

COMMUNITY LIVING BRANT
SUMMARIZED FINANCIAL STATEMENTS
For the year ended March 31, 2019

COMMUNITY LIVING BRANT

For the year ended March 31, 2019

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REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

To the Board of Directors of
Community Living Brant

Opinion

The summary financial statements, which comprise the summarized statement of financial position as at March 31, 2019 and 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 ended March 31, 2019.

In our opinion, the accompanying summary financial statements are a fair summary of the financial statements, on the basis described in Note 2 to the summary audited financial statements. However, we were not able to determine if any adjustments to the summary financial statements were necessary for the reasons described in the Audited Financial Statements and our report thereon section of this audit report.

Summary Financial Statements

The summary 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 summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

The Audited Financial Statements and Our Report Thereon

We expressed a qualified audit opinion on the audited financial statements in our report dated June 4, 2019. The basis for the qualified audit opinion is that the Entity derives revenue from fundraising and donations. In common with many not-for-profit organizations, verification of these revenues was limited to the amounts recorded in the records of the Entity. We also included an Emphasis of Matter paragraph referring to the accounting framework and an Other Matter paragraph to restrict use.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements on the basis described in Note 2.

Auditor's Responsibility

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



June 4, 2019
Brantford, Ontario

CHARTERED PROFESSIONAL ACCOUNTANTS
Licensed Public Accountants

COMMUNITY LIVING BRANT

SUMMARIZED STATEMENT OF FINANCIAL POSITION

As at March 31	2019	2018
ASSETS		
Current Assets		
Cash and bank	835,932	852,721
Accounts receivable	408,591	292,964
Government receivables	61,039	51,108
Prepaid expenses	88,385	2,000
	1,393,947	1,198,793
Long Term Investments at Market Value	171,247	161,226
Capital Assets (Note 4)	470,268	492,028
	2,035,462	1,852,047
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	989,929	912,693
Government payables	15,256	24,326
Long Term Liability (Note 5)	129,100	129,100
Deferred Contributions Related to Capital Assets (Note 6)	80,368	93,539
	1,214,653	1,159,658
NET ASSETS		
Net assets internally restricted for venture fund purposes (Note 7)	256,130	204,686
Unrestricted net assets	564,679	487,703
	820,809	692,389
	2,035,462	1,852,047

See accompanying notes

COMMUNITY LIVING BRANT

SUMMARIZED COMBINED STATEMENT OF REVENUE AND EXPENDITURES

For the year ended March 31	2019	2018
Revenue		
Cafeteria sales	72,441	57,110
Client board, trial visits and parent fees	370,906	350,168
Fundraising and donations	45,030	44,849
Interest	35,240	12,769
Provincial and Federal Grants	15,169,450	14,471,632
Resource Centre memberships and miscellaneous	72,914	75,099
	15,765,981	15,011,627
Expenditures - Page 4	15,689,005	14,883,710
Excess of Revenue over Expenditures	76,976	127,917

COMMUNITY LIVING BRANT

SUMMARIZED COMBINED SCHEDULE OF EXPENDITURES

For the year ended March 31	2019	2018
Advertising	11,254	8,767
Amortization of capital assets and related contributions	8,589	10,615
Conferences	54,224	32,928
Expenditure recovery	(456,313)	(438,355)
Food	146,433	148,572
Fundraising	11,149	12,326
Insurance	82,464	82,612
Literacy program	7,500	7,500
Miscellaneous	-	1,137
Personal needs	23,986	15,364
Purchased services	1,333,059	1,349,788
Rent and other rentals	132,472	114,514
Repairs and maintenance	584,468	450,232
Replacement and start-up costs	918	1,563
Salaries and benefits	12,680,287	11,952,381
Staff travel and training	434,793	486,037
Subsidizable client expenses	94,615	104,424
Supplies	286,663	335,870
Utilities	138,979	137,888
Vehicles operation and transportation	113,465	69,547
	15,689,005	14,883,710

See accompanying notes

COMMUNITY LIVING BRANT

SUMMARIZED COMBINED STATEMENT OF CHANGES IN NET ASSETS

For the year ended March 31, 2019

	Internally Restricted Asset	Unrestricted Assets	Total 2019
Balance - Beginning of Year	204,686	487,703	692,389
Excess of Revenue over Expenditures	-	76,976	76,976
Excess of Revenue over Expenditures	51,444	-	51,444
Balance - End of Year	256,130	564,679	820,809

