

COMMUNITY LIVING BRANT
SUMMARIZED FINANCIAL STATEMENTS
For the year ended March 31, 2017

COMMUNITY LIVING BRANT

For the year ended March 31, 2017

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REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

**To the Board of Directors of
Community Living Brant**

The accompanying summary financial statements, which comprise the summarized statement of financial position as at March 31, 2017, the summarized combined statements of revenue and expenditures, changes in net assets and cash flows for the year then ended and related notes, are derived from the audited financial statements of Community Living Brant for the year then ended March 31, 2017. We expressed a qualified audit opinion on those financial statements in our report dated May 24, 2017 (see below).

The summarized financial statements do not contain all the disclosures required by the Ministry of Community and Social Services, the Ministry of Children and Youth Services and the Ministry of Education. Reading the summarized financial statements, therefore, is not a substitute for reading the audited financial statements of Community Living Brant.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of a summary of the audited financial statements on the basis described in the the notes. Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, *Engagements to Report on Summary Financial Statements*.

Auditors' Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standards (CAS) 810, "Engagements to Report on Summary Financial Statements."

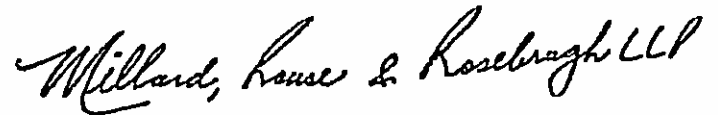
Opinion

In our opinion, the summary financial statements derived from the audited financial statements of Community Living Brant for the year ended March 31, 2017 are a fair summary of those financial statements, in accordance with the Ministry of Community and Social Services, the Ministry of Children and Youth Services and the Ministry of Education reporting frameworks.

In common with many non-profit organizations, Community Living Brant derives revenue from fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, we expressed a qualified opinion as verification of these revenues was limited to the amounts recorded in the records of Community Living Brant. Our opinion on the financial statements for the year ended March 31, 2016 was also modified accordingly because of the possible effects of this limitation in scope.

Basis of Accounting and Restriction of Use

Without modifying our opinion, we draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist Community Living Brant to comply with the reporting provisions of the Ministry of Community and Social Services, the Ministry of Children and Youth Services and the Ministry of Education referred to above. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Directors of Community Living Brant, the Ministry of Community and Social Services, the Ministry of Children and Youth Services and the Ministry of Education, and should not be used by parties other than the Directors of Community Living Brant or the Ministry of Community and Social Services, the Ministry of Children and Youth Services and the Ministry of Education.



May 24, 2017
Brantford, Ontario

CHARTERED PROFESSIONAL ACCOUNTANTS
Licensed Public Accountants

COMMUNITY LIVING BRANT

SUMMARIZED STATEMENT OF FINANCIAL POSITION

As at March 31	2017	2016
ASSETS		
Current Assets		
Cash and bank	359,513	544,794
Accounts receivable	264,850	193,607
Prepaid expenses	-	298
	624,363	738,699
Long Term Investments at Market Value	162,447	151,146
Capital Assets (Note 4)	515,814	541,622
	1,302,624	1,431,467
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	552,782	741,503
Long Term Liability (Note 5)	129,100	129,100
Deferred Contributions Related to Capital Assets (Note 6)	155,710	168,881
	837,592	1,039,484
NET ASSETS		
Net assets internally restricted for venture fund purposes (Note 7)	105,246	108,468
Unrestricted net assets	359,786	283,515
	465,032	391,983
	1,302,624	1,431,467

See accompanying notes

COMMUNITY LIVING BRANT

SUMMARIZED COMBINED STATEMENT OF REVENUE AND EXPENDITURES

For the year ended March 31	2017	2016
Revenue		
Cafeteria sales	52,206	-
Client board, trial visits and parent fees	360,698	383,161
Fundraising and donations	55,939	49,792
Interest	21,482	17,361
Provincial and Federal Grants	14,185,692	13,791,450
Resource Centre memberships and miscellaneous	79,927	70,538
Sales	538	1,533
Workshop contracts	9,506	45,177
	14,765,988	14,359,012
Expenditures - Page 5	14,689,717	14,308,518
Excess of Revenue over Expenditures	76,271	50,494

