

Daybreak Non-Profit Shelter (Ecumenical) Corporation



Financial Statements For the year ended December 31, 2019



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Financial Statements
For the year ended December 31, 2019

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Independent Auditor's Report

To the Board of Directors of Daybreak Non-Profit Shelter (Ecumenical) Corporation

Opinion

We have audited the financial statements of Daybreak Non-Profit Shelter (Ecumenical) Corporation (the "Daybreak Non-Profit Shelter (Ecumenical) Corporation") which comprise the statement of financial position as at December 31, 2019, and the statements of operations, changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Daybreak Non-Profit Shelter (Ecumenical) Corporation as at December 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with the financial reporting provisions of the operating agreements with Canada Mortgage and Housing Corporation and the City of Ottawa.

Basis for Opinion

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 Daybreak Non-Profit Shelter (Ecumenical) Corporation 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.

Basis of Accounting and Restriction on Use

Without modifying our opinion, we draw attention to the summary of significant accounting policies accompanying the financial statements, which describes the basis of accounting. The financial statements are prepared to assist Daybreak Non-Profit Shelter (Ecumenical) Corporation to comply with the financial reporting provisions of the agreements referred above. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Board of Directors of Daybreak Non-Profit Shelter (Ecumenical) Corporation and its members, Canada Mortgage and Housing Corporation and the City of Ottawa and should not be distributed or used by other parties.

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 the financial reporting provisions of the operating agreements with Canada Mortgage and Housing Corporation and the City of Ottawa, 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements (continued)

In preparing the financial statements, management is responsible for assessing the Daybreak Non-Profit Shelter (Ecumenical) Corporation'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 Daybreak Non-Profit Shelter (Ecumenical) Corporation, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Daybreak Non-Profit Shelter (Ecumenical) Corporation'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 Daybreak Non-Profit Shelter (Ecumenical) Corporation'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 Daybreak Non-Profit Shelter (Ecumenical) Corporation'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 Daybreak Non-Profit Shelter (Ecumenical) Corporation 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.

Baker Tilly Ottawa LLP

Chartered Professional Accountants, Licensed Public Accountants
May 21, 2020
Ottawa, Ontario

Daybreak Non-Profit Shelter (Ecumenical) Corporation Statement of Financial Position

December 31

2019

2018

	Provincial Reformed (MMAH)	Private Non-Profit (CMHC)	Operating Fund	Total Funds	Total Funds
Assets					
Current					
Cash	\$ 25,000	\$ 57,762	\$ 97,514	\$ 180,276	\$ 102,924
Accounts receivable	-	-	3,308	3,308	1,711
Investments (Note 3)	55,315	-	-	55,315	50,704
HST recoverable	-	-	4,051	4,051	53,709
Due from operating fund	121,132	52,221	-	173,353	180,417
Prepays	-	-	6,250	6,250	5,532
	201,447	109,983	111,123	422,553	394,997
Non-current					
Prepaid rent (Note 4)	-	-	6,038	6,038	18,755
Tangible capital assets (Note 5)	-	-	95,151	95,151	106,678
	\$ 201,447	\$ 109,983	\$ 212,312	\$ 523,742	\$ 520,430
Liabilities and Fund Balances					
Current					
Accounts payable and accrued liabilities	\$ 8,742	\$ -	\$ 55,576	\$ 64,318	\$ 68,387
Rent received in advance	-	-	21,416	21,416	14,232
Due to reserves	-	-	173,353	173,353	180,417
Deferred contributions (Note 6)	-	-	5,125	5,125	8,375
Deferred designated donations (Note 9)	-	-	14,355	14,355	17,847
Current portion of mortgages payable (Note 10)	-	-	19,460	19,460	35,112
	8,742	-	289,285	298,027	324,370
Mortgages payable (Note 10)	-	-	31,330	31,330	38,753
	8,742	-	320,615	329,357	363,123
Fund balances					
Capital replacement reserve	109,435	114,189	-	223,624	177,612
Accumulated shelter surplus	83,270	(4,206)	-	79,064	95,425
Invested in capital assets	-	-	39,236	39,236	32,813
Operating fund	-	-	(147,539)	(147,539)	(148,543)
	192,705	109,983	(108,303)	194,385	157,307
	\$ 201,447	\$ 109,983	\$ 212,312	\$ 523,742	\$ 520,430

On behalf of the Board:

 Director

 Director

The accompanying notes and schedules are an integral part of these financial statements.

