



# RESTORATIONS

SECOND STAGE HOMES

ANNUAL REPORT  
2021-22

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# EXECUTIVE DIRECTOR'S STATEMENT

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We have so much to celebrate this year! One of my favourite memories at Restorations in the last year is seeing the light in survivors' and staff members' eyes when they talk about their passions, hopes, and dreams. The feeling of opening Nancy's House and welcoming our first residents has been surreal. After years of dreaming, planning, and hard work, with thanks to the hundreds of people who have contributed their time, energy, finances, resources, and prayers to make this happen, we are happy to provide a place of refuge and restoration to survivors of human trafficking and commercial sexual exploitation. We are also continuing to see our Survivor-Led Peer Support Program grow and be recognized for their leadership and expertise in our community. What I enjoy most about my role at Restorations is getting to know people for who they are, what motivates them, and being able to support them on their journeys.

One word I would use to describe Restorations is "*hope*." I asked others in our community what word they would use to describe Restorations, and I was amazed that each of us separately came up with different words. But each word conveys the culture that Restorations works hard to uphold with our staff, volunteers, community partners, and survivors we support.

We continue to grow - in our opportunities to support survivors, in our relationships and connections with stakeholders, and in our passion to continue doing this work. Looking ahead to the next year at Restorations, I am excited to welcome new residents and growing the presence of our Peer Support program in our community.

None of this would be possible without you. We thank you for your commitment to Restorations and to the lives of survivors!



*J.C. Lucking*

**JENNIFER LUCKING**

Executive Director

# **BOARD CHAIR'S STATEMENT**

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2022 was a very exciting year for all of us at Restorations Second Stage Homes!

With your continued and faithful support we were able to realize our dream of welcoming our first residents to Nancy's House.

Words fail to express the gratefulness I feel for each one of you who has been a part of making that happen.

One word I would use to describe Restorations is "Survivor-first". Everything we do is for them.

As we continue to support survivors, we thank you from the bottom of our hearts for your commitment and dedication.

With admiration and gratitude,

*Jennifer Potter*

**JENNIFER POTTER**  
Chair, Board of Directors



# HUMAN TRAFFICKING IN OUR REGION

## THE NEED



### Human Trafficking happens here!

In Halton Region and surrounding regions including Toronto, Hamilton, Niagara, Kitchener-Waterloo, Peel, York, and Durham, human trafficking is a significant and growing concern, affecting individuals, families, and communities.

97%

of all victims of human trafficking in Canada are women and girls.

68%

Over 2/3 of reported trafficking in Canada occurs in Ontario.

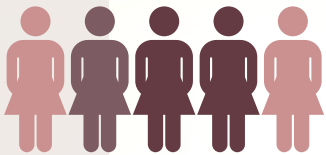
93%

of the individuals who are trafficked for sex in Canada are Canadian.

43%

of all victims are young women between the age of 18-24.

