



Hospitality Ministry Inc.

*More than just a meal*

**APRIL 1, 2022 TO MARCH 31, 2023**

**Annual General Meeting Report on Thursday June 22, 2023**

## **MISSION STATEMENT**

The Upper Room Hospitality Ministry Inc. has as its mission  
to:

Provide some of the food requirements of needy people of  
Prince Edward Island

Approved by: The Upper Room Hospitality Ministry Inc. Board  
September 12, 1989

### **Office Mailing Address**

34 Belmont St., Charlottetown, PEI, C1A 5H1

Upper Room Soup Kitchen  
101 Richmond St  
(902) 892-1995

Upper Room Food Bank  
34 Belmont St.  
(902) 892-7092

**The Upper Room Hospitality Ministry Inc.**  
**Annual General Meeting 2022/2023**  
**Thursday, June 22, 2023**  
**The Upper Room Food Bank/PEI Food Banks Office**  
**34 Belmont Street, Charlottetown**  
**Year Ended March 31, 2023**

**Agenda**

1. Land Acknowledgement
2. Call Meeting to Order (5:30pm)
3. Adoption of Agenda
4. Approval of 2021/2022 Annual Meeting Minutes
5. Reports:
  - A. Chairperson
  - B. Executive Director
  - C. Finance Committee;  
Upper Room Angels  
Finance Committee Report  
Present 2023/2024 Budget  
Appointment of Auditors for 2023/2024
  - D. Strategic Planning Committee
  - E. Food Drives Committee
  - F. Property Committee
  - G. Human Resources Committee
  - H. Outreach Committee
  - I. Nomination Committee
6. Adjournment

## **Land Acknowledgement:**

*"In the spirit of Reconciliation, we acknowledge that the land upon which we gather is unceded Mi'kmaq territory. Epekwitk (Prince Edward Island), Mi'kma'ki, is covered by the historic Treaties of Peace and Friendship. We have an opportunity now to reflect on the impacts of colonization on Indigenous peoples, traditional ways of life and communal and individual food systems. We pay our respects to Indigenous peoples and communities who have occupied this Island for over 12,000 years and commit to continue building meaningful relationships with Indigenous communities and leaders to further the work of true reconciliation".*

**The Upper Room Hospitality Ministry Inc.**  
**Annual Meeting Minutes**  
**June 28, 2022**

**Call to Order**

Ken Campbell called to order the annual meeting of The Upper Room Hospitality Ministry Inc. at 6:00 pm on June 28, 2022, at the Soup Kitchen.

**Attendance**

The following directors were in attendance: Ken Campbell, Dandan Wang, Elaine Fraser, Paul Evoy, Jennifer Fernandes, Katherine Morrow, David Swan, David Harper, Mike Sirois, Bobbi-Jo Dow Baker, and Jamie Larkin. Richard Collier sent his regrets. Staff present were Mike MacDonald, Brenda Moore, Lorraine Goley, Nicole Mountain, and Carol Fitzpatrick. Ashley Doull from Bradley Handrahan Chartered Professional Accountants was also in attendance.

**Land Acknowledgement**

Mike MacDonald acknowledged that the Upper Room is located in the ancestral and unceded territory of the Mi'kmaq People, and we acknowledge them as the past, present and the future caretakers of this land.

**Agenda**

David Harper moved we accept the agenda. Dandan Wang seconded the motion. **Motion carried.**

**Minutes from the last annual meeting July 20<sup>th</sup>, 2021**

Jamie Larkin moved that the minutes, from the July 20<sup>th</sup>, 2022, annual meeting be accepted. Mike Sirois seconded the motion. **Motion carried.**

**Chair**

Ken Campbell reported on how well the Upper Room managed during the challenges of the past year, this was due in large part to the dedicated staff and volunteers. We are grateful for the support received from the community as Food Drives and smaller events continued throughout the year.

Our new location at 34 Belmont St. allows us to work more efficiently and provides better access for clients and donors.

Mike MacDonald has been in charge for over 20 years and words cannot express what he has meant to the organization. Ken is proud of what the organization has accomplished and feels we are ready for any challenges ahead.

### **Executive Director**

Mike MacDonald spoke on how the challenges of Covid-19 continued into the last fiscal year. The goal was always to maintain a safe place for staff, volunteers, clients, and donors, while continuing to provide our services.

New clients were up by 37% and we continued deliveries to those in need in Charlottetown and out to Cornwall. We now have our clients on a client program "Link to Feed."

All our main Food Drives were successful even as their format changed. We took in 737,000 lbs. of food during the year.

### **Treasurer**

Brenda Moore read Nancy Barrett's report for the angels. The year was highly successful with several new donors and a high retention rate of previous donors. There were 1,830 angels, who raised over \$95,000. Since the start in 1989 the Angels have raised \$2,467,965.

Paul Evoy invited our Ashley Doull, from our auditors, to speak on our Financial Statements. Ashley reported we had a clean audit report except for the normal charity qualification on donations.

The amount of cash on hand at year end was unusually high due to the Province donating just prior to year end. Deferred revenue is also high, and a large portion was for specific expenditures that had not happened at year end. Capital assets were capitalized last year for the first time and will continue to be capitalized going forward. Wages were higher due to more employees and raises.

Paul Evoy spoke about how the donations from this fiscal year will allow us to meet our clients needs going forward.

The budget he prepared for the current year shows a sizable loss as we do not know what donations we will receive in the current year as the country opens up and government priorities may change. Expenses are up as most of our costs have already risen. Hopefully, this year we will get the Soup Kitchen roof replaced and the new walk-in cooler installed.

