



Fernwood NRG

Annual Report

2007-2008

September 25th 2008

Fernwood Community Centre 1240 Gladstone Avenue



Report from the Executive Director

Where does the time go? It seems just yesterday when we hosted the final leg of David Suzuki's cross-Canada tour, and put the finishing touches on the Cornerstone. Yet here we are already celebrating another Fernwood year gone by.

Early in the New Year, Fernwood NRG board and senior staff had our annual two-day strategic planning retreat at Royal Roads. As usual, the year has unfolded without much regard for the grand plans of calm order toward which we aspired!

We have just put the finishing touches on the Park Place affordable housing project. Six families took up much needed residence on July 18th, and given the challenges that we overcame, building Park Place was one of our biggest achievements of the year. By installing solar hot-water heating, low-e windows, sheet linoleum flooring, dual flush toilets, low flow faucets, and light fixtures compatible with compact fluorescent bulbs we greened our building. We are planting an edible landscape to complement the fruit trees that we preserved on the site. Heaps of thanks go out to our builder Garde Collins and Director of Development Lenore Rankin for their tireless commitment to excellence at Park Place.

Our commitment to quality of life for families came to national prominence when I undertook a (completely unauthorized) four-day hunger strike perched symbolically on the roof of the Infant and Toddler daycare. Although attention became focused on this issue during this short time, the structural and funding changes required to ensure quality, affordable daycare have yet to be implemented.

We got noticed for less radical things as well. The Canada Mortgage and Housing Corp. made a mini documentary of our work on the Cornerstone to show at its National conference. Locally, our work garnered an article in Focus magazine, and internationally Fernwood NRG's revitalization of Fernwood was the subject of an article in London England's *Financial Times*; one of the most prestigious newspapers in the world.

I'd like to take this opportunity to thank everyone for your involvement, your continued support and for making Fernwood the best place to be!

Roberta Martell



Report from the Recreation Programmer

The diversity and frequency of recreation programs at Fernwood NRG multiplied exponentially over the 2007-2008 fiscal year. Our availability of space went from very little to less than none. And if that is a challenging concept to fathom, consider this one example: When SHAW TV was filming musicians to preview an NRG special event scheduled a few days later, the shoot had to take place in the ambience-challenged basement of the Cornerstone Café (the upstairs is quite nice, by contrast, in case you haven't been in since the renovation...but I digress...).

Let's start with the programs you would normally expect from a community centre and work our way towards the more unorthodox and outside-the-box.

The highlights in the world of sports and fitness have been the 5-years-and-counting adult co-ed floor hockey program three times per week, the more recently established women's soccer on Sunday evenings, and our own little piece of Victoria's yoga-mania, with Hatha on Tuesdays and Flow on Fridays. Youth programming has seen the recent launch of the free Fairuza Fridays multi-activity night for 10 to 14 year olds (Nintendo Wii, sports, music, big screen movies, etc), the popularity of the also-free soccer and road hockey camps, and tot soccer for the little ones.

The Fernwood Seniors group enjoys a small but consistent core of ladies and gents. Special events for this group have included a Seniors Open House, a presentation from The Sierra Club, slide shows, Seniors Tea at Fern Fest, and various talented musical guests. Fern Fest seems to be picking up every year, to the point where we're now hearing things like "That was the best Fern Fest ever!" We're glad you like our work! We'll do our best to improve on it every year.

The Cornerstone Café is becoming a destination venue for local and touring talent. In the past year, the NRG's cozy coffeehouse has hosted charity events such as "20/20/20" in benefit of Victoria Women's Sexual Assault Centre, in addition to a 1-year anniversary of live entertainment, up-and-coming Saskatchewan singer Ariel Mura, and a live recording of various artists from our own non-profit record label, to name a few.



