

**PILLAR NONPROFIT NETWORK**  
**SUMMARY CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**



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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of:  
Pillar Nonprofit Network

### Opinion

The summary consolidated financial statements, which comprise of the summary statements of consolidated financial position as at December 31, 2023 and the summary consolidated statements of operations for the year then ended are derived from the audited consolidated financial statements of Pillar Nonprofit Network as at December 31, 2023. We expressed an opinion on those consolidated financial statements in our report dated April 11, 2024.

In our opinion, the accompanying summary consolidated financial statements are a fair summary of the audited consolidated financial statements, on the basis described in Note 2. However, the summary consolidated financial statements could be misstated to the equivalent extent as the audited statements of Pillar Nonprofit Network for the year then ended December 31, 2023.

### Summary Consolidated Financial Statements

The summary consolidated financial statements do not contain all the disclosures required by the Canadian accounting standards for not-for-profit organizations. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon.

### The Audited Consolidated Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated April 11, 2024. That report also includes:

- A *Material Uncertainty Related to Going Concern* section that draws attention to Note 17 in the audited consolidated financial statements, the deficit of revenues over expenditures in the current period, and the balance of the unrestricted fund at the year end. These conditions, along with others set forth in Note 17, indicate the existence of a material uncertainty that may cast significant doubt on the organization's ability to continue as a going concern. These matters are addressed in Note 3 of the summary consolidated financial statements.

### Management's Responsibility for the Summary Consolidated Financial Statements

Management is responsible for the preparation and fair summarization of the audited consolidated financial statements on the basis described in Note 2.

### Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are a fair summary of the audited consolidated financial statements based on our procedures, which we conducted in accordance with Canadian Auditing Standard (CAS) 810, *Engagements to Report on Summary Financial Statements*.

London, Ontario  
April 11, 2024

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Chartered Professional Accountants  
Licensed Public Accountants



**PILLAR NONPROFIT NETWORK**  
**Consolidated Financial Highlights**  
**As at December 31, 2023 years then ended.**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Summarized Statement of Financial Position</b>		
Current assets	1,591,812	1,982,860
Intangible and capital assets	4,281,035	4,447,527
Long-term assets	552,466	786,361
	<u>6,425,313</u>	<u>7,216,748</u>
Current liabilities	1,851,144	1,667,138
Deferred contributions	1,931,282	2,179,543
Deferred capital contributions	1,453,844	1,524,708
Long-term debt	-	550,216
Community bonds	1,000,000	1,000,000
	<u>6,236,270</u>	<u>6,921,605</u>
Unrestricted Fund	(7,538)	(152,390)
Innovations Works Building Reserve Fund	200,000	200,000
Working Capital Contingency Fund	-	250,000
	<u>192,462</u>	<u>297,610</u>
Non-controlling interest	(3,419)	(2,467)
	<u>189,043</u>	<u>295,143</u>
	<u>6,425,313</u>	<u>7,216,748</u>



**PILLAR NONPROFIT NETWORK**  
**Consolidated Financial Highlights**  
**As at December 31, 2023 years then ended.**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Summarized Statement of Operations</b>		
<b>Revenues</b>		
Grant revenue	419,734	1,091,538
Organization and program revenue	343,014	421,029
Donations	370,597	160,857
Lease revenue	621,642	610,454
Amortization of deferred capital contributions	70,864	76,388
Other income	99,703	61,052
	<u>1,925,554</u>	<u>2,421,318</u>
<b>Expenditures</b>		
Amortization of intangible and capital assets	174,583	185,315
Operational costs	175,557	266,036
Program expenses	63,622	257,922
Innovation Works building expenses	257,301	232,308
Interest on long-term debt	100,158	105,102
Salaries and benefits	1,260,433	1,700,233
	<u>2,031,654</u>	<u>2,746,916</u>
Deficit of Revenues over Expenditures from Operations	(106,100)	(325,598)
<b>Other (Expenditures) Income</b>		
Amortization of deferred contributions	214,748	47,640
Write down on investments	(214,748)	(47,640)
	<u>-</u>	<u>-</u>
Deficit of Revenues over Expenditures	<u>(106,100)</u>	<u>(325,598)</u>
Deficit of Revenues over Expenditures is allocated as follows:		
Parent	(105,148)	(324,884)
Non-controlling interest	(952)	(714)
	<u>(106,100)</u>	<u>(325,598)</u>



# **PILLAR NONPROFIT NETWORK**

## **Notes to the Summary Consolidated Financial Statements**

**For the year ended December 31, 2023**

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### **1) Nature of Operations**

Pillar Nonprofit Network (“the Organization”) was incorporated by letters of patent, under the Ontario Corporation Act, without share capital, on July 21, 2003. On December 9, 2003, the Organization received Federal charitable status.

### **2) Summary Consolidated Financial Statements**

The summary consolidated financial statements are derived from the audited consolidated financial statements, prepared in accordance with Canadian accounting standards for not-for-profit organizations, as at and for the year ended December 31, 2023.

The preparation of these summary consolidated financial statements requires management to determine the information that needs to be reflected in them so that they are consistent in all material respects with, or represent a fair summary of, the audited consolidated financial statements.

Management prepared these summary consolidated financial statements using the following criteria:

- information in the summary consolidated financial statements agrees with the related information in the audited consolidated financial statements;
- major subtotals, totals and comparative information from the audited consolidated financial statements are included; and
- the summary consolidated financial statements contain the information from the audited consolidated financial statements dealing with matters having a pervasive or otherwise significant effect on the summary consolidated financial statements.

Management determined that the statement of cash flows does not provide additional useful information and as such has not included them as part of the summary consolidated financial statements.

The complete audited consolidated financial statements of the Pillar Nonprofit Network are available upon request by contacting the Organization.

### **3) Going Concern**

The consolidated financial statements have been prepared in accordance with the generally accepted accounting principles that are applicable to a going concern, meaning that the organization will be able to realize its assets and discharge its liabilities in the normal course of operations. However, the use of the generally accepted accounting principles that are applicable to a going concern may be inappropriate as there is doubt about the appropriateness of the going concern assumptions.

The organization’s ability to realize an excess of revenues over expenditures and discharge its liabilities depends on careful monitoring of the cash flow, continued support of the debt holders and securing additional grant funding or financing. In the future, management believes the entity will be able to obtain funding and reduce, if not eliminate, the deficit of revenues over expenditures.

### **4) Comparative Figures**

Certain of the prior years figures have been reclassified to conform to the financial statement presentation adopted in the current year.