Jennifer Fernandes moved that the budget for the current year be accepted. Jamie Larkin seconded the motion. **Motion carried.**

Mike Sirois moved we accept the Financial Statements as presented. David Swan seconded the motion. **Motion carried.**

Paul Evoy moved that we appoint Bradley Handrahan Chartered Professional Accountants as our auditors for the coming year. Jennifer Fernandes seconded the Motion. **Motion carried.**

### **Strategic Plan**

After the ratification of the Strategic Plan last year a Committee was created who met five times over the past year to review and enact the plan. In the fall the committee will be focus on the year two key deliverables. These include bringing key stakeholders together to identify priorities, developing a plan to address gaps in service, and monitoring infrastructure requirements.

### **Food Drives**

Jamie Larkin reported that even with Covid-19 our main food drives remained successful. The year started with the 17<sup>th</sup> "Stuff a Bus" sponsored by Shawn's No Frills and Ocean 100. The Y's Men Food Drive was a drive-thru with nine locations. The Stratford Food Drive was also a drive thru with four locations. At the end of the year CBC's "Feed a Family" raise both turkeys and money for Food Banks across the Island.

Several smaller drives were held and together they allow us to provide food to our clients. Going forward we will evaluate what we do and how we do it. We are grateful that Islanders continue to support us.

### **Property**

David Harper reported the Soup Kitchen storage room was renovated after water damage and new shelving was installed. At 34 Belmont St., new office furniture was purchased along with shelving for food storage and counters for hamper days. We are waiting for the Soup Kitchen roof to be replaced.

### **Human Resources**

Jennifer Fernandes reported that while wages are our largest expenditure, staff are our largest asset. We have great staff retention because we offer competitive wages and good working conditions.

### **Outreach**

Mike Sirois reported that the Committee continues to build and maintain relationships with other organizations that work with our clients. We have assisted temporary

shelters including Lennon Recovery, Anderson, Bedford MacDonald, and Blooming House.

We provided food to the Community Outreach Center, the Safe program, and organizations in the Cornwall Area. Intermediate high schools in the Charlottetown area were also helped with their lunch program.

### **Nominations**

Dandan Wang reported that four Directors have finished their three-year term and are up for reelection. Lorraine Goley moved that Elaine Fraser, David Harper, Jamie Larkin, and David Swan be reelected for a three-year term. Paul Evoy seconded the nominations. **Motion Carried.**

### **Adjournment**

Jamie Larkin moved the meeting be adjourned at 6:45 pm. Elaine Fraser seconded the motion. **Motion Carried.**

X

Chair

X

Secretary



# **The Upper Room Hospitality Ministry Inc.**

## **Chairperson Annual Report 2022-2023**

Welcome to The Upper Room Hospitality Ministry Inc. Annual General Meeting. We are so blessed to call Prince Edward Island home.

In the face of inflation pulling at all of us and especially our clients; we gain strength from our staff, volunteers, and fellow board members as they come together with determination and go above and beyond providing services to our clients and community. We know the high cost of living has changed the lives of many Islanders and people are facing hardships they never thought possible.

Mike, we thank you for your continued fierce leadership and determination shown by you and your team. It is because of this strength, compassion, and drive that our work can continue to help Islanders in need.

It has been humbling to see our community continue to support our organization. Whether it is neighbors coming together, someone remembering us in a grocery store, or one of our larger food drives; we are truly in awe of the heart of Islanders. We thank you for your continued support of our organization and know that we pride ourselves on our good stewardship and the utilizing of what we are given to help enhance the lives of our clients.

We were so proud of the work we did by obtaining a new building at 34 Belmont. This new building required us to look at our organizational needs, warehouse space, and level of productivity for the present as well as the future. Therefore, we are happy to announce that we have found a space in the same neighborhood that is going to allow us to develop further our organization needs local, provincial, and national level. Big things are coming, and we are looking forward to sharing this with you at the AGM in 2024.

I want to thank each of you for all your contributions during this last year and I know we are ready for any challenges we may face this next coming year.

Submitted by Ken Campbell, Chairperson

# **The Upper Room Hospitality Ministry Inc.**

## **Executive Director Report 2022-2023**

The 2022-23 year has faced several challenges; but it has also had many successes. The number of people using our food bank and soup kitchen services increased significantly, by 25%. There are many Islanders who are struggling and are making difficult decisions; some thought they would never face. It is our privilege to be able to offer this support to members of our community and we will continue to work on improving and enriching our services.

We currently have 7 full time staff and 1 part time staff member at our Food Bank. Our Soup Kitchen has 3 full time staff and 1 part time staff members. We have over 100 volunteers throughout the year, and we were so grateful to celebrate our board members and volunteers at our annual Volunteer Appreciation Event and thank everyone for their invaluable service. Next year we look forward to reporting volunteer hours to help shed light on the number of hours put into our organization through volunteer work.

Hurricane Fiona and inflation have had a major impact on our organization. We had many people turning to the Upper Room after Hurricane Fiona. We were quite fortunate to have the power restored at the Soup Kitchen very quickly. The Food Bank was without power for 12 days. Fortunately, we made the investment in our generators and were able to operate out of 33 Belmont Street. We also lost very little food as the generator turned on right away. Post-Fiona, we are happy to report that we have developed a business continuity plan and emergency plan to prepare ourselves for any future weather-related emergencies.

Inflation has had a major impact on the Upper Room. We have had more people than ever turning to our Food Bank and Soup Kitchen and we do not see this changing for the foreseeable future. One of the main reasons people are coming to us is the cost of living. Inflation also has an impact on our donors and their ability to give.

Our donations and food drives continue to surpass our expectations. They play a vital role in the service we provide. We took in 608,907lbs of food this year. The Y's Men Food Drive, the Stratford and Area Food Drive, Stuff a Bus Food Drive, and CBC Feed a Family were extremely successful. The support we receive from these groups is remarkable.