SUMMARIZED COMBINED STATEMENT OF CHANGES IN NET ASSETS

For the year ended March 31, 2018

	Internally Restricted Assets	Unrestricted Net Assets	Total 2018
Balance - Beginning of Year	154,246	359,786	514,032
Excess of Revenue over Expenditures	-	127,917	127,917
Excess of Expenditures over Revenue	50,440	-	50,440
Balance - End of Year	204,686	487,703	692,389

COMMUNITY LIVING BRANT

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

For the year ended March 31	2019	2018
Revenue		
Cafeteria sales	72,441	57,110
Client board, trial visits and parent fees	370,906	350,168
Miscellaneous	72,914	75,099
Provincial grants	14,154,509	13,650,309
	14,670,770	14,132,686
Expenditures		
Advertising	2,764	4,983
Centrally allocated administration	1,028,647	995,625
Conferences	54,224	32,928
Expenditure recovery	(298,266)	(347,522)
Food	146,433	148,572
Personal needs	23,986	15,364
Purchased services	332,014	606,533
Rent and other rentals	140,272	122,414
Repairs and maintenance	526,638	378,385
Replacement and start-up costs	918	1,563
Salaries and benefits	11,795,684	11,162,056
Staff travel and training	366,312	428,397
Subsidizable client expenses	94,615	104,424
Supplies	212,048	280,486
Utilities	131,016	128,931
Vehicles operation and transportation	113,465	69,547
	14,670,770	14,132,686
Excess of Revenue over Expenditures	-	-

COMMUNITY LIVING BRANT

SUMMARIZED COMBINED SCHEDULE OF REVENUE AND EXPENDITURES - OTHER PROGRAMS

For the year ended March 31	2019	2018
Revenue		
Fundraising and donations	45,030	44,849
Interest	35,240	12,769
Provincial grants	1,014,941	821,323
	1,095,211	878,941
Expenditures		
Advertising	5,958	2,481
Amortization of capital assets	8,589	10,615
Fundraising	11,149	12,326
Recoveries	(12,000)	(12,000)
Literacy program	7,500	7,500
Miscellaneous	-	1,137
Purchased services	844,735	567,394
Repairs and maintenance	25,000	52,000
Salaries and benefits	120,838	104,186
Staff travel and training	5,614	3,868
Supplies	852	1,517
	1,018,235	751,024
Excess of Revenue over Expenditures	76,976	127,917

COMMUNITY LIVING BRANT

SUMMARIZED COMBINED STATEMENT OF CASH FLOWS

For the year ended March 31	2019	2018
Cash Flows From Operating Activities		
Excess (Deficiency) of Revenue over Expenditures	76,976	127,917
Excess (Deficiency) of Revenue over Expenditures - Restricted Assets	51,444	50,440
Charges (credits) to income not involving cash Amortization	21,760	23,786
	150,180	202,143
Net change in non-cash working capital balances related to operations	(143,777)	303,015
	6,403	505,158
Cash Flows From Financing Activities		
Amortization of deferred contributions related to capital assets	(13,171)	(13,171)
Cash Flows From Investing Activities		
(Increase) Decrease in long term investments	(10,021)	1,221
Net (Decrease) Increase in Cash and Bank	(16,789)	493,208
Opening Cash and Bank	852,721	359,513
Closing Cash and Bank	835,932	852,721

See accompanying notes

COMMUNITY LIVING BRANT

SUMMARIZED NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2019

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 summarized financial statements are derived from the complete annual audited financial statements of of Community Living Brant for the year ended March 31, 2019, which were prepared in accordance with accounting policies specified by the Ministry of Community and Social Services, the Ministry of Children and Youth Services and the Ministry of Education.

A copy of the complete audited financial statements is kept on file at Community Living Brant and can be provided upon request.

The set of criteria applied by management in preparing these financial statement is outlined in the paragraph below.

The figures presented in these summarized financial statements agree with or can be recalculated from the figures presented in the complete audited financial statements. Management believes that the summarized financial statements contain the necessary information and are at an appropriate level of aggregation so as not to be misleading to the users.

The accounting policies utilized differ from Canadian Accounting Standards for not for profit organizations as:

- (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 \$Nil (2018 - \$64,829) of computer equipment purchases and \$71,893 (2018 - \$Nil) 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.

COMMUNITY LIVING BRANT

SUMMARIZED NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2019

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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

(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	2019	2018
Land	362,550	-	362,550	362,550
Building	4,429,880	4,322,162	107,718	129,478
	4,792,430	4,322,162	470,268	492,028

5. LONG TERM LIABILITY	2019	2018
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, 2019

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:

	2019	2018
Balance, beginning of year	93,539	106,710
Less: Amounts amortized to expense	(13,171)	(13,171)
Balance, end of year	80,368	93,539

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 97% of its revenue for the year ended March 31, 2019 (2018 - 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.

