISSION OF PROVIDING LONG-TERM HOUSING, BUT WHAT HAS MADE ME MOST PROUD IS FACILITATING THE LAUNCH THE SURVIVOR-LED PEER ADVOCACY PROGRAM AND WORKING ALONGSIDE SURVIVOR COLLEAGUES.

JENNIFER LUCKING  
EXECUTIVE DIRECTOR



CELEBRATING 10 ten YEARS

WHAT HAS MADE ME MOST PROUD ABOUT RESTORATIONS' WORK OVER THE LAST 10 YEARS IS...

“

SEEING THIS DREAM MATERIALIZE THROUGH THE HARD WORK OF ALL THE GENEROUS PEOPLE, FROM THE EARLY DAYS OF DREAMING IN COFFEE SHOPS, TO MEETING IN LIVING ROOMS, TO GAINING CHARITABLE STATUS, TO TODAY...

TRACI-LYNN  
FOUNDING BOARD OF DIRECTORS



CELEBRATING 10 ten YEARS

WHAT HAS MADE ME MOST PROUD ABOUT RESTORATIONS' WORK OVER THE LAST 10 YEARS IS...

“

THAT AS WE HAVE WORKED TO ACHIEVE OUR GOALS WE HAVE REMAINED SURVIVOR CENTRED. EVERYTHING WE DO IS FOR THEM AND IS INFORMED BY THEM.

JENNIFER POTTER  
CHAIR, BOARD OF DIRECTORS



CELEBRATING 10 ten YEARS

WHAT HAS MADE ME MOST PROUD ABOUT RESTORATIONS' WORK OVER THE LAST 10 YEARS IS...

“

THEIR WILLINGNESS TO LET SURVIVORS LEAD – EMBEDDING OUR VOICES WITHIN THE VERY FABRIC OF THE ORGANIZATION.

SURVIVOR AND PEER ADVOCATE



CELEBRATING 10 ten YEARS

I WAS COMPELLED TO BECOME CONNECTED WITH RESTORATIONS BECAUSE...

“

I THINK IT'S AN ABSOLUTELY AMAZING CAUSE AND I AM PASSIONATE ABOUT SUPPORTING MY LOCAL COMMUNITY.

VOLUNTEER



CELEBRATING 10 ten YEARS

“NANCY'S HOUSE IS THE LOCATION FROM WHERE I WORK, BUT I ACKNOWLEDGE THAT IT IS HOME TO OTHERS. I AM PROUD THAT WE AS A TEAM RESPECT THIS SPACE AS SUCH AND WORK TO ENSURE IT REMAINS A SAFE SPACE FOR THE RESIDENTS.”

EVELYN  
ADMINISTRATIVE ASSISTANT



CELEBRATING 10 ten YEARS

“FOR RESTORATIONS TO BE SUCCESSFUL, LEADERS AND STAFF MUST ACKNOWLEDGE AND ACCEPT THEIR STRENGTHS, WEAKNESSES AND LIMITATIONS.

BRING WHAT YOU HAVE WITH SURVIVORS AS YOUR FOCUS.

RESTORATIONS IS FOR THEM.

BUILD A STRONG VILLAGE TO SUPPORT SURVIVORS.

BUILD IT STRONG.”

NANCY WING  
BOARD OF DIRECTORS 2013-2018  
FOUNDER



CELEBRATING 10 ten YEARS

“AS SOMEONE WHO HAS LIVED EXPERIENCE OF SEXUAL EXPLOITATION AND HAS SPENT MANY YEARS WORKING IN THE CRIMINAL JUSTICE SYSTEM, IT WAS IMPORTANT FOR ME TO FIND AN ORGANIZATION THAT WAS DOING THE IMPORTANT AND HARD WORK TO ADDRESS THE VERY SAME ISSUES AND CHALLENGES I FACED AS A YOUTH.”

FIGORELLA KUCZMA  
BOARD OF DIRECTORS, VICE CHAIR  
INTERIM EXECUTIVE DIRECTOR, 2021



CELEBRATING 10 ten YEARS

“

IT IS WONDERFUL TO SEE A DREAM COME TO FRUITION.

ANDREW  
FORMER VOLUNTEER,  
BOARD OF DIRECTORS



CELEBRATING 10 ten YEARS

# AND LOOKING AHEAD TO WHERE WE'RE GOING

Next year in our 2023-24 Annual Report, we look forward to sharing more about:

## OUR 2024-2029 STRATEGIC PLAN

With thanks to the Community Services Recovery Fund, we are currently working on a strategic plan and support Restorations' efforts during our next phase of growth and impact. The strategic plan will be released summer 2024.

