

DAVENPORT-PERTH NEIGHBOURHOOD AND COMMUNITY HEALTH CENTRE

FINANCIAL STATEMENTS

MARCH 31, 2022

DAVENPORT-PERTH NEIGHBOURHOOD AND COMMUNITY HEALTH CENTRE

FINANCIAL STATEMENTS

MARCH 31, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Members of
Davenport-Perth Neighbourhood and Community Health Centre

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Davenport-Perth Neighbourhood and Community Health Centre ("the Organization"), which comprise the statement of financial position as at March 31, 2022, the statement of operations and changes in net assets, and the statement of 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 Davenport-Perth Neighbourhood and Community Health Centre as at March 31, 2022, and the results of its operations and its 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 Organization 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 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 these financial statements, management is responsible for assessing the Organization's ability to continue as going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT (Continued)

Those charged with governance are responsible for overseeing the Organization'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. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement 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 Organization'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 Organization'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 Organization 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.

INDEPENDENT AUDITOR'S REPORT (Continued)

We communicated 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.

NVS Professional Corporation

**NVS Professional Corporation
Chartered Professional Accountants
Authorized to practice public accounting by
Chartered Professional Accountants of Ontario**

**Markham, Ontario
June 17, 2022**

DAVENPORT-PERTH NEIGHBOURHOOD AND COMMUNITY HEALTH CENTRE

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2022

ASSETS

	<u>2022</u>	<u>2021</u>
<u>CURRENT</u>		
Cash	\$ 764,686	\$ 660,245
Short Term Investments (Note 2)	557,966	543,102
Accounts Receivable	26,770	22,111
HST Receivable	54,772	67,250
Prepaid Expenses and Deposits	46,287	46,863
	<u>1,450,481</u>	<u>1,339,571</u>
<u>CAPITAL ASSETS</u> (Note 3)	<u>3,030,108</u>	<u>3,249,678</u>
	<u>\$ 4,480,589</u>	<u>\$ 4,589,249</u>

LIABILITIES

<u>CURRENT</u>		
Accounts Payable and Accrued Liabilities	\$ 293,334	\$ 81,577
Due to Ontario Ministry of Health	118,011	118,011
Deferred Operating Grants (Note 5)	374,272	510,480
	<u>785,617</u>	<u>710,068</u>
<u>DEFERRED CONTRIBUTIONS</u>		
Related to Capital Assets (Note 4)	<u>3,025,625</u>	<u>3,244,900</u>
	<u>3,811,242</u>	<u>3,954,968</u>
<u>FUND BALANCES</u>	<u>669,347</u>	<u>634,281</u>
	<u>\$ 4,480,589</u>	<u>\$ 4,589,249</u>

APPROVED BY THE BOARD:

_____ Director

_____ Director

(See Accompanying Notes)

DAVENPORT-PERTH NEIGHBOURHOOD AND COMMUNITY HEALTH CENTRE

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED MARCH 31, 2022

	<u>Unrestricted</u>	<u>Restricted to Contingencies (Note 6)</u>	<u>Balance 2022</u>	<u>Balance 2021</u>
<u>BALANCE,</u>				
Beginning of the Year	\$ 64,220	\$ 570,061	\$ 634,281	\$ 598,337
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>	2,682	-	2,682	1,142
<u>ADDITIONALLY IMPOSED RESTRICTIONS</u>	-	32,384	32,384	34,802
<u>BALANCE,</u>				
End of the Year	<u>\$ 66,902</u>	<u>\$ 602,445</u>	<u>\$ 669,347</u>	<u>\$ 634,281</u>

(See Accompanying Notes)