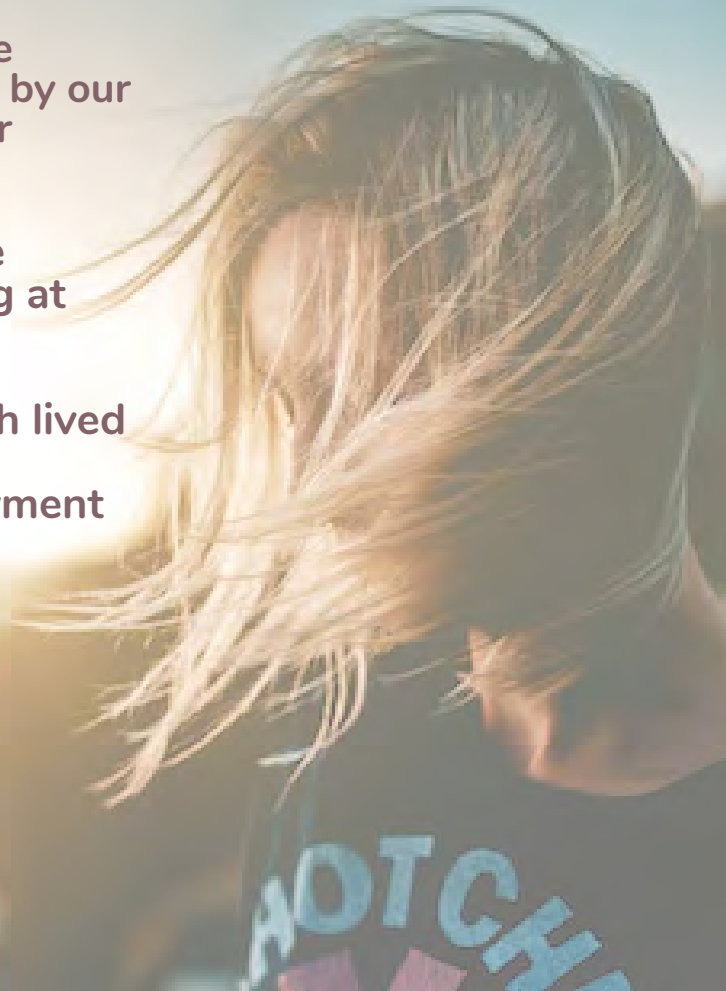
## 2021-2022 STATS



24 Survivors were provided services by our Survivor-Led Peer Support program

2 Survivors were provided housing at Nancy's House

3 individuals with lived experience were provided employment by Restorations



# HIGHLIGHTS

## NANCY'S HOUSE



Nancy's House is the first of its kind second stage, long-term transitional home for survivors of human trafficking and commercial sexual exploitation in Halton Region. Long-term safe housing is so important to a survivor's healing process and provides a bridge between first stage emergency shelters/short-term safe houses that address risk and immediate needs and third stage independent living.

Survivors are in need of positive, long-term relationship building. Utilizing a survivor-focused, trauma-informed and strengths-based approach, survivors lead their healing process as our team walks alongside them in that journey. With access to specialized programs and services, individualized and holistic care, wrap-around services, and a sense of belonging and community amongst other survivors, Nancy's House provides a safe and supportive space for residents to heal, reclaim, and restore.

We welcomed our first residents to Nancy's House this past year. Some highlights include weekly "community lunches" with residents and staff, holiday and milestone celebrations, exploring individual interests like crocheting and gardening, and seeing residents achieve the goals they set for themselves.

### HIGHLIGHTS FROM A RESIDENT OF NANCY'S HOUSE

*One of my favourite memories at Restorations in the last year is:*

Being able to enjoy each and every one of the staff. They are like family to me now.

*A time I felt especially supported by Restorations is:*

My first week at Nancy's house. I was extremely nervous and they just made me feel so welcomed.

*1 word I would use to describe Restorations is:*

Safe.

"This place has been such a blessing. Who knows where I would be if I didn't end up here."



# HIGHLIGHTS

## PEER SUPPORT PROGRAM



The Survivor-Led Peer Programming 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**. Peer Programming aims to mobilize resources, provide a community, nurture re-integration, and support autonomy building through a combination of skill construction and wellness planning activities.

Over the last year, our Peer Support program has grown in the number of individuals supported and also in the range of activities and opportunities for engagement provided. In June, we were able to host our first in-person group activity, a 2 night retreat where 7 participants had the opportunity to experience peace and rejuvenation, enjoy the outdoors, and connect with their peers.

### Other Activities Throughout the Year

- Delivering Christmas baskets to 16 survivors.
- Providing 1-1 mentorship and encouragement to survivors as they navigate life's celebrations and challenges.
- Facilitating virtual group activities like weekly drop in groups, book club, and other social activities to promote connection and community building.
- Sharing resources with participants that contribute to their professional, educational, financial, or life skills development.
- Responding to times of need by providing access to tangible items like food or clothing.
- Amplifying voices through our "Survivor Voices" blog posts.



We walk down different paths in life, but we meet people along this journey; that doesn't happen by chance, but happens for a reason.

We may not know the reason, but the one thing I do know is that I'm safe, I'm strong, I'm better than I was yesterday thanks to having peer support.

SURVIVOR ON "WHAT PEER SUPPORT MEANS TO ME."





