

COMMUNITY LIVING BRANT
SUMMARIZED FINANCIAL STATEMENTS
For the year ended March 31, 2021

COMMUNITY LIVING BRANT

For the year ended March 31, 2021

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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, 2021 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, 2021.

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 Corporation of the City of Brantford. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the Entity's 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 24, 2021. 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 24, 2021
Brantford, Ontario

CHARTERED PROFESSIONAL ACCOUNTANTS
Licensed Public Accountants

COMMUNITY LIVING BRANT

SUMMARIZED STATEMENT OF FINANCIAL POSITION

As at March 31	2021	2020
ASSETS		
Current Assets		
Cash and bank	897,629	670,867
Accounts receivable	892,655	587,381
Government receivables	62,391	75,932
Prepaid expenses	8,183	121,091
	1,860,858	1,455,271
Long Term Investments at Market Value	187,787	174,588
Property, Plant and Equipment (Note 4)	432,164	451,216
	2,480,809	2,081,075
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	1,359,295	992,484
Government payables	10,359	-
	1,369,654	992,484
Long Term Liability (Note 5)	129,100	129,100
Deferred Contributions Related to Capital Assets (Note 6)	58,696	69,532
	1,557,450	1,191,116
NET ASSETS		
Net assets internally restricted (Note 7)	266,354	276,568
Unrestricted net assets	657,005	613,391
	923,359	889,959
	2,480,809	2,081,075

See accompanying notes

COMMUNITY LIVING BRANT

SUMMARIZED COMBINED STATEMENT OF REVENUE AND EXPENDITURES

For the year ended March 31	2021	2020
Revenue		
Cafeteria sales	83,893	84,881
Client board, trial visits and parent fees	321,248	316,931
Fundraising and donations	13,502	55,335
Interest	21,285	30,739
Provincial and Federal Grants	15,239,489	15,171,975
Resource Centre memberships and miscellaneous	6,842	12,155
	15,686,259	15,672,016
Expenditures - Page 4	15,642,645	15,623,304
Excess of Revenue over Expenditures	43,614	48,712

See accompanying notes

COMMUNITY LIVING BRANT

SUMMARIZED COMBINED SCHEDULE OF EXPENDITURES

For the year ended March 31	2021	2020
Advertising	15,128	5,129
Amortization of capital assets net of deferred contributions	8,216	8,216
Conferences	16,593	28,273
Expenditure recovery	(1,382,751)	(456,312)
Food	110,487	159,865
Fundraising	-	12,555
Insurance	94,537	87,649
Literacy program	-	7,500
Personal needs	8,695	19,316
Purchased services	1,736,019	1,772,875
Rent and other rentals	110,032	87,217
Repairs and maintenance	655,841	617,611
Replacement and start-up costs	792	842
Salaries and benefits	13,095,803	12,155,441
Staff travel, training and communication	364,901	490,019
Subsidizable client expenses	67,100	76,297
Supplies	507,567	286,663
Utilities	113,699	106,997
Vehicles operation and transportation	119,986	157,151
	15,642,645	15,623,304

See accompanying notes

COMMUNITY LIVING BRANT

SUMMARIZED COMBINED STATEMENT OF CHANGES IN NET ASSETS

For the year ended March 31, 2021

	Internally Restricted Asset	Unrestricted Assets	Total 2021
Balance - Beginning of Year	276,568	613,391	889,959
Excess of Revenue over Expenditures	-	43,614	43,614
Excess (Deficiency) of Revenue over Expenditures	(10,214)	-	(10,214)
Balance - End of Year	266,354	657,005	923,359

SUMMARIZED COMBINED STATEMENT OF CHANGES IN NET ASSETS

For the year ended March 31, 2020

	Internally Restricted Assets	Unrestricted Net Assets	Total 2020
Balance - Beginning of Year	256,130	564,679	820,809
Excess of Revenue over Expenditures	-	48,712	48,712
Excess of Revenue over Expenditures	20,438	-	20,438
Balance - End of Year	276,568	613,391	889,959

COMMUNITY LIVING BRANT

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

For the year ended March 31	2021	2020
Revenue		
Cafeteria sales	83,893	84,881
Client board, trial visits and parent fees	321,248	316,931
Miscellaneous	6,029	6,029
Provincial grants	13,135,253	12,960,759
	13,546,423	13,368,600
Expenditures		
Centrally allocated administration	1,005,380	903,618
Expenditure recovery	(1,171,738)	(382,776)
Food	109,845	159,865
Personal needs	8,695	19,316
Purchased services	555,156	471,600
Rent and other rentals	88,832	95,017
Repairs and maintenance	551,015	532,704
Replacement and start-up costs	792	842
Salaries and benefits	11,475,896	10,656,305
Staff travel, training and communication	312,813	417,496
Subsidizable client expenses	67,100	76,297
Supplies	329,809	163,513
Utilities	92,842	97,652
Vehicles operation and transportation	119,986	157,151
	13,546,423	13,368,600
Excess of Revenue over Expenditures	-	-