That segues us into perhaps the most seemingly out-of-context recreation program – Fernwood NRG’s own non-profit community record label – Cornerstone Collective Records. The result of a hybrid of two ideas – a non-profit record label and an artist collective – this label is one of only a handful of its kind worldwide. The group is growing monthly in numbers, strength, and diversity of talent. Currently representing about twenty core artists on its roster, the label has already released its debut album “Live at the Cornerstone Café,” in addition to representing Fernwood at the highly-reputed New Music West conference and showcase in Vancouver. This group promises even greater things on the horizon. Don’t miss your chance to see this dynamic collective live on Saturday October 18, 2008 at Hermann’s Jazz Club in Victoria.

Perhaps just as unorthodox as the record label is the recently germinating NRG Puppet Theatre. This program has not only attracted a lot of local interest, but it has also caught the attention of Muppets/Fraggle Rock/Sesame Park puppeteer Tim Gosley, who has shown interest in being involved in the project.

I have been working with the local Community Centre Network to develop multi-centre projects, such as the Youth Concrete Party we collaborated on earlier in the year. This community partnering has been beneficial for networking and advertising, and these partnerships are bound to flourish further in the future.

In a recent Village Vibe story, I wrote about my job here at Fernwood NRG: “At Fernwood NRG, part of our mandate is to offer affordable programs, services, and events to the Fernwood community. When seeking out these services, my list of criteria includes: affordability to the neighbourhood and to the organization, convenience of the location, demand for the service, age demographic for the activity, proper safety and eco-friendly measures, marketability of the program, and most of all – community focus of the individuals involved in the program.”

This is a mandate which – with the ongoing help of members of the Fernwood community – I intend to continue to uphold. I hope to see you at one of our upcoming programs or events, and if there is anything we are not doing that you would like to see at the NRG, please let us know and we will do our very best to implement your ideas.



James 'Kasper' Thornton



Report from the Treasurer

Taking on the role as Treasurer in any organization requires a steep learning curve, but at Fernwood NRG as you can imagine there are countless details to get (and stay) on top of! It has been a very interesting year and I am proud of the work the finance committee has accomplished together: passing a budget for the year, increasing our financial literacy at the board level, and refining systems to support more detailed reporting. Our chief financial accomplishments however have been building a great community café, and securing 100% funding for the construction of our Park Place affordable housing project.

As of March 31 2008, the Café had been open for one full fiscal year and besides becoming the neighbourhood living room and creating 10 new jobs, it has generated \$46,153 in revenue. We expect this to increase for 08/09 as we continue to refine our offerings and tailor our operation to the requests of Fernwoodians.

The Cornerstone building added two new tenants with Stage and the Collective Works Gallery. Of interest to members is that we are days away from refinancing the Cornerstone after completion of our three-year mortgage with Mr. Kimpton. More conventional financing lowers our interest rate and has a longer amortization period, effectively lowering our monthly payments while increasing the relative principal-to-interest payment ratio.

This past year saw our organization grow 24% in overall revenue; from 1.29 million to 1.6 million dollars a year. We expect this trend to continue next year, and are putting the systems in place to accommodate and support this type of growth. Our net income before non-cash expenses (depreciation of the Cornerstone) was a healthy \$34,958.

As the numbers on the following pages reflect, our goal to expand our organization's role as an Enterprising Non-Profit (ENP) has allowed us to finance projects and programs that are vital to the neighbourhood but which may not be funded. Projects such as the Village Vibe, the Good Food Box, the Food Security Committee, the Placemaking Troupe, the Cornerstone Record Collective and the rotating Cornerstone artists' gallery are examples of programs which we support through our revenue-generating social ventures. I look forward to seeing what we can accomplish together in the coming year.