Our member relations have grown this past year with Food Banks Canada and other PEI Food Banks under our organization. As a reminder we are a member of Food Banks Canada and the other food banks under our organization are as follows: Salvation Army Charlottetown, Southern Kings and Queens Inc. Food Bank in Montague, Souris Food Bank, Kensington Food Bank, Salvation Army Summerside, and West Prince Caring Cupboard covering Alberton, Bloomfield, Coleman, Ellerslie,

Elmsdale, Lennox Island, Miminegash, O'Leary, St Louis, Tignish, Tyne Valley and Surrounding areas.

Regarding our membership with Food Banks Canada, we have put in an extensive amount of work developing Standards and policies to ensure we meet and exceed any requirements that Food Banks Canada may have. These standards will ensure that clients of our organization and other PEI Food Banks receive the best service and a standard of excellence across our Island. We are growing our relationship with the other PEI Food Banks and formalizing ourselves as a collaborative Provincial body. In the coming year, each of the food banks will have a signed agreement with the Upper Room/PEI Food Banks; the provincial organization. We will continue to guide and assist the food banks with such things as the standards, collection of food and financial donations, and other needs they may have. We have also continued to work with other PEI organizations and the Department of Social Development to assist Islanders.

In ending my report, I would like to pass on my appreciation to all staff, volunteers, and Board Members. These groups of people amaze me with their dedication and the support they show to Islanders. Everyone has had more of an impact on our organization and on the lives of so many people in our province than they realize. The Upper Room would not be where it is today without you. Thank you.

#### **Food Bank and Soup Kitchen Statistics:**

Soup Kitchen meals served:

2022-23 = 46,565

2021-22 = 40,651

2020-21 = 40,410

2019-20 = 37383

2018-19 = 36,011

#### **Food Bank Totals**

	2022/23	2021/22	2020/21	2019/20
Families	10208	7867	7512	6911
Adults	17457	13640	11879	10907
Children and Infants	9430	7323	7332	7009
Total People	26886	20982	19211	18216
New Clients	750	393	421	315

- We delivered to 282 families in Charlottetown and 121 families in Cornwall.
- These numbers include 668 Christmas packages we distributed.

The Upper Room Hospitality Ministry Incorporated  
**UPPER ROOM ANGELS**  
Fiscal Period  
April 1, 2022 - March 31, 2023

Our thirty-fourth fundraising campaign started September 1, 2022. Newspaper advertising began on that date, and newsletters were mailed requesting Angels to renew their membership. The amount of \$94,739 was raised at the end of March 31, 2023.

In the last fiscal year the angels contributed \$70,668 to help with the purchases of food and supplies that was needed to assist the clients. The remaining balance is committed for distribution thru the 4th week of June 2024.

The awareness of more people having to use the food bank since Covid-19 and the higher cost of food those that were able gave more generously. There are 1,822 angels. Membership is gratifying, one thousand seven hundred and forty-five /or 95% renewed membership. Seventy-seven new members enlisted. A Thank you letter was sent to all members.

Since its inception August 1989 through March 31, 2023 the Angels have raised a total of \$2,563,204 at a very low cost.

The Thirty-fifth annual campaign for distribution 2023 will begin September 1, 2023, with a goal of \$75,000.

Respectfully submitted,



Nancy Barrett

Chairperson

The Upper Room Angels

# **The Upper Room Hospitality Ministry Inc. (The URHM)**

## **Finance Committee Annual Report 2022/2023**

### **The URHM Financial Statements – For the year ended March 31, 2023**

The URHM financial statements have been audited by Bradley Handrahan Chartered Professional Accountants and are attached to this Annual Report.

Ashley Doull CPA, CA from Bradley Handrahan is here tonight to review these audited financial statements.

The URHM has received an unparalleled level of donor support in the last 3 years. In fact, our food and money donations have been at the highest levels in our existence. This consistent generosity has been brought on by the general public's awareness of the hardships facing individuals and families. These challenges are a result of increasing food, housing, and transportation costs on a larger and larger number of Islanders.

These increased donations are coming from Food Banks Canada, the provincial government, various corporate entities, schools, church groups, Upper Room Angels, and countless individuals.

This support has allowed the ministry to tackle the issues families are facing with increased living costs. It has also allowed the ministry to set aside resources for a building fund, a capital project and equipment fund, and a vehicle fund. These funds will secure the URHM's future and allow the ministry to grow as PEI food needs continue to increase from the \$1,801,000 (630,000 lbs), of food distributed or served in the last fiscal year.

### **The URHM Budget – For the year ended March 31, 2024**

The URHM budget for the next fiscal year is attached to this Annual Report. This budget for the period April 1, 2023 to March 31, 2024 projects a sizeable operating deficit of \$749,000 which includes capital asset purchases of \$420,000 for the food bank and \$55,000 for the soup kitchen. The building, capital replacement, and vehicle reserves have an accumulated surplus going into fiscal 2024, which will be used to offset a sizeable portion of the forecasted operating deficit.

Estimated revenues were calculated for the attached operating budget at less than 2023 actuals as governments are forecasted to be use more restraint in their spending going forward.

The operating budget incorporates the following additional expenditures for the 2024 fiscal year;

- Budgeted capital expenditures include the following:
  - o Additional cooler / refrigeration capacity added to the soup kitchen;
  - o Replacement of the 2 vehicles currently in use at the food bank due to age;
  - o In preparation for our move to a new Food Bank location, the budget includes line items for hydraulic lifts, costs associated with moving the cooler/freezer/generator, a forklift, and racking for the future building;
- Food purchases at the ministry are budgeted to be higher due to inflationary pressure on food costs, an increase in need for our services, and a reduction in food donations since the pandemic;

Aside from the new expenditures as outlined above, the budgeted annual operating revenues and expenditures are consistent with prior year's actual results after allowing for the inflationary rise in costs and accounting for the those known future differences.