COMMUNITY LIVING BRANT

SUMMARIZED COMBINED SCHEDULE OF EXPENDITURES

For the year ended March 31	2017	2016
Advertising	11,123	15,470
Amortization of capital assets and related contributions	12,637	12,645
Conferences	41,789	30,868
Cost of sales	591	1,272
Disabled persons wages	19,287	57,171
Expenditure recovery	(528,329)	(820,777)
Food	156,305	137,238
Fundraising	13,630	19,099
Insurance	92,097	92,183
Literacy program	7,500	8,897
Miscellaneous	807	14,280
Personal needs	5,626	23,722
Purchased services	1,038,152	1,056,773
Rent and other rentals	134,013	121,279
Repairs and maintenance	651,637	899,836
Replacement and start-up costs	1,757	5,457
Salaries and benefits	11,980,149	11,469,995
Staff travel and training	421,797	457,421
Subsidizable client expenses	107,412	113,158
Supplies	263,240	302,791
Utilities	164,324	138,741
Vehicles operation and transportation	94,173	150,999
	14,689,717	14,308,518

COMMUNITY LIVING BRANT

SUMMARIZED COMBINED STATEMENT OF CHANGES IN NET ASSETS

For the year ended March 31, 2017

	Internally Restricted Asset	Unrestricted Assets	Total 2017
Balance - Beginning of Year	108,468	283,515	391,983
Excess of Revenue over Expenditures	-	76,271	76,271
Restricted Funds	(3,222)	-	(3,222)
Balance - End of Year	105,246	359,786	465,032

SUMMARIZED COMBINED STATEMENT OF CHANGES IN NET ASSETS

For the year ended March 31, 2016

	Internally Restricted Assets	Unrestricted Net Assets	Total 2016
Balance - Beginning of Year	109,014	233,020	342,034
Excess of Revenue over Expenditures	-	50,495	50,495
Restricted Funds	(546)	-	(546)
Balance - End of Year	108,468	283,515	391,983

COMMUNITY LIVING BRANT

SUMMARIZED COMBINED SCHEDULE OF REVENUE AND EXPENDITURES - MINISTRY OF COMMUNITY AND SOCIAL SERVICES PROGRAMS

For the year ended March 31	2017	2016
Revenue		
Cafeteria sales	52,206	-
Client board, trial visits and parent fees	360,698	383,162
Miscellaneous	79,927	70,538
Provincial grants	13,988,141	13,649,027
Workshop contracts	9,506	45,177
	14,490,478	14,147,904
Expenditures		
Advertising	4,944	10,552
Centrally allocated administration	960,309	906,747
Conferences	41,789	30,868
Disabled persons wages	19,254	56,869
Expenditure recovery	(448,190)	(739,028)
Food	156,305	137,238
Fundraising	43	2,923
Personal needs	5,626	23,722
Purchased services	912,950	941,671
Rent and other rentals	132,288	126,631
Repairs and maintenance	643,006	878,148
Replacement and start-up costs	1,757	5,457
Salaries and benefits	11,120,834	10,750,866
Staff travel and training	371,707	393,424
Subsidizable client expenses	107,412	113,158
Supplies	213,714	228,219
Utilities	152,557	129,440
Vehicles operation and transportation	94,173	150,999
	14,490,478	14,147,904
Excess of Revenue over Expenditures	-	-

COMMUNITY LIVING BRANT

SUMMARIZED COMBINED SCHEDULE OF REVENUE AND EXPENDITURES - OTHER PROGRAMS

For the year ended March 31	2017	2016
Revenue		
Fundraising and donations	55,939	49,792
Interest	21,482	17,361
Provincial grants	197,551	142,423
Sales	538	1,533
	275,510	211,109
Expenditures		
Advertising	3,675	3,545
Amortization of capital assets	12,637	12,645
Cost of sales	591	1,272
Disabled persons wages	33	302
Fundraising	13,587	16,176
Recoveries	(12,000)	(12,856)
Literacy program	7,500	8,897
Miscellaneous	807	14,280
Purchased services	11,467	3,321
Repairs and maintenance	2,000	2,000
Salaries and benefits	150,960	94,312
Staff travel and training	5,684	7,536
Supplies	2,298	9,184
	199,239	160,614
Excess of Revenue over Expenditures	76,271	50,495

COMMUNITY LIVING BRANT

SUMMARIZED COMBINED STATEMENT OF CASH FLOWS

For the year ended March 31	2017	2016
Cash Flows From Operating Activities		
Excess (Deficiency) of Revenue over Expenditures	76,271	50,494
Excess (Deficiency) of Revenue over Expenditures - Restricted Assets	(3,222)	(546)
Charges (credits) to income not involving cash		
Amortization	25,808	25,808
	98,857	75,756
Net change in non-cash working capital balances related to operations	(259,666)	(235,749)
	(160,809)	(159,993)
Cash Flows From Financing Activities		
Amortization of deferred contributions related to capital assets	(13,171)	(13,163)
Cash Flows From Investing Activities		
(Increase) Decrease in long term investments	(11,301)	(3,406)
Net (Decrease) Increase in Cash and Bank	(185,281)	(176,562)
Opening Cash and Bank	544,794	721,356
Closing Cash and Bank	359,513	544,794

COMMUNITY LIVING BRANT

SUMMARIZED NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2017

1. PURPOSE OF THE ORGANIZATION

Community Living Brant assists and supports developmentally challenged individuals to integrate into the community. The Organization was incorporated without share capital by letters patent, under the Corporations Act (Ontario) and is a registered charity under the Income Tax Act.

2. BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with the significant accounting policies set out below to comply with reporting requirements of the Ministry of Community and Social Services, the Ministry of Children and Youth Services and the Ministry of Education. The basis of accounting used in these financial statements materially differs from Canadian accounting standards for not-for-profit organizations because:

- (a) Certain capital asset purchases that are completely funded by the Ministry of Community and Social Services and the Ministry of Children and Youth Services and the Ministry of Education are included in expenditures for the year. In the year, the Organization expensed \$32,264 (2016 - \$37,339) of computer equipment purchases and \$16,097 (2016 - \$85,073) of vehicle purchases.
- (b) Long term investments consist of fixed income securities with maturities between May 2019 and May 2027. They are disclosed at market value. Unrealized gains and losses are recorded in the statement of revenue and expenses.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

(b) Revenue Recognition

The Organization follows the deferral method of accounting for contributions.

Revenues are recognized in the year in which the related expense is incurred. For expenditures of a future period, revenue is deferred and recognized in the same period as the expenses are recognized.

Contributions restricted for the purchase of capital assets are deferred and amortized to revenue on a straight-line basis, at a rate corresponding with the amortization rate for the related capital assets.

(c) Capital Assets

Land is recorded at cost less capital contributions received. Amortization is provided on a straight line basis at the following annual rates:

Building	5% straight line
Vehicles	20% straight line

COMMUNITY LIVING BRANT

SUMMARIZED NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2017

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Allocation of Expenses

Community Living Brant engages in providing assistance and support to developmentally challenged individuals to integrate into the community. The cost of each program includes personnel, premises and other expenses that are directly related to providing the programs.

Administration costs for the agency consist of salaries and benefits, purchased professional services, office expenses, advertising costs related to the recruiting of staff, financing and fundraising costs, insurance, fees paid to professional associations and costs related to the head office such as utilities.

Community Living Brant allocates its administration costs based on approved ministry percentages. The agency is also allowed to balance budgets across programs using administration costs. The Agency applies this basis consistently each year.

(e) Recognition and Measurement

The Organization's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities and long term investments. The fair values of these financial instruments approximate their carrying values, unless otherwise stated. It is management's opinion that the organization is not exposed to significant interest rate risks arising from these financial instruments.

4. CAPITAL ASSETS	Cost	Accumulated Amortization	2017	2016
Land	362,550	-	362,550	362,550
Building	4,429,880	4,278,642	151,238	172,998
Vehicles	20,242	18,216	2,026	6,074
	4,812,672	4,296,858	515,814	541,622

5. LONG TERM LIABILITY	2017	2016
Balance, beginning of year	129,100	129,100

This balance represents land purchased for Amelia Street in Brantford, Ontario. The group home was funded partially by the Ministry and other funds were received from Brant County Foundations. If the home is ever sold or excess funds are available, the funds from the foundation must be paid back.

COMMUNITY LIVING BRANT

SUMMARIZED NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2017

6. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS

Deferred contributions related to capital assets represent restricted contributions with which capital assets were originally purchased. The changes in the deferred contributions balance for the period are as follows:

	2017	2016
Balance, beginning of year	168,881	182,044
Less: Amounts amortized to expense	(13,171)	(13,163)
Balance, end of year	155,710	168,881

7. INTERNALLY RESTRICTED NET ASSETS

In previous years, the Board of Directors internally restricted funds to establish a venture capital fund to assist individuals supported by the organization. This internally restricted amount is not available for unrestricted purposes without the approval of the Board of Directors.

8. ECONOMIC DEPENDENCE

The Organization received 96% of its revenue for the year ended March 31, 2017 (2016 - 96%) from the Ministry of Community and Social Services.

9. FINANCIAL INSTRUMENTS

The Organization has also identified the following financial risks:

Credit Risk

The Organization's exposure to credit risk relates to its accounts receivable. The risk of significant credit loss is considered remote.

Interest Rate Risk

The Organization's exposure to interest rate risk relates to its long term debt, long term investments and their employee future benefits.

Liquidity Risk

Liquidity risk is the risk of being unable to meet cash requirements or to fund obligations as they become due. Trade accounts payable and accrued liabilities are generally paid within 30 days.