DAVENPORT-PERTH NEIGHBOURHOOD AND COMMUNITY HEALTH CENTRE

STATEMENT OF OPERATIONS - THE CENTRE

FOR THE YEAR ENDED MARCH 31, 2022

	<u>2022</u>	<u>2021</u>
<u>REVENUES</u>		
Public Health Agency of Canada	\$ 61,026	\$ 60,922
Human Resources and Skills Development - CSJ (Note 19)	38,257	26,578
Ministry of Health and Long Term Care - OH General (Note 7)	4,309,222	4,353,340
MOH - OH Exercise Initiative (Note 7)	139,943	134,066
Community Food Centres Canada	10,000	-
Ontario Ministry for Seniors and Accessibility	72,168	58,365
Ministry of Citizenship and Immigration - NSP (Note 15)	65,000	65,000
Ministry of Citizenship and Immigration - PE	565	565
Ministry of Advanced Education and Skills Development	145,306	145,306
City of Toronto	460,200	187,631
City of Toronto - Child and Family Programs (Note 20)	615,935	620,131
City of Toronto - Children's Services (Note 19)	5,150	-
Self Generated Income	89,811	88,172
United Way of Greater Toronto	362,046	388,581
Ontario Trillium Foundation	47,300	47,300
Other (Note 8)	147,661	219,906
Amortization of Deferred Contributions (Note 4)	219,275	219,276
	<u>6,788,865</u>	<u>6,615,139</u>
<u>EXPENDITURES</u>		
Salaries and Benefits (Note 18)	5,188,601	4,996,868
Staff Training	15,026	10,638
Staff Travel	2,549	1,492
Communications	43,701	66,237
Amortization (Note 3)	219,572	219,572
Food Costs	134,926	31,489
Insurance (Note 10)	70,402	65,649
Refugee non-insured	100,000	100,000
Other (Note 11)	231,398	300,858
Program Supplies	50,078	54,097
Premises Rent and Occupancy Costs	65,723	64,952
Purchased Services	94,081	77,687
Repairs and Maintenance	419,909	397,234
Supplies - Other (Note 12)	34,139	105,652
Utilities and Taxes	116,078	121,572
	<u>6,786,183</u>	<u>6,613,997</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>	<u>\$ 2,682</u>	<u>\$ 1,142</u>

(See Accompanying Notes)

DAVENPORT-PERTH NEIGHBOURHOOD AND COMMUNITY HEALTH CENTRE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2022

	<u>2022</u>	<u>2021</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Excess of Revenues Over Expenditures	\$ 2,682	\$ 1,142
Amortization - Net	297	296
	<u>2,979</u>	<u>1,438</u>
Change in Non-Cash Working Capital		
Accounts Receivable	(4,659)	5,755
HST Receivable	12,478	(22,940)
Prepaid Expenses and Deposits	576	(3,969)
Accounts Payable and Accrued Liabilities	211,757	(58,274)
Deferred Operating Grants	<u>(136,208)</u>	<u>282,465</u>
	<u>83,944</u>	<u>203,037</u>
<u>CASH USED IN INVESTING ACTIVITIES:</u>		
Contingency Allocation	<u>32,382</u>	<u>34,802</u>
<u>INCREASE IN CASH AND EQUIVALENTS</u>	119,305	239,277
<u>CASH AND EQUIVALENTS, Beginning of the Year</u>	<u>1,203,347</u>	<u>964,070</u>
<u>CASH AND EQUIVALENTS, End of the Year</u>	<u>\$ 1,322,652</u>	<u>\$ 1,203,347</u>
<u>CASH AND EQUIVALENTS REPRESENTED BY:</u>		
Cash	\$ 764,686	\$ 660,245
Short-Term Investments	<u>557,966</u>	<u>543,102</u>
	<u>\$ 1,322,652</u>	<u>\$ 1,203,347</u>

(See Accompanying Notes)

DAVENPORT-PERTH NEIGHBOURHOOD AND COMMUNITY HEALTH CENTRE

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2022

INCORPORATION:

The Davenport-Perth Neighbourhood and Community Health Centre, (the Centre) was incorporated as a not-for-profit organization on October 27, 1985 under the laws of Ontario and commenced operations on January 1, 1986. The Davenport-Perth Neighbourhood and Community Health Centre is a charitable organization with a registered charity number of #12369 8904 RR0001.

NATURE OF OPERATIONS:

The purpose of the Centre is to strengthen, support and encourage individual, family and community life.

The major source of funding for the operations is through grants and donations.

1. SIGNIFICANT ACCOUNTING POLICIES:

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. Outlined below are those policies that are considered particularly significant:

a) Revenue Recognition

The Centre follows the deferral method of accounting for grants. Grants are recognized as revenue in the same period as the related expenditures. Grants received prior to the year to which they apply are deferred.

Donations and fundraising are recorded as revenue when received, except when received for specific projects, at which time they are recognized when the projects occur.

Self-generated income and other revenues are recognized as revenue in the period in which they are earned.

b) Capital Assets and Amortization

Furniture and fixtures purchased prior to fiscal 1994 are recorded at cost and are amortized using a straight-line basis over five years. Because furniture and fixtures purchased subsequent to fiscal 1993 were expensed in the year of purchase, it was not practical to capitalize previously expensed equipment. Subsequent to 1997 purchases of capital assets exceeding \$5,000 have been capitalized, except for capital assets purchased with respect to specific annually funded programs. These assets are expensed in the year in which the purchase occurs.