### **Reappointment of Bradley Handrahan CPA**

We also ask for a motion to appoint Bradley Handrahan Chartered Professional Accountants to be the Upper Room Hospitality Ministry's auditing firm for the 2024 fiscal year.

Respectively Submitted by the Finance Committee – Ken Campbell, Dandan Wang, Mike MacDonald, Brenda Moore, and Paul Evoy

# Budgeted Statement of Revenue and Expenditures

For the year ended March 31, 2024

Description	Budget 2024	Actual 2023	Actual 2022	Actual 2021
<b><u>REVENUE</u></b>				
<b>DONATIONS:</b>				
Upper Room Angels (Net Expenses)	\$ 75,000	\$ 97,381	\$ 97,325	\$ 95,455
General	400,000	504,564	474,604	150,668
Church and Community	51,500	73,098	62,290	61,145
Corporate	200,000	305,238	253,208	184,611
Corporate Angels	150,000	230,000	81,000	117,500
Donations Sub-Total	876,500	1,210,281	968,427	927,862
Food Banks Canada	40,000	81,667	60,827	19,275
Gift Certificates & VIK (Net)	10,000	5,608	14,441	11,982
Donations to be Shared	400,000	768,202	325,101	612,280
Amount Paid Out to Other Food Banks	(152,000)	(566,724)	(248,178)	(251,676)
Grants	-	314,031	115,897	-
Interest	68,000	32,167	12,993	13,928
<b>Total Revenue</b>	<b>\$ 1,242,500</b>	<b>\$ 1,845,232</b>	<b>\$ 1,249,508</b>	<b>\$ 1,333,651</b>

## **EXPENDITURES:**

### **GENERAL OFFICE:**

Amortization	30,000	-	23,451	12,585
Accounting Fees	19,500	43,299	8,175	6,077
Advertising	100	44	-	25
Bank Charges and interest	3,000	2,874	2,630	1,595
Donations, Gifts	5,000	2,642	3,464	420
Insurance	14,000	11,563	8,781	7,078
Office Supplies	15,000	10,619	15,683	26,006
Memberships	1,500	301	294	294
Miscellaneous	1,000	3,119	781	577
National Meetings	12,000	-	-	-
Fundraising	16,000	14,913	14,060	13,522
	117,100	89,374	77,319	68,179

### **FOOD BANK MINISTRY:**

<b>Equipment purchases</b>	<b>420,000</b>	<b>1,467</b>	<b>13,019</b>	<b>55,155</b>
Food Purchases (Includes freight)	445,500	219,311	139,127	79,741
Garbage Collection	6,000	4,764	3,776	3,841
Propane	3,000	2,282	-	-
Rent - Warehouse	90,500	90,376	90,688	33,717
Repairs and Maintenance	3,000	2,722	10,263	5,078
Shop Supplies	7,200	6,842	5,483	5,068
Telephone and cell phone	4,000	4,626	4,310	3,756
Truck Expenses - gas/repairs/ins	12,000	10,291	10,043	8,771
	991,200	342,682	276,710	195,128

The URHM Budget

Budgeted Statement of Revenue and Expenditures

For the year ended March 31, 2024

Description	Budget 2024	Actual 2023	Actual 2022	Actual 2021
<b>SOUP KITCHEN MINISTRY</b>				
Telephone	1,500	1,156	1,087	1,441
Garbage Collection	8,500	5,947	4,417	4,417
Electricity	5,500	5,722	5,942	4,757
<b>Equipment</b>	<b>55,000</b>	<b>2,699</b>	<b>1,257</b>	<b>69,817</b>
Heat	1,800	1,533	1,262	729
Propane	4,000	3,655	2,472	4,456
Property Tax	3,300	3,227	-	-
Repairs and Maintenance	3,000	21,224	11,005	9,275
Water and Sewer	700	565	553	545
Shop Supplies	9,800	10,264	8,225	7,603
Food Purchases	124,500	134,417	85,272	57,744
	217,600	190,408	121,491	160,783
<b>STAFFING:</b>				
Wages	620,783	548,607	488,802	377,277
EI Expense	15,439	11,580	10,409	7,735
CPP Expense	30,475	26,932	22,747	16,151
WCB Expense	4,025	7,495	3,606	4,407
Pension Expense	2,445	2,310	2,153	2,119
Wage Reimbursement - All sources	(8,000)	(7,496)	(30,812)	(5,500)
	665,167	589,428	496,905	402,189
<b>Total Expenditures:</b>				
	<b>\$ 1,991,067</b>	<b>\$ 1,211,892</b>	<b>\$ 972,425</b>	<b>\$ 826,279</b>
<b>Excess (Deficit) - Revenue over expenditures</b>				
	<b>\$ (748,567)</b>	<b>\$ 633,340</b>	<b>\$ 277,083</b>	<b>\$ 507,372</b>
<b>RESERVE ALLOCATIONS</b>				
Transfer (to) Land & Building Reserve	140,000	(500,000)	-	(750,000)
Transfer (to) Capital Replacement Reserve	50,000	-	-	20,000
Transfer (to) Truck Reserve	150,000	(105,000)	(15,000)	(15,000)
	340,000	(605,000)	(15,000)	(745,000)
<b>Excess Revenues over Expenditures</b>				

**• The Upper Room Hospitality Ministry Inc.**  
**Strategic Planning Committee Report 2022-2023**

Following ratification of the URHM Strategic Plan in 2021, the Board created a Strategic Planning Committee with the mandate of carrying out strategic plan recommendations, reporting progress, and recommending plan changes and updates.