Caitlin Davies



Statement of Financial Position

FERNWOOD NEIGHBOURHOOD RESOURCE GROUP SOCIETY
Statement of Financial Position
March 31, 2008
(Unaudited)

	2008	2007
ASSETS		
CURRENT		
Cash	\$ 49,822	\$ 54,800
Accounts receivable	7,744	65,976
Inventory	5,507	9,176
Prepaid expenses	5,578	10,261
Refundable deposit	5,400	-
	<u>74,051</u>	<u>140,213</u>
CAPITAL ASSETS (Note 6)	2,406,378	2,099,235
PROPERTY UNDER CONSTRUCTION	<u>230,852</u>	<u>-</u>
	<u>\$ 2,711,281</u>	<u>\$ 2,239,448</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Bank indebtedness (Note 8)	\$ 152,440	\$ 160,101
Short term loan payable (Note 7)	10,000	90,000
Accounts payable	82,938	163,059
Deferred contributions (Note 9)	79,213	134,228
Current portion of long term debt (Note 10)	949,952	9,607
	<u>1,274,543</u>	<u>556,995</u>
LONG TERM DEBT (Note 10)	193,615	611,642
DEFERRED INCOME RELATED TO CAPITAL ASSETS (Note 11)	<u>579,240</u>	<u>386,560</u>
	<u>2,047,398</u>	<u>1,555,197</u>
NET ASSETS		
Invested in capital assets	904,423	1,001,426
Unrestricted net assets	<u>(240,540)</u>	<u>(317,175)</u>
	<u>663,883</u>	<u>684,251</u>
	<u>\$ 2,711,281</u>	<u>\$ 2,239,448</u>

ON BEHALF OF THE BOARD

Director

Director

(See Accompanying Notes)

OBARA LEE & CO.
CHARTERED ACCOUNTANTS



Statement of Operations



FERNWOOD NEIGHBOURHOOD RESOURCE GROUP SOCIETY
Statement of Operations
Year Ended March 31, 2008
(Unaudited)

	2008	2007
REVENUE		
Grants	\$ 450,313	\$ 517,267
Day care and out-of-school care	579,909	526,384
Donations and fund raising	55,773	11,012
Rentals	99,695	59,898
Bingo and gaming	82,525	86,539
Programs	10,673	11,722
Cafe sales (Note 14)	320,468	81,084
Interest	1,589	201
	<u>1,600,945</u>	<u>1,294,107</u>
EXPENSES		
Advertising	3,497	9,120
Bad debts	9,560	17,363
Bank charges and interest	10,486	7,987
Cafe expenses (Note 14)	274,315	87,068
Expenditures from bingo and gaming account	82,525	86,539
General program and food expenses	86,313	92,320
Insurance	18,592	14,732
Interest on long term debt	56,599	-
Office	38,193	43,258
Professional fees	29,890	22,781
Property taxes	15,284	-
Rent	27,839	15,166
Repairs and maintenance	18,336	12,968
Telephone and hydro	32,372	24,392
Wages, salaries and contracts	862,186	888,934
	<u>1,565,987</u>	<u>1,322,628</u>
INCOME (LOSS) FROM OPERATIONS	<u>34,958</u>	<u>(28,521)</u>
OTHER INCOME (EXPENSES)		
Amortization	(57,146)	(36,315)
Amortization of deferred contributions	1,820	21,743
	<u>(55,326)</u>	<u>(14,572)</u>
DEFICIENCY OF REVENUE OVER EXPENSES	<u>\$ (20,368)</u>	<u>\$ (43,093)</u>

(See Accompanying Notes)

OBARA LEE & CO.
CHARTERED ACCOUNTANTS

Thank you to:



Volunteers including the Board of Directors

The Food Security Committee

The Placemaking Troupe

People like you!

Government of Canada

Government of British Columbia

Capital Regional District

City of Victoria

Victoria Foundation

United Way

Victoria Real Estate Board

Real Estate Foundation of British Columbia

Oak Bay Kiwanis

Provincial Employees Community Services Fund

Coldstar Freight

Discover y Coffee

Queen Alexandra Foundation

Partners in Organizational Development

Canada's Action Plan for Children

Numerous individual donors