**MICHELLE  
PEER SUPPORT  
ADVOCATE**



**SASCHA  
PEER SUPPORT  
ADVOCATE**

*One of my favourite memories in the last year is:*

Hosting our first Peer Retreat to gather in person after the isolation of COVID-19. Meeting some of our peer participants in person for the first time was so meaningful. Watching participants bond and enjoying the healing effects of nature was an amazing experience that will stick with me for years to come. I was able to experience kayaking for the first time, an experience I would have been too nervous to ever try on my own. By the end of our retreat, you had to drag all of us out of the water! To feel part of a supportive community is crucial.

*What I enjoy most about my role is:*

Experiencing an individual's strength and growth in front of your eyes. I am continuously inspired by the the community that has been created and nurtured by all who participate..

*Looking ahead I am most excited for:*

Fostering an even stronger sense of community within our Peer Programming and to expand our Peer Programming and enjoy more in person get-togethers.

*1 word I would use to describe Restorations is:*

Belonging.

*One of my favourite memories in the last year is:*

Our peer support retreat was beautiful, and the kayaking was majestic and relaxing.

*What I enjoy most about my role is:*

Using negative aspects of my past to relate to others in similar situations and helping others realize that part of their past does not define their future.

*Looking ahead I am most excited for:*

More residents and more peer support growth.

*1 word I would use to describe Restorations is:*

Openminded.

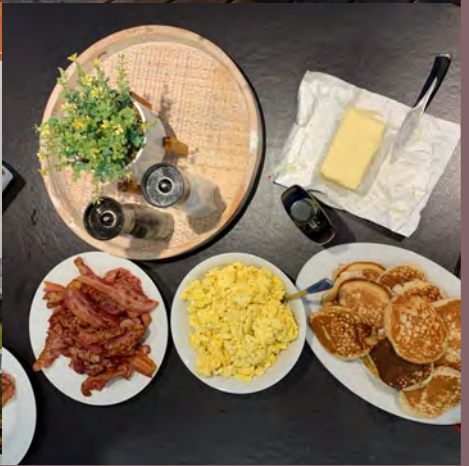
It has been a year of ups and downs, but I see so much potential in this house and the peer support programs. We have learned a lot this year, and I look forward to applying that knowledge to practical use. Another memorable memory from this past year was being at the one-year sober medallion for a peer of mine and seeing how incredibly far she has come since I began working with her

**"I FELT LIKE I COULD JUST  
BE MYSELF WITHOUT  
FEELING JUDGED."**

**PEER SUPPORT PARTICIPANT**



# PEER SUPPORT RETREAT





# HIGHLIGHTS

## PEER SUPPORT PROGRAM

### WHAT SURVIVOR PEER PARTICIPANTS HAVE TO SAY

“

One word I would use to describe Restorations is supportive.

”

“

I really enjoy the drop-in night Zoom meetings. Getting to know everyone and watching them progress is lovely.

”

“

One word I would use to describe Restorations is strength.

”

“

A time I felt especially supported by Restorations was when Sascha spent the day with me on my one year Medallion.

”

“

One of my most favourite memories being part of Restorations in the last year was the retreat. It was nice to finally meet almost everybody and engage in peer building activities. I felt like after all my trauma, I was able to take a fresh breath of air and live in the moment, be myself, and learn ways to cope with certain feelings.

”

“

A time I felt especially supported by Restorations was during my court cases against my traffickers. That was the biggest, most helpful support. Especially summer of 2022 when I felt I had a mental breakdown and Michelle was able to support me through it.

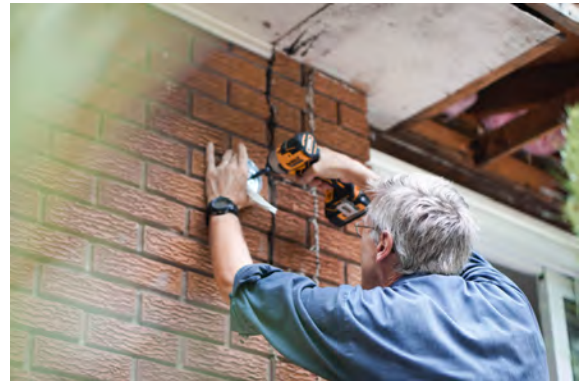
”

# HIGHLIGHTS

## VOLUNTEERS

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



Jennifer Lucking & Shaylah Lukas,  
at Ride for Refuge 2022

## HIGHLIGHTS FROM SHAYLAH LUKAS, VOLUNTEER

*One of my favourite memories at Restorations in the last year is:*

Visiting Nancy's House for our first in-person team meeting and seeing it completely ready for residents.