The committee met 3 times over the past year to review and enact the Strategic Plan year two deliverables. Key points discussed during these meetings include:

- The process for meeting with island food banks to discuss a regional partnership;
- The documentation required to formalize the regional partnership;
- The need for the regional partnership agreement to be renewed regularly;
- The need for regional food bank partners to adopt and uphold URHM operational standards and policies currently under development;
- The potential need for additional URHM staff once the regional partnership is fully implemented; and
- The need to plan and budget for the upcoming move to a new location.

This fall, the committee will focus on delivering the year three key deliverables:

- Implement the plan to coordinate services and benefits to those experiencing food insecurity island wide; and
- Monitor current and future infrastructure requirements and opportunities.

Submitted by Katherine Morrow, Strategic Plan Committee member



# **The Upper Room Hospitality Ministry Inc.**

## **Food Drive Committee Report 2022-2023**

The Upper Room Hospitality Ministry Inc. Food Drives are an invaluable part of our organization. It is the people in the community, organizations, schools, service clubs, businesses, neighborhoods, sports teams, and many more that continue to support our organization. Between our signature food drives and third-party food drives, we continued to meet the needs of our clients.

We saw many different third-party food drives such as:

- The Body Shop Charlottetown Store
- Insurance Institute of PEI
- Knights of Columbus Food Drive
- Maritime Home Services
- Charlottetown Rural Grade 12 Global Issues Class
- Subway Buy a Footlong
- Big Brothers Big Sisters "The Big Give Back"
- Abegweit Haunted Barn Food Drive
- Walmart 'Spark Hunger, Fight Change'
- Walsh Family Warehouse cup food drive
- Loblaws feed more families spring food drive
- West Royalty Softball Association Fill the Dugout Food Drive
- The PEI Women's Institute Taking Care of Business Feminine Hygiene Products drive.

During the Christmas season, we also want to recognize many smaller food drives such as community members, neighbors, businesses, that took the time to help by providing donations to our organization. Although we cannot name every third-party food drive, we are so grateful for the ongoing community support and know that without this support we could not continue the work we do for others.

We had our signature events such as:

- Ocean 100 Stuff a Bus
- Y Service Food Drive Drive-Thru
- Stratford Food Drive Drive-Thru
- CBC Feed a Family Turkey Drive

All these food drives surpassed our previous year which has been humbling to see as the rate of inflation continues to increase across our province. These signature events continue to be vital to our organization and we are happy to report another successful year. We will continue to evaluate and improve upon our existing food drives and find new and innovative ways to add new ones to fill any food gaps during the year so we can continue to keep up with the services we offer.

Respectfully submitted by: Jamie Larkin

# **The Upper Room Hospitality Ministry Inc.**

## **Human Resources Committee Report 2022-2023**

The Human Resources Committee supports the Board in fulfilling its mandate to provide governance oversight in relation to the Upper Room Hospitality Ministry's current and future human resource needs: employee recruitment; compensation and employee relations matters; occupational health and safety; organizational development; the Executive Director's plan for continuity; and any other human resource related matters that are referred to the Committee by the Board for its consideration and recommendation.

In the past year, along with other matters, the Human Resources Committee:

- Monitored and provided governance oversight in relation to the human resource needs; and staff and volunteers' wellbeing both generally, and specifically in relation to the COVID-19 pandemic;
- Continued its support for the Strategic Plan's implementation as it pertains to human resource related matters;
- Reviewed all employee's compensation;
- Reviewed and assisted with implementation of an employee benefits package;
- Supported the development of the Executive Director's goals and objectives, as they pertained to human resource matters, including but not limited to reviewing and potentially increasing staff positions and other human resource related supports; and
- Oversaw compliance with human resources and employment legislation and policy, including employment and occupational health and safety.

The Committee continues to be thankful for the discussion and guidance of the board on these issues.

Most importantly, the Committee wants to take the opportunity to recognize all staff and volunteers. Without their hard work and dedication, the URHM would not be able to serve its clients in the high standard that it does. Thank you all!

Committee Membership during 2022-23: Richard Collier, Jennifer Fernandes

Respectfully submitted, Richard Collier & Jennifer Fernandes

# **The Upper Room Hospitality Ministry Inc.**

## **Outreach Committee Annual Report 2022-2023**

During the past year, the Outreach Committee continued its efforts in supporting not-for-profit, charitable organizations, and public schools on Prince Edward Island.

Below is a list of the organizations we have been able to support on a regular basis:

- Six other food banks across the Island
- We have worked with and supported temporary shelter support organizations.
- Community Outreach Centre and SAFE program in Charlottetown
- Community organizations in Cornwall

We have been able to support the following schools to tackle food insecurity among their students:

- Stonepark, Birchwood, and Queen Charlotte Intermediate Schools in Charlottetown
- In September of 2022 we also began to support East Wiltshire Intermediate School, Montague Intermediate School, and Summerside Intermediate School.

Starting this fall, the Upper Room plans to provide food support to all the schools in the Public Schools Branch.

The Outreach Committee will continue assessing food needs and keeping up its effort in providing support.

Respectively submitted,

**Mike Sirois**

**Bobbi-Jo Dow Baker**

**Mike MacDonald**

**Dandan Wang**

# **The Upper Room Hospitality Ministry Inc.**

## **Nominating Committee Annual Report 2022-2023**

The Nominating Committee recommends that the existing board members named below be offered another three-year term to the Board of Directors of the Upper Room Hospitality Ministry Inc. at the June 22, 2023, Annual General Meeting.

The Board Members who have reached their three years renewable terms are:

- Paul Evoy
- Dandan Wang
- Jennifer Fernandes
- Mike Sirois
- Richard Collier

We would like to thank all our continuing Board Members for their ongoing commitment to helping fulfill the mission of the Upper Room Hospitality Ministry Inc.

