

North York Seniors Centre
Financial Statements
For the year ended March 31, 2023

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Independent Auditor's Report

To the Members of
North York Seniors Centre

Opinion

We have audited the financial statements of North York Seniors Centre (the "Centre"), which comprise the statement of financial position as at March 31, 2023, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Centre as at March 31, 2023, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Centre in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Centre's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Centre or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Centre's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



Independent Auditor's Report (continued)

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Centre's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Centre's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Centre to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Oakville, Ontario
June 21, 2023


North York Seniors Centre Statement of Financial Position


March 31	2023	2022
Assets		
Current		
Cash and cash equivalents	\$ 606,115	\$ 850,694
Investments (Note 2)	220,000	570,000
Accounts receivable	571,459	172,016
Prepaid expenses	74,797	75,202
	1,472,371	1,667,912
Investments (Note 2)	1,060,000	480,000
Cash and investments - endowment fund (Note 3)	116,727	113,615
Capital assets (Note 4)	641,770	322,493
	\$ 3,290,868	\$ 2,584,020

Liabilities and Net Assets

Current		
Accounts payable and accrued liabilities	\$ 254,296	\$ 258,317
Due to Ontario Health	40,148	40,148
Deferred - Active Living Centre membership fees	61,554	7,562
Deferred capital contributions (Note 6)	613,420	193,914
Deferred grants	10,700	76,722
	980,118	576,663
Net Assets		
Unrestricted net assets	2,194,023	1,893,742
Endowment fund	116,727	113,615
	2,310,750	2,007,357
	\$ 3,290,868	\$ 2,584,020

On behalf of the Board:

DocuSigned by:

 _____ Director
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DocuSigned by:

 _____ Director
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North York Seniors Centre Statement of Operations

For the year ended March 31	2023	2022
Revenue		
Subsidies and grants		
Ontario Health - Community Services	\$ 3,353,110	\$ 3,240,900
Ministry for Seniors and Accessibility - Senior Active Living Centres	102,981	125,400
United Way Greater Toronto	105,801	202,860
City of Toronto - Community Services Partnership Program	102,490	100,729
Other subsidies and grants	162,339	185,699
	3,826,721	3,855,588
Contracts and user fees		
VHA Home Healthcare	106,062	127,600
iRide	318,677	280,902
Community Services	155,285	168,698
Active Living Centre	63,050	30,935
Other Contracts	80,379	96,990
	723,453	705,125
Other		
Fundraising and donations	113,881	41,107
Investment and miscellaneous income	77,588	15,002
	191,469	56,109
	4,741,643	4,616,822
Expenses		
Salaries and wages	2,603,738	2,579,355
Contracted services	389,879	418,263
Employee benefits	424,558	429,015
Building and ground	338,205	320,218
Supplies	205,041	275,352
Office and general	300,299	212,939
Repairs and maintenance	77,592	67,266
Amortization	102,050	99,743
	4,441,362	4,402,151
Excess of revenue over expenses for the year	\$ 300,281	\$ 214,671

The accompanying notes are an integral part of these financial statements.

North York Seniors Centre Statement of Changes in Net Assets

For the year ended March 31

	Unrestricted Net Assets		Endowment Fund	
	2023	2022	2023	2022
Net assets , beginning of year	\$ 1,893,742	\$ 1,679,071	\$ 113,615	\$ 107,952
Excess of revenue over expenses	300,281	214,671	-	-
Donations and other revenue	-	-	2,692	5,663
Unrealized gain in fair value of investments	-	-	420	-
Net assets , end of year	\$ 2,194,023	\$ 1,893,742	\$ 116,727	\$ 113,615

The accompanying notes are an integral part of these financial statements.

North York Seniors Centre Statement of Cash Flows

For the year ended March 31	2023	2022
Cash provided by (used for)		
Operating activities		
Excess of revenue over expenses	\$ 300,281	\$ 214,671
Excess of revenue over expenses - endowment	3,112	5,663
Adjustments required to reconcile excess of revenue over expenses to net cash provided by (used in) operating activities		
Unrealized gain on endowment fund's investments	(420)	-
Amortization of capital assets	102,050	99,743
Changes in non-cash working capital items		
Accounts receivable	(399,443)	84,952
Prepaid expenses	405	(399)
Accounts payable and accrued liabilities	(4,021)	40,353
Due to Central Local Health Integration Network	-	37,307
Deferred - Active Living Centre membership fees	53,992	7,345
Deferred grants	(66,022)	(313)
Deferred capital contributions	419,506	(45,281)
	409,440	444,041
Investing activities		
Purchase of capital assets	(421,327)	(154,692)
Redemption of investments	670,000	100,000
Purchase of investments	(900,000)	(950,000)
	(651,327)	(1,004,692)
Financing activity		
Endowment funds received	(2,692)	(5,663)
	(244,579)	(566,314)
Increase in cash for the year	(244,579)	(566,314)
Cash, beginning of year	850,694	1,417,008
Cash, end of year	\$ 606,115	\$ 850,694
Represented by		
Cash	\$ 606,115	\$ 600,694
Cashable guaranteed investment certificates	-	250,000
	\$ 606,115	\$ 850,694

The accompanying notes are an integral part of these financial statements.