*What I enjoy most about my role at Restorations is:*

My team - they inspire and motivate me with their dedication, empathy, grace, and honesty.

*Looking ahead to the next year at Restorations, I am excited for/about:*

The 1 year anniversary of Nancy's House!

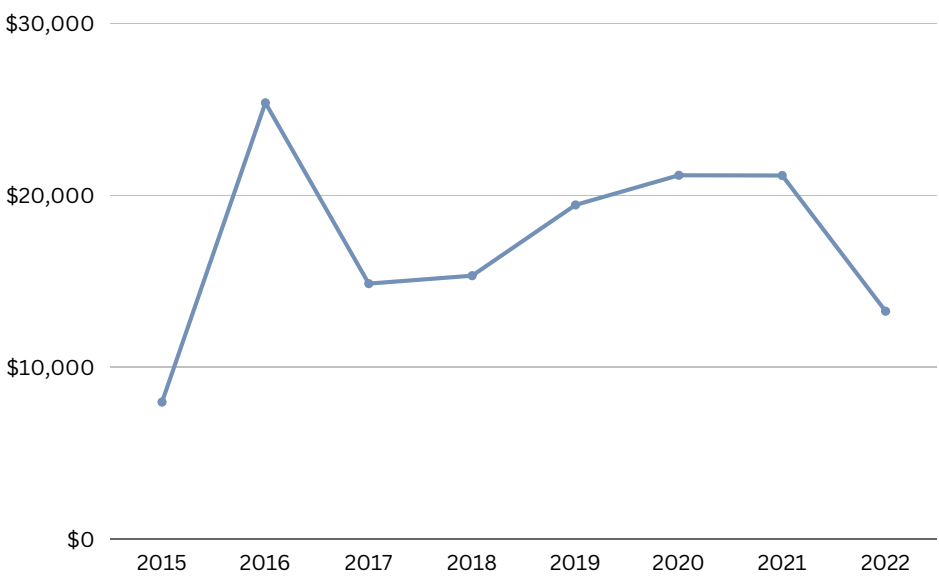
*1 word I would use to describe Restorations is:*

Community.



# RIDE FOR REFUGE

With the generosity of so many walkers, cyclists, volunteers, and donors, \$13,270 was raised in 2022!



2022 marked the 8th and final year of Ride for Refuge for Restorations.

Since 2015, \$138,642 has been raised in total through these events in support of Restorations Second Stage Homes and the survivors we support. This event has held a special place in our hearts as one of our longest running and largest fundraising events.

*2023 will bring a new and exciting fundraising initiative! Stay tuned!*

# **FINANCIAL OVERVIEW**

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RESTORATIONS SECOND STAGE HOMES

FINANCIAL STATEMENTS

OCTOBER 31, 2022



## **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, 2022, 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, 2022, 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***

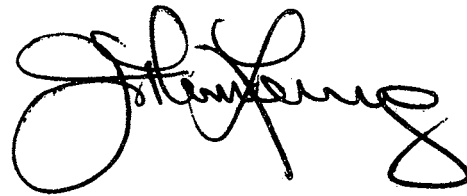
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee 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  
April 24, 2023

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, 2022

	<u>2022</u>	<u>2021</u>
	\$	\$ (Note 7)
<b>ASSETS</b>		
<b>GENERAL FUND</b>		
Cash	150,857	130,891
Accounts receivable	597	6,888
H.S.T. refundable	4,732	7,385
Prepaid expenses and sundry	5,212	5,112
Fixed (Note 4)	<u>24,959</u>	<u>30,007</u>
	<u>186,357</u>	<u>180,283</u>
<b>CAPITAL FUND</b>		
Cash	5,071	11,611
H.S.T. refundable	571	1,538
Fixed (Note 4)	<u>31,785</u>	<u>30,392</u>
	<u>37,427</u>	<u>43,541</u>
	<u>223,784</u>	<u>223,824</u>