We also want to acknowledge two board members who will be retiring this year.

- Bobbi-Jo Dow Baker
- Katherine Morrow

We wish to extend our sincerest thank you to two members who will be retiring from the board. Bobbi-Jo Dow Baker has been a dedicated member since 2012 and has provided incredible insight with her legal expertise and invaluable historical experience with URHM. We also want to extend well wishes to Katherine Morrow who helped shaped our strategic planning and offered innovative and clear-minded ideas and solutions. Thank you, Bobbi-Jo, and Katherine, we consider you life-time friends of The Upper Room.

Respectively submitted, Dandan Wang

# **THE UPPER ROOM HOSPITALITY MINISTRY INC.**

(Incorporated under the laws of Prince Edward Island)

**CHARLOTTETOWN, PRINCE EDWARD ISLAND**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED MARCH 31, 2023**

**THE UPPER ROOM HOSPITALITY MINISTRY INC.**  
**FOR THE YEAR ENDED MARCH 31, 2023**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of The Upper Room Hospitality Ministry Inc.,

### ***Qualified Opinion***

We have audited the financial statements of The Upper Room Hospitality Ministry Inc., which comprise of the statement of financial position as at March 31, 2023 and the statements of operations, net assets and cash flow for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matters discussed in the Basis for Qualified Opinion section, the accompanying financial statements present fairly, in all material respects, the financial position of The Upper Room Hospitality Ministry Inc. as at March 31, 2023, and the results of its operations, net assets, and cash flow for the year then ended in accordance with Canadian Accounting Standards for Not-For-Profit Organizations.

### ***Basis for Qualified Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibility for the Audit of the Financial Statements section of our report. We are independent of the organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

As is common in many not-for-profit organizations, The Upper Room Hospitality Ministry Inc. derives revenues from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verifications of these revenues was limited to the amounts recorded in the records of The Upper Room Hospitality Ministry Inc. Therefore we were not able to determine whether any adjustments might be necessary to donations revenue, excess revenues over expenses and cash flow from operations for the year ended March 31, 2023 and March 31, 2022, current assets as at March 31, 2023 and March 31, 2022 and net assets as at April 1, and March 31, for both the 2022 and 2023 years.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian Accounting Standards for Not-For-Profit Organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

***Auditors' Responsibility 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 the organization's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 the organization to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

SEPTEMBER 7, 2023  
STRATFORD, PEI

  
CHARTERED PROFESSIONAL ACCOUNTANTS



**THE UPPER ROOM HOSPITALITY MINISTRY INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**MARCH 31, 2023**

	<u>2023</u>	<u>2022</u>
<b><u>ASSETS</u></b>		
<b>CURRENT</b>		
Cash - Angels	\$ 144,728	\$ 121,022
- Operating	47,231	693,306
Term deposits (Note 3) - Unrestricted	588,749	18,180
- Restricted	340,140	872,964
Receivables	80,276	36,301
Prepays	<u>51,612</u>	<u>54,083</u>
	<b>1,252,736</b>	<b>1,795,856</b>
<b>TERM DEPOSITS - RESTRICTED (Note 3)</b>	1,229,860	656,036
<b>TANGIBLE CAPITAL ASSETS (Note 4)</b>	<u>142,141</u>	<u>138,898</u>
	<b><u>\$2,624,737</u></b>	<b><u>\$2,590,790</u></b>

**LIABILITIES**


<b>CURRENT</b>		
Payables and accruals, including government remittances payable of \$22,582 (2022 - \$33,266)	\$ 116,097	\$ 149,870
Deferred contributions (Note 5)	<u>120,178</u>	<u>683,622</u>
	<b><u>236,275</u></b>	<b><u>833,492</u></b>

**NET ASSETS**

<b>UNRESTRICTED NET ASSETS - END OF YEAR</b>	888,462	862,298
<b>INTERNALLY RESTRICTED - BUILDING RESERVE (Note 6)</b>	1,250,000	750,000
<b>INTERNALLY RESTRICTED - CAPITAL REPLACEMENT RESERVE (Note 7)</b>	100,000	100,000
<b>INTERNALLY RESTRICTED - TRUCK RESERVE (Note 8)</b>	<u>150,000</u>	<u>45,000</u>
	<b><u>2,388,462</u></b>	<b><u>1,757,298</u></b>
	<b><u>\$2,624,737</u></b>	<b><u>\$2,590,790</u></b>

**SIGNED ON BEHALF OF THE BOARD:**

  
 \_\_\_\_\_  
 Director

  
 \_\_\_\_\_  
 Director

**THE UPPER ROOM HOSPITALITY MINISTRY INC.**  
**STATEMENT OF OPERATIONS AND NET ASSETS**  
**FOR THE YEAR ENDED MARCH 31, 2023**