The Community Services Recovery Fund is a \$400 million investment from the Government of Canada (Employment and Social Development) to support community service organizations, including charities, non-profits and Indigenous governing bodies, as they adapt and modernize their organizations. The Burlington Foundation was our local community foundation partner in delivering this funding, and we are grateful for their work in our region.

## THE EXPANSION OF OUR PEER ADVOCACY SERVICES

With thanks to Women & Gender Equality Canada, we are launching a two and a half year survivor-led project to expand our Peer Advocacy services and increase identification, prevention, and intervention of human trafficking of youth. We will also be developing a toolkit for youth workers, teachers, and parents/caregivers/guardians to increase identification, prevention, and intervention of human trafficking of youth. This project was approved in the summer of 2023 and officially started on November 1, 2023.

“

**KEEP LEANING IN.  
KEEP LISTENING.  
KEEP CHALLENGING  
THE STATUS QUO.  
KEEP BUILDING.  
KEEP CELEBRATING —  
YOU'RE ON TO  
SOMETHING REALLY  
GOOD HERE.**

SURVIVOR AND PEER ADVOCATE

”

# FINANCIAL OVERVIEW

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RESTORATIONS SECOND STAGE HOMES

FINANCIAL STATEMENTS

OCTOBER 31, 2023



Chartered Professional Accountants & Consultants

255 Duncan Mill Rd, Suite 303  
Toronto, Ontario M3B 3H9

Phone: (416) 510-8333

Fax: (416) 510-8336

Email: Accounting@LYCTCPA.ca

## INDEPENDENT AUDITORS' REPORT

To the Directors of Restorations Second Stage Homes:

### *Qualified Opinion*

We have audited the accompanying financial statements of Restorations Second Stage Homes, which comprise the statement of financial position as at October 31, 2023, the General Fund statement of operations and fund balance and statement of cash flows, the Capital Fund statement of operations and fund balance and statement of cash flows for the year then ended, and the related notes 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 Restorations Second Stage Homes as at October 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### *Basis for Qualified Opinion*

In common with many charitable organizations, Restorations Second Stage Homes derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amount recorded in the records of Restorations Second Stage Homes. Therefore, we were not able to determine whether any adjustments might be necessary to recorded donations, excess of revenues over expenses, cash flows from operations, assets and fund balances.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Restorations Second Stage Homes in accordance with the 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 opinion.

### ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

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

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

Those charged with governance are responsible for overseeing Restorations Second Stage Homes' financial reporting process.

### ***Auditors' 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 auditors' 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 Restorations Second Stage Homes 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 Restorations Second Stage Homes' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause Restorations Second Stage Homes 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.



Toronto, Ontario  
March 4, 2024

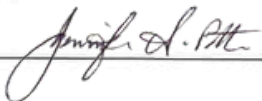
CHARTERED PROFESSIONAL ACCOUNTANTS  
Authorized to practice public accounting by the  
Chartered Professional Accountants of Ontario

RESTORATIONS SECOND STAGE HOMES

STATEMENT OF FINANCIAL POSITION  
AS AT OCTOBER 31, 2023

ASSETS		<u>2023</u>	<u>2022</u>
		\$	\$
<b>GENERAL FUND</b>			
Cash		142,085	150,857
Term deposit (Note 3)		7,000	-
Accounts receivable		1,509	597
H.S.T. refundable		6,900	4,732
Prepaid expenses and sundry		3,519	5,212
Fixed (Note 4)		<u>18,354</u>	<u>24,959</u>
		<u>179,367</u>	<u>186,357</u>
<b>CAPITAL FUND</b>			
Cash		3,886	5,071
H.S.T. refundable		141	571
Fixed (Note 4)		<u>26,389</u>	<u>31,785</u>
		<u>30,416</u>	<u>37,427</u>
		<u>209,783</u>	<u>223,784</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>GENERAL FUND</b>			
Accounts payable		7,098	6,608
Government remittances payable		<u>5,103</u>	<u>5,317</u>
		12,201	11,925
Fund balance		<u>167,166</u>	<u>174,432</u>
		179,367	186,357
<b>CAPITAL FUND</b>			
Fund balance		<u>30,416</u>	<u>37,427</u>
		<u>209,783</u>	<u>223,784</u>

Approved on behalf of the Board:

  
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RESTORATIONS SECOND STAGE HOMES