DAVENPORT-PERTH NEIGHBOURHOOD AND COMMUNITY HEALTH CENTRE

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES: (Continued)

b) Capital Assets and Amortization (Continued)

A capital asset or leasehold improvement is tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the capital assets exceeds its fair value.

Capital assets or leasehold improvements acquired during the year but not placed into use are not amortized until they are placed into use.

c) Contribution to Administration

Most programs contribute a percentage of revenue to administration as a contribution towards overhead.

d) Leasehold Improvements

i) Prior to 2008:

The Centre had entered into various agreements to renovate its premises at 1900 Davenport Road. The cost of the project had been notated on the Financial Statements as "Leasehold Improvements" and amortized over the term of the lease for said premises plus one (1) renewal period.

ii) After 2008:

The Centre commenced construction of the New Health Centre - a project fully funded by the Ministry of Health and Long Term Care. The construction of this facility was completed in September 2012. A new HVAC system was installed in fiscal years 2015-16, 2016-17 and 2017-18. New accessibility doors were installed in fiscal year 2018-19. These items are being amortized on a straight-line based over their useful lives, estimated by management as follows:

Leasehold Improvements - New Health Centre	25 years
Equipment - HVAC System	10 years
Equipment - Accessibility Doors	10 years

DAVENPORT-PERTH NEIGHBOURHOOD AND COMMUNITY HEALTH CENTRE

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (Continued):

e) 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 and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reported period. Significant items subject to such estimates and assumptions include the useful lives of capital assets and leasehold improvements, and year-end accrued liabilities. Actual results could differ from management's best estimates as additional information becomes available in the future.

f) Income Taxes

The Centre is a not-for-profit organization under the Income Tax Act (Canada) and, as such, is exempt from income taxes.

g) Financial Instruments

The Centre initially records all financial instruments at fair market value, and subsequently records them at amortized cost.

The organization's financial instruments consist of cash, short term investments, accounts receivable, bank indebtedness, accounts payable and accrued liabilities.

2. SHORT TERM INVESTMENTS:

Short term investments are represented by term deposits and GICs with annual interest rates that vary between 0.8% and 2.9% and with maturity dates between May 2022 and December 2022.

DAVENPORT-PERTH NEIGHBOURHOOD AND COMMUNITY HEALTH CENTRE

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2022

3. CAPITAL ASSETS:

	<u>2022</u>			<u>2021</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Leasehold Improvements	\$ 2,913,499	\$ 2,913,499	\$ -	\$ -
Leasehold Improvements - New Health Centre	4,620,908	1,755,762	2,865,146	3,049,994
Equipment - HVAC System	270,130	155,283	114,847	141,861
Equipment - Accessibility Doors	77,094	26,979	50,115	57,823
	<u>\$ 7,881,631</u>	<u>\$ 4,851,523</u>	<u>\$ 3,030,108</u>	<u>\$ 3,249,678</u>

Amortization for the year amounted to \$219,572 (2021 - \$219,572).

4. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS:

New Health Centre & Equipment

Deferred contributions reported with respect to the New Health Centre's leasehold improvements and equipment are amortized over their estimated useful lives, which management estimates to be 25 years and 10 years, respectively. Amortization for fiscal 2021-22 is \$219,572, representing 12 months of amortized capital grant revenue for the period from April 1, 2021 to March 31, 2022. Amortization for fiscal 2020-21 was \$219,572.

As at March 31, 2022, the Centre had received \$4,614,938 from Ministry of Health for the New Health Centre. As at March 31, 2022, \$4,620,908 has been spent. This amount has been capitalized (refer to Note 3 - Capital Assets). The unfunded balance of \$5,970 was paid for by DPNCHC from other existing funds. For the fiscal year ended March 31, 2022 no additional funding was received and the project is considered to be completed.

DAVENPORT-PERTH NEIGHBOURHOOD AND COMMUNITY HEALTH CENTRE

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2022

4. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS: (Continued)

Deferred contributions related to capital assets are analyzed as follows:

	<u>2022</u>	<u>2021</u>
Deferred Capital Contributions - New Health Centre:	\$ 4,614,938	\$ 4,614,938
Deferred Capital Contributions - Equipment	270,130	270,130
Deferred Capital Contributions - Equipment Accessibility Doors	77,094	77,094
Less: Amortized Grant Revenue - New Health Centre	(1,754,275)	(1,569,722)
Less: Amortized Grant Revenue - Equipment	(155,283)	(128,269)
Less: Amortized Grant Revenue - Equipment Accessibility Doors	(26,979)	(19,271)
	<u>\$ 3,025,625</u>	<u>\$ 3,244,900</u>