	<u>2023</u>	<u>2022</u>
<b>REVENUE</b>		
Donations (Note 9)	\$1,198,820	\$1,023,295
Government assistance	542,031	115,897
Angels donations	102,600	100,835
Interest	33,851	12,993
Wage subsidies	<u>7,496</u>	<u>30,813</u>
	<b><u>1,884,798</u></b>	<b><u>1,283,833</u></b>
 <b>EXPENSES</b>		
Angels advertising	5,286	3,495
Angels bank charges	-	15
Bank charges	2,873	2,662
Depreciation	22,458	23,451
Electricity	5,722	5,129
Equipment	4,145	14,277
Food and supplies	393,830	245,850
Garbage	10,712	8,193
Heat	1,533	1,262
Insurance	11,563	8,781
Office and postage	17,364	16,115
Professional fees	43,299	8,175
Propane	5,936	2,472
Property tax (net of Provincial grant)	3,227	-
Publicity and fundraising	15,036	14,060
Rent	90,376	90,688
Repairs and maintenance	15,016	22,013
Telephone	5,782	5,226
Transportation and travel (Note 10)	10,290	10,610
Wages and benefits	588,621	537,034
Water and sewer	<u>565</u>	<u>553</u>
	<b><u>1,253,634</u></b>	<b><u>1,020,061</u></b>
 <b>EXCESS REVENUES OVER EXPENSES</b>	<b>631,164</b>	<b>263,772</b>
 <b>UNRESTRICTED NET ASSETS - BEGINNING OF YEAR</b>	<b>862,298</b>	<b>613,526</b>
 <b>TRANSFER TO BUILDING RESERVE</b>	<b>(500,000)</b>	<b>-</b>
 <b>TRANSFER TO TRUCK RESERVE</b>	<b><u>(105,000)</u></b>	<b><u>(15,000)</u></b>
 <b>UNRESTRICTED NET ASSETS - END OF YEAR</b>	<b><u>\$ 888,462</u></b>	<b><u>\$ 862,298</u></b>

THE UPPER ROOM HOSPITALITY MINISTRY INC.

STATEMENT OF CASH FLOW

YEAR ENDED MARCH 31, 2023

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	<u>2023</u>	<u>2022</u>
<b>CASH PROVIDED FROM (USED FOR)</b>		
<b>OPERATING ACTIVITIES</b>		
Excess revenues over expenses	\$ 631,164	\$ 263,772
Item not requiring an outlay of cash		
Depreciation	<u>22,458</u>	<u>23,451</u>
	653,622	287,223
Changes in non-cash working capital items		
Receivables	(43,975)	(12,335)
Prepays	2,471	(19,533)
Payables and accruals	(33,773)	16,422
Deferred contributions	<u>(563,444)</u>	<u>501,604</u>
	<u>14,901</u>	<u>773,381</u>
<b>INVESTING ACTIVITIES</b>		
Proceeds from disposal of term deposits	1,347,180	1,266,326
Purchase of term deposits	(1,958,749)	(1,586,371)
Purchase of tangible capital assets	(25,701)	(68,867)
Government assistance for the purchase of tangible capital assets	<u>-</u>	<u>47,500</u>
	<u>(637,270)</u>	<u>(341,412)</u>
<b>CHANGE IN CASH</b>	<b>(622,369)</b>	<b>431,969</b>
<b>CASH, BEGINNING OF YEAR</b>	<u><b>814,328</b></u>	<u><b>382,359</b></u>
<b>CASH, END OF YEAR</b>	<u><b>\$ 191,959</b></u>	<u><b>\$ 814,328</b></u>
<b>CASH CONSISTS OF:</b>		
Angels	\$ 144,728	\$ 121,022
Operating	<u>47,231</u>	<u>693,306</u>
	<u><b>\$ 191,959</b></u>	<u><b>\$ 814,328</b></u>

**THE UPPER ROOM HOSPITALITY MINISTRY INC.**

**NOTES TO THE FINANCIAL STATEMENTS**

**MARCH 31, 2023**

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**1. NATURE OF OPERATIONS**

The Upper Room Hospitality Ministry Inc. operates a soup kitchen and food bank in Charlottetown, Prince Edward Island. It is a registered charitable organization in accordance with Section 149.1 of the Income Tax Act and as such, is not taxable.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-For-Profit Organizations in Part III of the CPA Canada Handbook and include the following significant accounting policies.

**REVENUES**

The Upper Room Hospitality Ministry Inc. follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expense occurs or the restrictions are met. Unrestricted contributions are recognized as revenue when received or receivable, if the amount can be reasonably estimated and collection is reasonably assured.

Fundraising, unrestricted contributions, donations and other revenues are recognized when received by the Ministry.

Investment transactions are recognized on the transaction date and resulting revenue is recognized in the period in which the revenue is earned. Gains or losses on the disposal of investments are determined using the weighted average cost method. Interest income is recognized in the period in which it is earned.

**CONTRIBUTED SERVICES AND MATERIALS**

Volunteers contribute services and materials to assist the organization in carrying out its activities. Because of the difficulty in determining the fair value of these services and materials, contributed services and materials are not recognized on these financial statements.

**GOVERNMENT ASSISTANCE**

The organization has recognized financial assistance under government incentive programs. Government assistance, including investment tax credits, relating to capital expenditures is reflected as a reduction of the cost of the related asset. Government assistance relating to the reimbursement of expenses is recorded as revenue in the period the expenditure was incurred.

**CASH**

Cash consists of cash on hand and balances held at financial institutions with a maturity less than three months. This excludes Guaranteed Investment Certificates which are presented as term deposits.

**THE UPPER ROOM HOSPITALITY MINISTRY INC.**

**NOTES TO THE FINANCIAL STATEMENTS**

**MARCH 31, 2023**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**TANGIBLE CAPITAL ASSETS**

Tangible capital assets are stated at cost, less any applicable government assistance received. Depreciation of tangible capital assets is provided for using the declining balance method at the rates shown in Note 4. Depreciation of additions is calculated at one-half the stated rate. No depreciation is recorded in the year of disposal. Tangible capital assets should be tested for impairment.

When tangible capital assets no longer contribute to The Upper Room Hospitality Ministry Inc.'s ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net carrying amount, the net carrying amount of the tangible capital assets are written down to the asset's fair value or replacement cost. The net write-downs are accounted for as expenses in the statement of operations.

**USE OF ESTIMATES**

The preparation of these financial statements in conformity with Canadian Accounting Standards for Not-For-Profit Organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the current period. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known.