Daybreak Non-Profit Shelter (Ecumenical) Corporation Statement of Changes in Fund Balances

For the year ended December 31

	Restricted				Unrestricted		Total 2019	Total 2018
	Provincial Reformed (MMAH)		Private Non-Profit (CMHC)		Invested in Capital Assets	Operating Fund		
	Capital Replacement Reserve	Accumulated Shelter Surplus	Capital Replacement Reserve	Accumulated Shelter Surplus				
Fund balances - beginning of year	\$ 100,747	\$ 81,925	\$ 76,865	\$ 13,500	\$ 32,813	\$ (148,543)	\$ 157,307	\$ 149,876
Excess of revenue over expenses for the year	7,152	-	2,820	-	-	29,053	39,025	7,431
Net change in tangible capital assets	-	-	-	-	6,423	(6,423)	-	-
Allocation of net revenue (expenses) to restricted funds (Note 11)	2,414	2,414	-	16,798	-	(21,626)	-	-
Transfer of funds per City of Ottawa request	(878)	(1,069)	34,504	(34,504)	-	-	(1,947)	-
Fund balances - end of year	\$ 109,435	\$ 83,270	\$ 114,189	\$ (4,206)	\$ 39,236	\$ (147,539)	\$ 194,385	\$ 157,307

Daybreak Non-Profit Shelter (Ecumenical) Corporation Statement of Operations

For the year ended December 31

	MMAH Capital Replacement (MMAH)	CMHC Capital Replacement (CMHC)	Operating Fund	Total Funds 2019	Total Funds 2018
Revenue					
Project operations revenue (Schedule)	\$ -	\$ -	\$ 249,602	\$ 249,602	\$ 221,839
Other revenue					
General donations	-	-	34,989	34,989	76,551
Designated grants and donations (Note 9)	-	-	17,622	17,622	21,001
Provincial Homeless Initiative Fund					
Consolidated Homelessness Prevention Program (CHPP)	-	-	183,590	183,590	183,590
Capital Funding	-	-	-	-	56,907
Miscellaneous	-	-	6,470	6,470	6,884
Parking	-	-	1,500	1,500	1,687
Amortization of deferred contribution revenue	-	-	3,250	3,250	3,250
Investment income (loss)	4,611	-	914	5,525	(1,619)
Prior year subsidy adjustment	-	-	(1,431)	(1,431)	-
	4,611	-	496,506	501,117	570,090
Expenses					
Non program administration (Schedule)	-	-	25,265	25,265	24,703
Subsidized salaries	-	-	183,590	183,590	183,590
Designated donations	-	-	16,351	16,351	18,700
Project operations (Schedule)	-	-	236,886	236,886	261,569
Capital projects	-	-	-	-	74,097
Project reserve appropriation (Schedule)	(2,541)	(2,820)	5,361	-	-
	(2,541)	(2,820)	467,453	462,092	562,659
Excess of revenue over expenses for the year	\$ 7,152	\$ 2,820	\$ 29,053	\$ 39,025	\$ 7,431

Daybreak Non-Profit Shelter (Ecumenical) Corporation Statement of Cash Flows

For the year ended December 31	2019	2018
Cash flows from operating activities		
Excess of revenue over expenses for the year	\$ 39,025	\$ 7,431
Adjustments for		
Amortization of prepaid rent	12,717	8,991
Amortization of deferred contribution revenue	(3,250)	(3,250)
Amortization - buildings	10,358	23,788
Amortization - other	5,536	4,080
	64,386	41,040
Net change in non-cash working capital		
Accounts receivable	(1,597)	(1,711)
HST receivable	49,658	(15,086)
Prepaid expense	(718)	(827)
Contributions receivable	-	4,042
Accounts payable and accrued liabilities	(4,069)	14,931
Rent received in advance	7,184	12,886
Deferred designated donations	(3,492)	(11,001)
	111,352	44,274
Cash flows from investing activities		
Purchase of tangible capital assets	(4,367)	-
Change in fund balances per City	(1,947)	-
Change in investments	(4,611)	1,619
Cash flows from financing activities		
Repayment of mortgages payable	(23,075)	(35,075)
Increase in cash for the year	77,352	10,818
Cash, beginning of year	102,924	92,106
Cash, end of year	\$ 180,276	\$ 102,924
Represented by:		
Cash	\$ 122,514	\$ 45,238
Money Master Savings	57,762	57,686
	\$ 180,276	\$ 102,924