5. DEFERRED OPERATING GRANTS:

Deferred operating grants are analyzed as follows:

	<u>2022</u>	<u>2021</u>
i) Project Contributions and Fundraising	\$ 11,880	\$ 8,747
ii) Ministry for Seniors and Accessibility	-	19,600
iii) Parks, Forestry and Recreation	6,716	16,449
iv) Toronto Urban Health Fund - Young Men Paving Ways	27,589	16,443
v) City of Toronto - Child and Family Funds	160,654	171,306
vi) City of Toronto - COVID-19 Relief Fund	-	-
vii) City of Toronto - Equity Action Plan	155,112	227,564
viii) City of Toronto - Community Service Partnership	-	28,367
ix) City of Toronto - Neighbourhood Planning Operations Fund	5,004	5,004
x) Enterprise Rent-A-Car	1,000	1,000
xi) United Way	-	16,000
xii) The Charities Aid Foundation Grant	6,317	-
	<u>\$ 374,272</u>	<u>\$ 510,480</u>

Continuity of Deferred Operating Grants for the year is as follows:

Deferred Operating Grants, Beginning of the Year	\$ 510,480	\$ 228,015
Add - Received/Receivable during the Year	6,343,571	6,590,156
Less - Recognized during the Year	(6,479,779)	(6,307,691)
	<u>\$ 374,272</u>	<u>\$ 510,480</u>

DAVENPORT-PERTH NEIGHBOURHOOD AND COMMUNITY HEALTH CENTRE

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2022

6. CONTINGENCY RESTRICTIONS:

The Centre maintains reserve funds for the following:

	<u>2022</u>	<u>2021</u>
i) Administrative Provision	\$ 531,445	\$ 500,561
ii) Maternity Provision	30,000	30,000
iii) Facilities Provision	35,000	35,000
iv) Employee Accident Insurance Provision	<u>6,000</u>	<u>4,500</u>
	<u>\$ 602,445</u>	<u>\$ 570,061</u>

The Board of Directors of the Centre has established an administrative contingency fund to approximate the funds required to maintain one month of salary, benefits and essential administration costs.

It is the opinion of the Board and Management that since all major funding agreements require a 60 day close-down notice, the above administrative provision is adequate.

The Maternity Leave Provision represents funds segregated in accordance with Personnel Policy. These funds are segregated and held in a separate bank account and/or a Guaranteed Investment Certificate specifically for this purpose.

The Facilities Provision includes funds held for expenditures required to maintain the Centre's facilities that are not funded through other sources.

The Employee Accident Insurance Provision includes funds designated for expenditures related to workplace accidents not otherwise covered by insurance.

The contingency reserves are increased annually by 2% of the salary of permanent non-health centre employees, as well as the exempt portion of EHT. The net contribution to the reserve during fiscal 2022 is \$32,384 (2021 - \$34,802).

DAVENPORT-PERTH NEIGHBOURHOOD AND COMMUNITY HEALTH CENTRE

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2022

7. GRANTS:

**MINISTRY OF HEALTH AND LONG TERM CARE/
TORONTO CENTRAL LOCAL INTEGRATION NETWORK**

	<u>2022</u>	<u>2021</u>
Ontario Health - General	\$ 4,120,443	\$ 4,145,991
Ontario Health - One Time Funding - COVID-19 Support	-	140,000
MOH - CHC Compensation	32,378	-
MOH - CIRF Funding	156,401	67,349
	<u>4,309,222</u>	<u>4,353,340</u>
LHIN - Exercise Initiative	139,943	134,066
	<u>\$ 4,449,165</u>	<u>\$ 4,487,406</u>

8. OTHER REVENUES:

	<u>2022</u>	<u>2021</u>
The Four Villages Community Health Centre	\$ 23,139	\$ 91,448
Reconnect Community Health Services	90,000	90,000
Government of Canada - Wage Subsidy (Note 15)	-	25,000
Donations	6,382	11,415
Toronto Foundation	1,619	1,294
Chum Foundation	600	600
St. Stephen's Community House	7,655	149
Participants Contribution - Children Summer (Note 19)	4,490	-
Toronto Star Fresh Air Fund	12,000	-
Aquaeduct Foundation	500	-
TelPay Bill	1,000	-
Alexandra Park Funds	275	-
	<u>\$ 147,661</u>	<u>\$ 219,906</u>

DAVENPORT-PERTH NEIGHBOURHOOD AND COMMUNITY HEALTH CENTRE

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2022

9. INTERNAL CHARGES:

The Board of Directors of the Centre previously passed a motion to no longer reflect separately the internal charges as revenue and expenses within the statement of operations - the Centre.