LIABILITIES AND FUND BALANCES

<b>GENERAL FUND</b>		
Accounts payable	6,608	6,592
Government remittances payable	5,317	4,741
Canada Emergency Business Account (CEBA) loan (Note 5)	<u>-</u>	<u>30,000</u>
	11,925	41,333
Fund balance	<u>174,432</u>	<u>138,950</u>
	<u>186,357</u>	<u>180,283</u>
<b>CAPITAL FUND</b>		
Accounts payable	-	960
Fund balance	<u>37,427</u>	<u>42,581</u>
	<u>37,427</u>	<u>43,541</u>
	<u>223,784</u>	<u>223,824</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, 2022

	<u>2022</u>	<u>2021</u>
	\$	\$
		(Note 7)
REVENUE		
Donations	90,185	104,236
Grants	242,686	161,375
Special events and merchandise sales	9,057	4,098
Speaking and writing fees	<u>1,003</u>	<u>368</u>
	<u>342,931</u>	<u>270,077</u>
EXPENSES		
Salaries – staff and temporary help	136,847	93,368
Salaries – executive directors	85,300	80,812
Programs and activities	17,300	4,963
Computer services and subscriptions	9,470	2,972
Advertising and promotion	9,217	19,049
Office and general	8,675	12,229
Professional fees	6,584	8,436
Telephone	6,548	5,844
Utilities	6,283	1,674
Staff training	5,492	1,175
Property taxes	3,504	5,544
Travel and lodging	2,813	1,762
Insurance	2,806	2,117
Depreciation	<u>6,610</u>	<u>4,236</u>
	<u>307,449</u>	<u>244,181</u>
EXCESS OF REVENUE OVER EXPENSES	35,482	25,896
Fund balance, beginning of year	<u>138,950</u>	<u>113,054</u>
FUND BALANCE, END OF YEAR	<u><u>174,432</u></u>	<u><u>138,950</u></u>

RESTORATIONS SECOND STAGE HOMES

CAPITAL FUND  
STATEMENT OF OPERATIONS AND FUND BALANCE  
FOR THE YEAR ENDED OCTOBER 31, 2022

	<u>2022</u>	<u>2021</u>
	\$	\$
REVENUE		
Designated donations – leasehold improvements	-	4,214
Designated grant – furniture and equipment	<u>-</u>	<u>350</u>
	-	4,564
EXPENSE		
Depreciation	<u>5,154</u>	<u>5,710</u>
DEFICIENCY OF REVENUE OVER EXPENSES	( 5,154 )	( 1,146 )
Fund balance, beginning of year	<u>42,581</u>	<u>43,727</u>
FUND BALANCE, END OF YEAR	<u><u>37,427</u></u>	<u><u>42,581</u></u>

RESTORATIONS SECOND STAGE HOMES

GENERAL FUND  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED OCTOBER 31, 2022

	<u>2022</u>	<u>2021</u>
	\$	\$
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>		
Excess of revenue over expenses	35,482	25,896
Item not involving an outlay of cash		
Depreciation	<u>6,610</u>	<u>4,236</u>
	42,092	30,132
Net decrease (increase) in non-cash working capital items	<u>9,436</u>	( <u>13,065</u> )
	51,528	17,067
<b>CASH (USED IN) INVESTMENT ACTIVITY</b>		
Purchase of fixed assets	( 1,562 )	( 22,174 )
<b>CASH PROVIDED (USED IN) BY FINANCING ACTIVITY</b>		
Repayment of CEBA loan	( <u>30,000</u> )	<u>-</u>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	19,966	( 5,107 )
Cash balance, beginning of year	<u>130,891</u>	<u>135,998</u>
<b>CASH BALANCE, END OF YEAR</b>	<u><u>150,857</u></u>	<u><u>130,891</u></u>

RESTORATIONS SECOND STAGE HOMES

CAPITAL FUND  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED OCTOBER 31, 2022