See accompanying notes

COMMUNITY LIVING BRANT

SUMMARIZED COMBINED SCHEDULE OF REVENUE AND EXPENDITURES OTHER PROGRAMS

For the year ended March 31	2021	2020
Revenue		
Fundraising and donations	13,502	55,335
Interest	21,285	30,739
Other	813	12,158
Provincial grants	2,104,236	2,211,216
	2,139,836	2,309,448
Expenditures		
Advertising	1,239	5,129
Amortization of capital assets	8,216	8,216
Centrally allocated administration	60,920	27,448
Conferences	16,593	28,273
Food	642	5,409
Fundraising	-	12,555
Recoveries	(12,000)	(12,000)
Literacy program	-	7,500
Purchased services	1,010,120	1,162,805
Rent	21,250	60,000
Repairs and maintenance	75,001	12,792
Salaries and benefits	854,475	856,352
Staff travel and training	16,704	26,763
Supplies	30,200	45,848
Utilities	12,862	13,646
	2,096,222	2,260,736
Excess of Revenue over Expenditures	43,614	48,712

See accompanying notes

COMMUNITY LIVING BRANT

SUMMARIZED COMBINED STATEMENT OF CASH FLOWS

For the year ended March 31	2021	2020
Cash Flows From Operating Activities		
Excess (Deficiency) of Revenue over Expenditures	43,614	48,712
Excess (Deficiency) of Revenue over Expenditures - Restricted Assets	(10,214)	20,438
Charges (credits) to income not involving cash		
Amortization	19,052	19,052
	52,452	88,202
Change in non-cash working capital items		
Accounts receivable	(305,274)	(178,796)
Government receivables	13,541	(14,893)
Prepaid expenses	112,908	(32,706)
Accounts payable and accrued liabilities	366,811	2,555
Government payables	10,359	(15,250)
	198,345	(239,090)
Cash Flows From Financing Activities		
Amortization of deferred contributions related to capital assets	(10,836)	(10,836)
Cash Flows From Investing Activities		
(Increase) Decrease in long term investments	(13,199)	(3,341)
Net Increase (Decrease) in Cash and Bank	226,762	(165,065)
Opening Cash and Bank	670,867	835,932
Closing Cash and Bank	897,629	670,867

See accompanying notes

COMMUNITY LIVING BRANT

SUMMARIZED NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2021

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 Community Living Brant for the year ended March 31, 2021, which were prepared in accordance with accounting policies specified by the Ministry of Community and Social Services and the Ministry of Children and Youth Services and the Corporation of the City of Brantford.

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 Corporation of the City of Brantford are included in expenditures for the year. In the year, the Organization expensed \$93,959 (2020 - \$71,893) of vehicle purchases.
- (b) Expenditure recoveries are accounted for as a reduction of expenses rather than being recorded as contribution revenue

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.

COMMUNITY LIVING BRANT

SUMMARIZED NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2021

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Revenue Recognition

The Organization follows the deferral method of accounting for contributions.

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

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

Fees and other revenues are recognized when the services are provided.

(c) Property, Plant and Equipment

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

Buildings	5% straight line
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(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 - Financial Instruments

The Organization initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost, except for long term investments carried at market value.

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.

(f) Investments

Investment income is recognized as revenue when earned. Realized and unrealized gains and losses are reported in the statement of operations.

COMMUNITY LIVING BRANT

SUMMARIZED NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2021

4. PROPERTY, PLANT AND EQUIPMENT	Cost	Accumulated Amortization	2021	2020
Land	362,550	-	362,550	362,550
Buildings	4,429,880	4,360,266	69,614	68,424
Vehicles	20,242	20,242	-	20,242
	4,812,672	4,380,508	432,164	451,216

5. LONG TERM LIABILITY	2021	2020
Due to Brant County Foundation	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.

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:

	2021	2020
Balance, beginning of year	69,532	80,368
Less: Amounts amortized to expense	(10,836)	(10,836)
Balance, end of year	58,696	69,532

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 and a fund for capital repairs and maintenance. These internally restricted amounts are 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, 2021 (2020 - 97%) from the Ministry of Community and Social Services, and the Ministry of Children and Youth Services.

COMMUNITY LIVING BRANT

SUMMARIZED NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2021

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 investments.

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.

10. COVID-19 PANDEMIC

Prior to and subsequent to year end, the Organization has been impacted by the effects of the world-wide coronavirus pandemic. The Organization is closely monitoring its operations, liquidity, and capital resources and is actively working to minimize the current and future impacts of this unprecedented situation.

The Organization was required to close their day supports and staff were redeployed to other supports within the agency. Some temporary contracts were terminated and there was a temporary layoff of part-time employees.

11. COMPARATIVE FIGURES

Certain of the prior year figures, provided for the purpose of comparison, have been reclassified to conform with the current year's presentation.