Daybreak Non-Profit Shelter (Ecumenical) Corporation

Notes to Financial Statements

December 31, 2019

1. **Governing Statutes and Nature of Organization**

The purpose of Daybreak Non-Profit Shelter (Ecumenical) Corporation is to deliver affordable shelter to low-income single adults who need support in a supportive, affordable environment which emphasizes community living, life skill enhancement and respect for one another. The Corporation is a registered charity under the Income Tax Act.

2. **Significant Accounting Policies**

The Corporation's significant accounting policies are as follows:

Basis of Accounting

These financial statements are prepared in accordance with the significant accounting policies set out below to comply with the operating agreements with Canada Mortgage and Housing Corporation (CMHC) and the City of Ottawa under the Housing Services Act (HSA). The basis of accounting used in these financial statements materially differs from Canadian accounting standards for not-for-profit organizations because:

(i) **Mortgage Repayments and Amortization**

The buildings purchased with funds from mortgages recognized by CMHC and the City of Ottawa are being amortized at a rate equal to the annual reduction in principal of the mortgages, rather than over the useful lives of the buildings.

With respect to the tangible capital assets at 393 Piccadilly Avenue, the assets have been stated at cost, less amortization. Amortization has been provided for as follows:

Computer equipment	3 year straight-line basis
Leasehold improvements	Straight-line basis over term of lease

(ii) **Purchase of Tangible Capital Assets**

Tangible capital assets purchased after initial project construction of rental properties are funded from and charged against the Capital Replacement Reserve Funds. All other assets are capitalized in the Operating Fund.

(iii) **Appropriation to (from) Reserves**

Appropriations from the project fund to replacement and other reserves are recorded as revenue/expenditures of the funds. Appropriations also include increases in the City of Ottawa subsidy repayable.

Revenue Recognition

The Corporation follows the restricted fund method of accounting for contributions. Restricted contributions, related to a particular fund, are recognized in the fund corresponding to the purpose for which they were contributed. Restricted contributions for which there is no related restricted fund are deferred and recognized as revenue of the operating fund when the related restrictions have been met. Unrestricted contributions and general donations are recognized as revenues in the operating fund when received.

Daybreak Non-Profit Shelter (Ecumenical) Corporation

Notes to Financial Statements

December 31, 2019

2. Significant Accounting Policies (continued)

Revenue Recognition (continued)

Rental revenue and household costs recovery revenue is recognized as revenue over the term of the lease as it becomes due.

The Community Homelessness Prevention Program (CHPP) Initiative provides funds for salaries and benefits for three Housing Support Workers to provide on-site support services to residents and is recognized when earned.

Subsidy Surplus

Under the HSA, \$300 per unit subsidy surplus for the provincial reformed project (Marlborough) is permitted. Once the reserve has reached its maximum of \$2,100, the remaining surplus is shared 50/50 with the Service Manager (The City of Ottawa). The Service Manager's portion must be transferred to the capital reserve account.

Under the original CMHC operating agreement, a \$500 per unit subsidy surplus for the Section 95 projects (Flora, Gloucester & Somerset) is permitted. Once the reserve has reached its maximum of \$13,500, the remaining surplus must be transferred to the capital reserve account.

Government Assistance

(i) Interest Rate Reduction Grants

The CMHC Mortgage and operating agreements provide for interest rates varying from 1.30% to 2.22% with interest payable reduced by grants to effective rates of 2%. The interest rate reduction grants are disclosed separately in the schedule of project operations and represent the difference between the interest portion of the blended payments on the mortgages when amortized at the high rates versus the reduced rates.

The repayment of the forgivable loans and grants will be waived as long as the projects are operated within the terms and conditions of the operating agreement with CMHC. Any net income from the projects in excess of the replacement reserve will be refunded to CMHC.