The use of estimates is used in the determination of depreciation, which requires an estimate by management in regards to the estimated useful life of the tangible capital assets.

**FINANCIAL INSTRUMENTS**

The organization initially records a financial instrument at its fair value except for a related party transaction which is recorded at the carrying or exchange amount depending on the circumstances.

The organization's financial instruments subsequently measured at amortized cost include cash, term deposits, receivables and payables and accruals.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant liquidity, interest, currency or credit risks arising from these financial instruments.

**THE UPPER ROOM HOSPITALITY MINISTRY INC.**

**NOTES TO THE FINANCIAL STATEMENTS**

**MARCH 31, 2023**

**3. TERM DEPOSITS**

Term Deposits consist of:

<b>Interest Rate</b>	<b>Term</b>	<b>Maturity Date</b>	<b>Amount</b>
2.250%	1280 days	September 23, 2025	\$ 204,500
2.600%	1095 days	March 31, 2025	200,000
4.750%	547 days	July 9, 2024	200,000
1.700%	365 days	April 14, 2023	129,171
4.750%	547 days	August 19, 2024	126,630
1.400%	365 days	May 31, 2023	125,577
1.700%	365 days	April 20, 2023	120,083
2.250%	731 days	March 29, 2025	110,634
0.650%	182 days	April 5, 2023	103,349
4.750%	548 days	June 15, 2024	101,002
2.400%	365 days	July 20, 2023	100,952
5.100%	365 days	September 28, 2023	100,000
5.250%	365 days	February 9, 2024	100,000
4.750%	547 days	August 13, 2024	100,000
4.450%	732 days	February 10, 2025	100,000
1.400%	367 days	June 12, 2023	54,308
4.000%	549 days	January 27, 2024	52,949
2.250%	731 days	March 29, 2025	44,254
4.250%	548 days	June 30, 2023	42,840
2.000%	548 days	June 30, 2023	<u>42,500</u>
			2,158,749
Current portion -Unrestricted			588,749
-Restricted			<u>340,140</u>
Term deposits -Restricted			<b><u>\$1,229,860</u></b>

**4. TANGIBLE CAPITAL ASSETS**

	<b>Rate</b>	<b>2023</b>				<b>2022</b>
		<b>Cost</b>	<b>Government Assistance</b>	<b>Accumulated Depreciation</b>	<b>Net Book Value</b>	<b>Net Book Value</b>
Building	4%	\$ 50,890	\$ -	\$ 3,802	\$ 47,088	\$ 34,472
Paving	8%	20,552	-	5,189	15,363	16,699
Furniture and equipment	20%	171,023	47,500	45,786	77,737	84,323
Vehicle	30%	2,830	-	1,651	1,179	1,684
Computers	55%	<u>3,662</u>	-	<u>2,888</u>	<u>774</u>	<u>1,720</u>
		<b><u>\$ 248,957</u></b>	<b><u>\$ 47,500</u></b>	<b><u>\$ 59,316</u></b>	<b><u>\$ 142,141</u></b>	<b><u>\$ 138,898</u></b>

THE UPPER ROOM HOSPITALITY MINISTRY INC.

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

**5. DEFERRED CONTRIBUTION**

During the year, gift cards totaling \$7,582 (2022 - \$24,056) were donated to the organization. A total of \$50,178 (2022- \$49,622) was available for use at year end.

During the year the amounts received from Food Banks Canada in the amount of \$60,000 (2022 - \$60,000) relating to future operations were deferred.

As well at year end amounts received from Farm Credit Canada in the amount of \$10,000 (2022 - \$10,000) relating to future operations were deferred.

**6. INTERNALLY RESTRICTED - BUILDING RESERVE**

During 2021, the board of directors set up a reserve fund to be used towards the purchase of a building. During the year \$500,000 (2022 - \$Nil) was transferred from the operating fund to the building reserve fund.

**7. INTERNALLY RESTRICTED - CAPITAL REPLACEMENT RESERVE**

During 2015, the board of directors set up a reserve fund to be used towards major renovations at the soup kitchen. During the year \$NIL (2022- \$Nil) was transferred from the capital replacement reserve fund to the operating fund during the year for the purchase of capital items. During the year \$Nil (2022- \$Nil) was tranfered from the operating fund to the capital replacement reserve fund.

**8. INTERNALLY RESTRICTED - TRUCK RESERVE**

The board of directors set up a reserve fund to be used towards the purchase of new trucks when needed. During the year \$105,000 (2022 - \$15,000) was transferred from the operating fund to the truck reserve fund.

**9. DONATIONS**

Donations include contributions from the following sources:

	<u>2023</u>	<u>2022</u>
Corporate	\$ 546,334	\$ 342,208
Individuals, including anonymous donations	470,634	474,614
Food Banks Canada	87,715	137,750
Church and community groups	71,824	58,666
Gifts in kind	22,313	6,433
School fundraisers	<u>-</u>	<u>3,624</u>
	<u><b>\$1,198,820</b></u>	<u><b>\$1,023,295</b></u>

THE UPPER ROOM HOSPITALITY MINISTRY INC.

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

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**10. TRANSPORTATION AND TRAVEL**

Transportation and travel is comprised of:

	<u>2023</u>	<u>2022</u>
Truck-repairs and fuel	\$ 7,665	\$ 7,813
Truck-insurance	2,565	2,797
Truck purchase	60	-
	<u>\$ 10,290</u>	<u>\$ 10,610</u>

**11. LEASE COMMITMENTS**

The organization is committed to minimum annual lease payments for various operating leases for a warehouse as follows:

2024	\$ 83,200
2025	83,200

**12. COMPARATIVE AMOUNTS**

Certain prior year amounts have been restated to conform with presentation changes adopted in the current year.