	<u>2022</u>	<u>2021</u>
	\$	\$
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>		
Deficiency of revenue over expenses	( 5,154 )	( 1,146 )
Item not involving an outlay of cash		
Depreciation	<u>5,154</u>	<u>5,710</u>
	-	4,564
Net decrease (increase) in non-cash working capital items	<u>7</u>	( <u>2,381</u> )
	7	2,183
<b>CASH (USED IN) INVESTMENT ACTIVITY</b>		
Purchase of fixed assets	( <u>6,547</u> )	( <u>14,572</u> )
<b>DECREASE IN CASH BALANCE</b>	( 6,540 )	( 12,389 )
Cash balance, beginning of year	<u>11,611</u>	<u>24,000</u>
<b>CASH BALANCE, END OF YEAR</b>	<u><u>5,071</u></u>	<u><u>11,611</u></u>



## RESTORATIONS SECOND STAGE HOMES

### NOTES TO FINANCIAL STATEMENTS

OCTOBER 31, 2022

#### 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. FINANCIAL IMPACT OF THE NOVEL CORONAVIRUS (COVID-19)

In March 2020, the World Health Organization declared the outbreak of a novel Coronavirus (COVID-19) as a global pandemic, which continue to spread in Canada and around the world.

Restorations has made changes in its operation to cope with and minimize the impact of the COVID-19 crisis. It has also received financial assistance from support programs offered by the Government of Canada as disclosed in Note 5.

Restorations is not able to fully estimate the impact of COVID-19 on operations at this time given the continuous evolution of the pandemic.

#### 3. 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.

RESTORATIONS SECOND STAGE HOMES

NOTES TO FINANCIAL STATEMENTS  
OCTOBER 31, 2022

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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.

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, accounts receivable, H.S.T. refundable and prepaid expenses.

Financial liabilities measured at amortized cost include accounts payable.

RESTORATIONS SECOND STAGE HOMES

NOTES TO FINANCIAL STATEMENTS

OCTOBER 31, 2022

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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.

4. PROPERTIES AND EQUIPMENT

	<u>2022</u>		<u>2021</u>	
	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>
	\$	\$	\$	\$
a) General Fund				
Furniture and equipment	17,517	4,942	15,954	1,595
Computer equipment	9,657	4,595	9,657	2,664
Leasehold improvements	<u>10,651</u>	<u>3,329</u>	<u>10,652</u>	<u>1,997</u>
	<u>37,825</u>	<u>12,866</u>	<u>36,263</u>	<u>6,256</u>
Cost less accumulated depreciation		<u>\$24,959</u>		<u>\$30,007</u>
b) Capital Fund				
Furniture and equipment	18,047	5,565	14,949	2,265
Leasehold improvements	<u>26,191</u>	<u>6,888</u>	<u>22,742</u>	<u>5,034</u>
	<u>44,238</u>	<u>12,453</u>	<u>37,691</u>	<u>7,299</u>
Cost less accumulated depreciation		<u>\$31,785</u>		<u>\$30,392</u>

## RESTORATIONS SECOND STAGE HOMES

### NOTES TO FINANCIAL STATEMENTS OCTOBER 31, 2022

#### 5. CANADA EMERGENCY BUSINESS ACCOUNT (CEBA) LOAN

Restorations has applied for and received \$40,000 under the CEBA loan program offered by the Government of Canada to help eligible businesses affected by COVID-19.

The loan is unsecured, interest free with no repayment required before December 31, 2023 (Due Date). Restorations is required to repay \$30,000 out of the total \$40,000 received on or before the Due Date, and the remaining \$10,000 balance will be forgiven. Should Restorations fail to repay the \$30,000 on or before the Due Date, the balance outstanding on the Due Date will be converted into a three year term loan at an annual interest rate of 5%.

Restorations repaid the \$30,000 required repayment on October 27, 2022.

#### 6. 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, 2022:

##### a) Credit Risk

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

##### 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.

#### 7. COMPARATIVE FIGURES

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







# 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."

P.O. Box 99036  
Stoney Creek, ON  
L8J 2P7

(905) 962-REST(7378)

**General Inquiries:**

[info@RestorationsCanada.org](mailto:info@RestorationsCanada.org)

**Residential Program**

[NancyHouse@RestorationsCanada.org](mailto:NancyHouse@RestorationsCanada.org)



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**Executive Director:**

[Jennifer@RestorationsCanada.org](mailto:Jennifer@RestorationsCanada.org)

**Peer Support Program:**

[PeerSupport@RestorationsCanada.org](mailto:PeerSupport@RestorationsCanada.org)