(ii) Housing Provider Service Agreement

The Corporation receives subsidies under the Housing Services Act (HSA) and Social Housing Renovation and Retrofit Program (SHRRP). In accordance with these agreements, specific terms and conditions regarding the expenditure of the funds exist and the Corporation may be required to refund the excess subsidy received, or be entitled to recover a shortfall in subsidy after the financial statements and the annual information return have been submitted for the year. Revenue, expenditure, accounts receivable, accounts payable and operating fund net revenue (deficiency) may change depending upon final review or approval by the City. Any excess or shortfall is recognized as revenue or expenditure in the year of occurrence.

The Corporations accounting records are subject to audit by the City. Adjustments to subsidies as determined by the City are recorded in the accounts of the Corporation in the year in which the City requests the adjustment.

Daybreak Non-Profit Shelter (Ecumenical) Corporation

Notes to Financial Statements

December 31, 2019

2. Significant Accounting Policies (continued)

Fund Accounting

(i) CMHC and SHRA Capital Replacement Reserves

Capital assets purchased using funds from the capital replacement reserve are charged against the replacement reserve account rather than being capitalized on the statement of financial position and amortized over their estimated useful lives. A reserve for future capital replacement is appropriated annually from operations. The annual appropriation is at the amount prescribed by the funder for each project. Interest earned on monies held in reserve is credited directly to the reserve. The reserve is to be used only for replacements of a capital nature.

(ii) Operating Fund

This fund is the main operating fund of the Corporation and represents its daily operations.

Financial Instruments

The Corporation's financial instruments consist of cash, investments, HST recoverable, accounts receivable, accounts payable and accrued liabilities and mortgages payable.

Measurement

Financial instruments are recorded at fair value on initial recognition.

The Corporation subsequently measures its financial instruments as follows:

Cash, HST recoverable, accounts receivable, accounts payable and accrued liabilities and mortgages payable are subsequently measured at amortized cost

Investments are subsequently measured at fair value. Changes in fair value are recognized in net revenue (expenses).

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down or subsequent recovery is recognized in net revenue (expenses).

Volunteer Services

The Corporation receives the services of volunteers, the benefit of which cannot be reasonably estimated. Therefore, the value of services volunteered to the corporation is not reflected in these financial statements.

Allocation of Expenses

The Corporation allocates administration expense among the properties based on the number of units in each property. Administration expenses allocated to projects are expenses that directly support programs, which excludes salary funded by government contributions. Non program salary and administration expenses do not directly contribute to the support of programs.

Daybreak Non-Profit Shelter (Ecumenical) Corporation

Notes to Financial Statements

December 31, 2019

2. Significant Accounting Policies (continued)

Use of Estimates

The preparation of financial statements in conformity with the basis of accounting described in Note 2 (a) the financial statements, requires management to make estimates and assumptions that affect the recorded amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and liabilities. These estimates are reviewed periodically and adjustments are made to net revenue (expenses) as appropriate in the year they become known.

3. Investments

MMAH's investments are invested in social housing investment funds provided by Worldsource Financial Management Inc.

4. Prepaid Rent

The land and building at 77 Gloucester Street is leased from St. George's Anglican Church under a long-term operating lease which expires March 11, 2025. The aggregate rental to the expiry date was prepaid by the payment of a capital amount of \$50,000. The annual amount of amortization is equal to the principal portion of the mortgage repaid during the year.

5. Tangible Capital Assets

MMAH and CMHC Properties:

	2019			2018		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Buildings and land						
Flora	\$ 167,664	\$ 156,553	\$ 11,111	\$ 167,664	\$ 156,553	\$ 11,111
Somerset	223,279	188,204	35,075	223,279	188,204	35,075
Gloucester	203,640	202,509	1,131	203,640	199,478	4,162
Marlborough	143,033	104,231	38,802	143,033	96,904	46,129
	\$ 737,616	\$ 651,497	\$ 86,119	\$ 737,616	\$ 641,139	\$ 96,477

Daybreak Non-Profit Shelter (Ecumenical) Corporation Notes to Financial Statements

December 31, 2019

5. Tangible Capital Assets (continued)

Piccadilly Avenue Capital Assets:

	2019			2018		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Computer equipment	\$ 4,367	\$ 1,456	\$ 2,911	\$ -	\$ -	\$ -
Leasehold improvements	81,602	75,481	6,121	81,602	71,401	10,201
	85,969	76,937	9,032	81,602	71,401	10,201
	\$ 823,585	\$ 728,434	\$ 95,151	\$ 819,218	\$ 712,540	\$ 106,678

6. Deferred Contributions

Deferred contributions related to the acquisition of capital assets at 393 Piccadilly Avenue that were contributed to the Corporation.