GENERAL FUND  
STATEMENT OF OPERATIONS AND FUND BALANCE  
FOR THE YEAR ENDED OCTOBER 31, 2023

	<u>2023</u>	<u>2022</u>
	\$	\$
		(Note 6)
REVENUE		
Donations	72,837	90,185
Grants	266,982	242,686
Special events and merchandise sales	15,587	9,057
Speaking and writing fees	<u>594</u>	<u>1,003</u>
	<u>356,000</u>	<u>342,931</u>
OPERATING AND ADMINISTRATIVE EXPENSES		
Salaries – staff and temporary help	154,185	136,847
Salaries – executive director	83,627	85,300
Programs and activities (Schedule 1)	29,193	16,131
Office and general	18,068	8,675
Consulting fees - governance and strategy planning	17,890	-
Computer services and subscriptions	8,836	9,470
Insurance	7,680	2,806
Legal fees	7,022	275
Telephone	6,699	6,548
Travel and lodging	6,453	2,813
Audit fees	6,353	6,309
Utilities	3,622	6,283
Property taxes	3,504	3,504
Staff training	1,836	5,492
Repairs and maintenance	855	523
Advertising and promotion	838	9,863
Depreciation	<u>6,605</u>	<u>6,610</u>
	<u>363,266</u>	<u>307,449</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	( 7,266 )	35,482
Fund balance, beginning of year	<u>174,432</u>	<u>138,950</u>
FUND BALANCE, END OF YEAR	<u>167,166</u>	<u>174,432</u>

RESTORATIONS SECOND STAGE HOMES  
 CAPITAL FUND  
 STATEMENT OF OPERATIONS AND FUND BALANCE  
 FOR THE YEAR ENDED OCTOBER 31, 2023

	<u>2023</u>	<u>2022</u>
	\$	\$
REVENUE	-	-
EXPENSE		
Depreciation	<u>7,011</u>	<u>5,154</u>
(DEFICIENCY) OF REVENUE OVER EXPENSES	( 7,011 )	( 5,154 )
Fund balance, beginning of year	<u>37,427</u>	<u>42,581</u>
FUND BALANCE, END OF YEAR	<u>30,416</u>	<u>37,427</u>

RESTORATIONS SECOND STAGE HOMES

GENERAL FUND  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED OCTOBER 31, 2023

	<u>2023</u>	<u>2022</u>
	\$	\$
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenue over expenses	( 7,266 )	35,482
Item not involving an outlay of cash		
Depreciation	<u>6,605</u>	<u>6,610</u>
	( 661 )	42,092
Net (increase) decrease in non-cash working capital items	( <u>1,111</u> )	<u>9,436</u>
	( <u>1,772</u> )	<u>51,528</u>
<b>CASH (USED IN) INVESTMENT ACTIVITIES</b>		
Purchase of term deposit	( 7,000 )	-
Purchase of fixed assets	<u>-</u>	( <u>1,562</u> )
	( <u>7,000</u> )	( <u>1,562</u> )
<b>CASH (USED IN) FINANCING ACTIVITY</b>		
Repayment of CEBA loan	<u>-</u>	( <u>30,000</u> )
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	( 8,772 )	19,966
Cash balance, beginning of year	<u>150,857</u>	<u>130,891</u>
<b>CASH BALANCE, END OF YEAR</b>	<u>142,085</u>	<u>150,857</u>

RESTORATIONS SECOND STAGE HOMES  
 CAPITAL FUND  
 STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED OCTOBER 31, 2023

	<u>2023</u>	<u>2022</u>
	\$	\$
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>		
Deficiency of revenue over expenses	( 7,011 )	( 5,154 )
Item not involving an outlay of cash		
Depreciation	<u>7,011</u>	<u>5,154</u>
	-	-
Net decrease in non-cash working capital items	<u>430</u>	<u>7</u>
	430	7
<b>CASH (USED IN) INVESTMENT ACTIVITY</b>		
Purchase of fixed assets	( <u>1,615</u> )	( <u>6,547</u> )
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	( 1,185 )	( 6,540 )
Cash balance, beginning of year	<u>5,071</u>	<u>11,611</u>
<b>CASH BALANCE, END OF YEAR</b>	<u><u>3,886</u></u>	<u><u>5,071</u></u>

## RESTORATIONS SECOND STAGE HOMES

### NOTES TO FINANCIAL STATEMENTS OCTOBER 31, 2023

#### 1. PURPOSE OF THE ORGANIZATION

Restorations Second Stage Homes (“Restorations”) is incorporated, without share capital, under the Ontario Business Corporation Act as a not-for-profit organization. Its mission is to provide safe, temporary, short term housing and support services for women and their children who have been emotionally, physically or sexually abused or traumatized.

Restorations is a registered charitable organization under the Income Tax Act and hence is not subject to income taxes.

#### 2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

##### a) Fund Accounting

The accounts of Restorations are maintained in accordance with the principles of fund accounting whereby resources are classified for accounting and reporting purposes into funds associated with specified activities and objectives.

##### i) General Fund

The General Fund accounts for all assets, liabilities, revenues and expenses related to Restorations’ program delivery and administrative activities.

##### ii) Capital Fund

The Capital Fund accounts for designated grants and donations received to fund leasehold improvements and furniture and equipment costs for the premises leased by Restorations.