North York Seniors Centre Notes to Financial Statements

March 31, 2023

1. Significant Accounting Policies

Nature and Purpose of Organization

The North York Seniors Centre (the "Centre") was incorporated under letters patent dated September 6, 1974 in the jurisdiction of Ontario. The Centre is a multi-service, not-for-profit agency that provides programs and services for seniors which include home support, education, adult day care, outreach, transportation and various other social and recreational activities. The Centre is a registered charity and as such it is exempt from income taxes under Section 149 of the *Income Tax Act, Canada*.

Basis of Presentation

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations.

Fund Accounting

The Centre follows the deferral method of accounting for contributions. The unrestricted net assets balance reflects assets available for ongoing operations and services. The endowment fund reports resources contributed for endowment.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, bank balances, cashable guaranteed investment certificates.

Capital Assets

Capital assets are recorded at cost less accumulated amortization. Contributed capital assets are recorded at fair value at the date of contribution and are amortized. Amortization is provided on capital assets as follows:

Automobiles	-	5 years straight-line basis or over the term of the lease
Computer equipment	-	3 years straight-line basis
Furniture and fixtures	-	5 years straight-line basis
Leasehold improvements	-	over lease term

Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, investments, and cash and investments - endowment fund are reported at fair value; all other financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate that asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are charged to the financial instruments for those measured at amortized cost.

North York Seniors Centre Notes to Financial Statements

March 31, 2023

1. Significant Accounting Policies (continued)

Revenue Recognition

Externally restricted contributions are deferred and recognized as revenue in the year in which the related expenses are incurred. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on the same basis and rate corresponding with the amortization method for the related capital assets. Unrestricted contributions are recognized as revenue when received.

Investment income includes interest income and realized and unrealized investment gains and losses. Unrealized gains and losses on investments, and cash and investments - endowment fund are recognized as revenue in the endowment fund.

Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

2. Investments

Investments are non-redeemable Guaranteed Investment Certificates with the following interest rates and maturity dates:

	<u>2023</u>	<u>2022</u>
Guaranteed Investment Certificates		
2.60%, due September 21, 2022	\$ -	\$ 100,000
0.46%, due April 26, 2022	-	250,000
0.55%, due July 14, 2022	-	100,000
4.30%, due September 25, 2023	100,000	-
4.40%, due September 23, 2024	200,000	-
4.50%, due September 23, 2025	200,000	-
4.24%, due September 23, 2026	100,000	-
4.55%, due September 23, 2027	200,000	-
1.6%, \$100,000 matures each July 14 until 2026	480,000	600,000
	1,280,000	1,050,000
Less: Investments maturing in the next fiscal year	220,000	570,000
Investments	\$ 1,060,000	\$ 480,000

North York Seniors Centre Notes to Financial Statements

March 31, 2023

3. Cash and Investments - Endowment Fund

The endowment fund consists of the following:

	2023	2022
Cash	\$ 16,727	\$ 13,615
Guaranteed Investment Certificate 0.46%, due April 26, 2022 2.90%, due May 19, 2023	-	100,000
	100,000	-
	\$ 116,727	\$ 113,615

4. Capital Assets

	2023		2022	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Computer equipment	\$ 136,520	\$ 136,520	\$ 136,520	\$ 127,182
Construction in progress	-	-	100,229	-
Furniture and fixtures	148,014	130,552	148,014	124,732
Leasehold improvements	1,296,473	672,165	774,917	585,273
	\$ 1,581,007	\$ 939,237	\$ 1,220,273	\$ 897,780
Net book value		\$ 641,770		\$ 322,493

5. Lease Commitments

The Centre is committed to the following minimum lease payments for its premises:

	Sheppard Avenue Leases	21 Hendon Lease	Hesperus Leases	Toronto Community Housing Leases	Total
2024	128,409	8,575	14,935	4,802	156,721

The Centre also has the following vehicle lease commitments; 2024: \$9,098, 2025: \$3,830.

North York Seniors Centre Notes to Financial Statements

March 31, 2023

6. Deferred Capital Contributions

	2023	2022
Opening deferred capital contributions	\$ 193,914	\$ 239,195
Restricted contributions received in the year	521,556	54,462
Amount recognized in revenue	(102,050)	(99,743)
	\$ 613,420	\$ 193,914

7. Financial Instrument Risks

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Centre is exposed to credit risk arising from its accounts receivable. Management believes the credit risk is minimized by the credit worthiness of its funders. This risk has not changed from prior year.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Centre is exposed to interest rate risk arising from the possibility that changes in interest rates will affect the value of fixed income denominated investments. This risk has not changed from prior year.

Liquidity Risk

Liquidity risk is the risk that the Centre will encounter difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Centre will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. The Centre is exposed to this risk mainly in respect of its accounts payable and accrued liabilities, due to Central Local Health Integration Network and commitments. This risk has not changed from prior year.