	2019		2018	
Balance, beginning of year	\$ 8,375		\$ 11,625	
Less: Recognized as revenue during the year	3,250		3,250	
Balance, end of year	\$ 5,125		\$ 8,375	

7. Commitment

The Corporation has entered into a twenty year lease agreement for Piccadilly ending July 2021, in which it pays City Living a monthly fee of \$2,099. Taxes are not applicable on this agreement.

8. Related Party Transactions

No remuneration was paid to Directors and Officers during the year in their capacity as Directors and Officers of the Corporation.

Daybreak Non-Profit Shelter (Ecumenical) Corporation Notes to Financial Statements

December 31, 2019

9. Deferred Designated Donations

Designated donations received are recognized as revenue when related expenses are incurred.

	Balance at Beginning of Year	Contributions Received	Amounts Recognized as Revenue	Balance at End of Year
Alterna Savings - Life skills training	\$ 2,220	\$ -	\$ 2,220	\$ -
Sprott Foundation - Furniture	4,810	-	4,810	-
Ottawa Community Foundation Healing of Men in Need	817	-	-	817
Home Depot - Home improvement	10,000	-	3,216	6,784
The Real You - Healthy Lifestyle	-	14,130	7,376	6,754
	\$ 17,847	\$ 14,130	\$ 17,622	\$ 14,355

10. Mortgages Payable

	<u>2019</u>	2018
2.22% Mortgage, payable in monthly principal and interest instalments of \$1,350, secured by property at 77 Gloucester Street, maturing September 2020	\$ 12,039	\$ 27,786
1.30% Mortgage, payable in monthly principal and interest instalments of \$657, secured by property at 110 Marlborough Avenue, maturing January 2025, renewal June 2022	38,751	46,079
	50,790	73,865
Less: Current portion	19,460	35,112
	\$ 31,330	\$ 38,753

The principal payments required over the next three years are as follows:

2020	\$ 19,460
2021	7,518
2022	<u>23,812</u>
	\$ 50,790

Daybreak Non-Profit Shelter (Ecumenical) Corporation Notes to Financial Statements

December 31, 2019

11. Allocation of Net Revenue (Expenses) to Restricted Funds

i) Provincial Reformed (MMAH)		
Murphy House net revenue	\$	4,828
Allocation to MMAH Capital Replacement Reserve		(2,414)
Allocation to MMAH Accumulated Shelter Surplus		(2,414)
		-
	\$	-
ii) Private Non-Profit (CMHC)		
Percival House net revenue	\$	11,769
Johnson House net revenue		13,077
Nagel House net revenue		(8,048)
		16,798
Allocation to Private Non-Profit (CMHC) Capital Replacement Reserve	\$	16,798
iii) Total Allocation from Non-Program Operating Fund to:		
Program Operating Fund	\$	2,414
MMAH Accumulated Shelter Surplus		2,414
Private Non-Profit (CMHC) Capital Replacement Reserve		16,798
		21,626
	\$	21,626

12. Subsequent Event

In March 2020, following the recommendation of Canadian health organizations and governments to contain the coronavirus (COVID-19), all non-essential businesses and schools have been closed. While the duration of the closures or impact to operations is unknown at this time, it could have a material impact to the Corporation.

13. Comparative Amounts

Certain comparative figures have been reclassified to conform with current financial statement presentation.

Daybreak Non-Profit Shelter (Ecumenical) Corporation Notes to Financial Statements

December 31, 2019

14. Financial Instruments Risk and Concentrations

The Corporation is exposed to various risks through its financial instruments. The following analysis provides a measure of the Corporation's risk exposure and concentrations as at December 31, 2019.

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 Corporation is exposed to credit risk in the event of non-payment by their tenants for their accounts receivable.