##### b) Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of receipts and expenses during the reporting period. Actual results could differ from management’s best estimates as additional information becomes available in the future.

RESTORATIONS SECOND STAGE HOMES

NOTES TO FINANCIAL STATEMENTS  
OCTOBER 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

c) Revenue Recognition

Unrestricted donations and grants are recognized as revenue of the General Fund. Restricted donations and grants are recognized as revenue of the appropriate restricted funds.

Income from speaking and writing fees, special events and merchandise sales are recognized as revenue of the General Fund when received.

d) Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. They are amortized over their estimated useful lives on a straight-line basis at the following annual rates:

Furniture and equipment	-	5 years
Computer equipment	-	5 years
Leasehold improvements	-	8 years

When a tangible capital asset no longer has any long-term service potential for the organization, the excess of its net carrying amount over any residual value will be recognized as an expense in the statement of operations.

e) Measurement of Financial Instruments

Restorations initially measures its financial assets and liabilities at fair value. Subsequently, they are measured at amortized cost and any changes in fair value are recognized as income.

Financial assets measured at amortized cost include cash, term deposits, accounts receivable, H.S.T. refundable and prepaid expenses.

Financial liabilities measured at amortized cost include accounts payable.

f) Contributed materials and services

Restorations records the fair value of contributed materials that qualify for receipted in-kind donations, where such fair value is determinable, and would otherwise have been purchased, as revenue along with a corresponding asset or expense.

The operations of Restorations depend on the contribution of time by volunteers. The fair value of donated services cannot be reasonably determined and are therefore not recognized in the financial statements.

The private residence used as a short-term accommodation and long-term care facility is leased to Restorations at a nominal cost by The Central Canadian District of the Christian and Missionary Alliance in Canada. The fair value of this rental contribution and the offsetting rent expense are not recognized in the financial statements.

RESTORATIONS SECOND STAGE HOMES

NOTES TO FINANCIAL STATEMENTS  
OCTOBER 31, 2023

3. TERM DEPOSIT

A term deposit is pledged to RBC as collateral security for issuance of business credit cards to 4 employees and the treasurer of Restorations.

4. PROPERTIES AND EQUIPMENT

	2023		2022	
	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation
	\$	\$	\$	\$
a) General Fund				
Furniture and equipment	17,517	8,446	17,517	4,942
Computer equipment	9,657	6,365	9,657	4,595
Leasehold improvements	<u>10,651</u>	<u>4,660</u>	<u>10,651</u>	<u>3,329</u>
	<u>37,825</u>	<u>19,471</u>	<u>37,825</u>	<u>12,866</u>
Cost less accumulated depreciation		<u>\$18,354</u>		<u>\$24,959</u>
b) Capital Fund				
Furniture and equipment	18,742	9,243	18,047	5,565
Leasehold improvements	<u>27,111</u>	<u>10,221</u>	<u>26,191</u>	<u>6,888</u>
	<u>45,853</u>	<u>19,464</u>	<u>44,238</u>	<u>12,453</u>
Cost less accumulated depreciation		<u>\$26,389</u>		<u>\$31,785</u>

5. FINANCIAL INSTRUMENTS

Restorations is exposed to various risks through its financial instruments. The following analysis provides a measure of its risk exposure on October 31, 2023:

a) Credit Risk

Restorations is exposed to credit risk with respect to accounts receivable.

RESTORATIONS SECOND STAGE HOMES

NOTES TO FINANCIAL STATEMENTS  
OCTOBER 31, 2023

5. FINANCIAL INSTRUMENTS (Cont'd)

b) Liquidity Risk

Liquidity risk is the risk that Restorations will encounter difficulty to meet its financial obligations as they come due in the normal course of business. Restorations is exposed to this risk mainly in respect of its accounts payable. It manages this risk by monitoring its operating requirement to ensure financial resources are available.

6. COMPARATIVE FIGURES

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



RESTORATIONS SECOND STAGE HOMES  
SCHEDULE OF PROGRAMS AND ACTIVITIES  
FOR THE YEAR ENDED OCTOBER 31, 2023

	<u>2023</u>	<u>2022</u>
	\$	\$
Peer Support - sponsorship of community	11,270	7,710
Murder Mystery	8,845	-
Others	<u>9,078</u>	<u>8,421</u>
	<u>29,193</u>	<u>16,131</u>



# RESTORATIONS

## SECOND STAGE HOMES

**[www.RestorationsCanada.org](http://www.RestorationsCanada.org)**

Charitable donations can be made online at  
[www.RestorationsCanada.org/Donate](http://www.RestorationsCanada.org/Donate)  
or by cheque made to  
"Restorations Second Stage Homes."

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