Liquidity risk

Liquidity risk is the risk that the Corporation will encounter difficulty in meeting obligations associated with financial liabilities. The Corporation is exposed to this risk mainly in respect of its accounts payable and accrued liabilities and mortgages payable.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk, and other price risk. The Corporation is exposed to other price risk.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Corporation is exposed to other price risk due to its investment in marketable securities.

Changes in risk

There have been no significant changes in the Corporation's risk exposures from the previous fiscal year.

Daybreak Non-Profit Shelter (Ecumenical) Corporation Schedule of Project Operations

For the year ended December 31

	Piccadilly Place 393 Piccadilly Ave.		Percival House 126 Flora Street		Johnson House 578 Somerset St. West		Nagle House 77 Gloucester Street		Murphy House 110 Marlborough Ave.		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Revenue												
Rental	\$ 59,471	\$ 54,701	\$ 43,571	\$ 45,944	\$ 52,958	\$ 39,341	\$ 48,729	\$ 33,831	\$ 39,157	\$ 32,603	\$ 243,886	\$ 206,420
Interest rebate reduction grants (CMHC)	-	-	-	11	-	-	-	29	5,716	15,379	5,716	15,419
	59,471	54,701	43,571	45,955	52,958	39,341	48,729	33,860	44,873	47,982	249,602	221,839
Expense												
Mortgage interest	-	-	-	10	-	32	452	786	554	656	1,006	1,484
Rent	25,247	26,298	-	-	-	-	-	-	-	-	25,247	26,298
Heat, hydro and water	9,396	9,423	5,384	6,459	6,388	6,728	8,439	6,752	6,669	6,056	36,276	35,418
Insurance	1,256	1,216	838	811	1,048	1,014	942	912	733	709	4,817	4,662
Repairs and maintenance	2,175	2,058	5,544	3,059	6,316	7,724	5,156	3,073	4,383	2,856	23,574	18,770
Household supplies and equipment	384	976	216	447	375	462	456	475	309	536	1,740	2,896
Amortization												
Building	-	-	-	2,306	-	8,244	3,031	3,651	7,327	6,741	10,358	20,942
Other	5,536	4,080	-	-	-	-	-	-	-	-	5,536	4,080
Allocated administration	28,619	34,910	18,713	22,826	24,216	29,539	22,015	26,854	16,511	20,141	110,074	134,270
Amortization of prepaid rents	-	-	-	-	-	-	12,717	8,991	-	-	12,717	8,991
Bad debt	687	397	5	986	436	493	1,627	-	900	143	3,655	2,019
Miscellaneous	442	-	442	-	442	-	442	1,623	118	116	1,886	1,739
	73,742	79,358	31,142	36,904	39,221	54,236	55,277	53,117	37,504	37,954	236,886	261,569
Project operations net revenue before appropriations	(14,271)	(24,657)	12,429	9,051	13,737	(14,895)	(6,548)	(19,257)	7,369	10,028	12,716	(39,730)
Less appropriation for:												
CMHC Capital Replacement Reserve	-	-	660	660	660	660	1,500	1,500	-	-	2,820	2,820
MMAH Capital Replacement Reserve	-	-	-	-	-	-	-	-	2,541	2,383	2,541	2,383
Project operations net revenue	\$ (14,271)	\$ (24,657)	\$ 11,769	\$ 8,391	\$ 13,077	\$ (15,555)	\$ (8,048)	\$ (20,757)	\$ 4,828	\$ 7,645	\$ 7,355	\$ (44,933)

Daybreak Non-Profit Shelter (Ecumenical) Corporation
Schedule of Program and Administrative Expenses

For the year ended December 31	2019	2018
Accounting	\$ 917	\$ 922
Administration	1,449	1,384
Audit	12,495	10,654
Equipment maintenance	1,099	1,148
Legal fees	12,602	805
Miscellaneous	6,516	15,319
Office repairs and maintenance	12,154	11,790
Office supplies	1,544	2,164
Program salaries and allowances	84,217	108,745
Non program salary and allowances	(25,265)	(24,703)
Staff training	-	2,990
Telephone	2,346	3,052
	110,074	134,270
Administration expense allocated to projects (Note 2)	(110,074)	(134,270)
Non program salary and allowances	25,265	24,703
Non program salary and administration expenses	\$ 25,265	\$ 24,703