Internal charges are analyzed as follows:

	<u>2022</u>	<u>2021</u>
Contribution to Building Expenses	\$ 293,821	\$ 293,062
Administrative Cost Recovery	175,692	163,122
	<u>\$ 469,513</u>	<u>\$ 456,184</u>

10. INSURANCE EXPENSES:

Insurance expense is analyzed as follows:

	<u>2022</u>	<u>2021</u>
Malpractice Insurance	\$ 2,975	\$ 3,498
Property and Liability	67,427	62,151
	<u>\$ 70,402</u>	<u>\$ 65,649</u>

Property and liability insurance expense includes errors and omissions coverage for directors, officers, committee members and employees, in addition to the Centre.

11. OTHER EXPENSES:

Other expenses are analyzed as follows:

	<u>2022</u>	<u>2021</u>
Bank Charges (Recovery)	\$ (348)	\$ (35)
Computer Services	52,158	115,462
Membership Fees	32,042	44,744
Participant Travel	37,968	12,394
Photocopying / Rental	10,144	10,880
Postage and Courier	4,299	4,146
Professional Fees	14,830	14,235
Legal	3,339	8,265
Recruitment	8,327	3,805
Printing	2,223	7,300
AGM/Meeting Expenses	827	610
Security - Fire	29,669	29,738
Volunteer Expenses	1,265	1,819
Staff Appreciation	7,697	8,310
Health and Safety	20,310	31,868
Workshops	555	215
CCA Fees	4,931	4,914
Board Expenses	1,162	2,188
	<u>\$ 231,398</u>	<u>\$ 300,858</u>

DAVENPORT-PERTH NEIGHBOURHOOD AND COMMUNITY HEALTH CENTRE

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2022

12. SUPPLIES - OTHER:

Supplies - other is analyzed as follows:

	<u>2022</u>	<u>2021</u>
Office Supplies	\$ 12,236	\$ 7,502
Medical Supplies	20,273	88,191
Resource Material	1,630	9,959
	<u>\$ 34,139</u>	<u>\$ 105,652</u>

13. CAPITAL MANAGEMENT AND ECONOMIC DEPENDENCE:

The Centre includes cash, accounts receivable, grants receivable, accounts payable, deferred operating grant revenue, and net assets in its capital management consideration. The Centre's objectives when managing capital are to safeguard its ability to continue as a going concern and continue to execute its mandate.

The Centre monitors these items to assess its ability to fulfil its ongoing financial obligations. The Centre relies primarily on grants and donations to fund its operations and makes adjustments to its budgeted expenditures in light of changes. The Centre is not subject to externally imposed capital requirements.

14. COMMITMENTS:

The Centre negotiated a 25 year lease, with an additional 25 year renewal period at the option of the Centre, effective January 1, 2009 with the Trustees of the Davenport-Perth United Church. The minimum annual rental payments are \$52,000. The lease will be adjusted every year thereafter by the change in the Consumer Price Index.

DAVENPORT-PERTH NEIGHBOURHOOD AND COMMUNITY HEALTH CENTRE

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2022

**15. SEGMENTED INFORMATION -
MINISTRY OF CITIZENSHIP AND IMMIGRATION - NSP**

The following schedule has been extracted from the books and records underlying the Centre's audited financial statements. This data is presented for information purposes only. Audit procedures were performed on the organization as a whole, not at the individual department level.

<u>REVENUES - GOVERNMENT GRANTS</u>		\$ 65,000
<u>EXPENDITURES</u>		
Salaries	\$ 45,945	
Benefits	11,150	
Administrative Cost Recovery	7,150	
Participant Need/Client Travel	200	
Workshop	555	
	<hr/>	<hr/>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>		\$ -

16. FINANCIAL INSTRUMENTS - RISK MANAGEMENT:

a) Interest Rate Risk

Interest rate risk is the risk of potential financial loss caused by fluctuations in their fair value of future cash flow of financial instruments due to changes in market interest rates.

b) Credit Risk

Credit risk is the potential for financial loss should a counter-party in a transaction fail to meet its obligations.

c) Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Centre's financial instruments consist of cash, short term investments, accounts receivable, bank indebtedness, accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest or credit risks. Liquidity risk is managed by establishing budgets and maintaining sufficient cash and equivalents on hand or in interest bearing accounts.

The extent of the Organization's exposure to the above risks did not change during 2022.

DAVENPORT-PERTH NEIGHBOURHOOD AND COMMUNITY HEALTH CENTRE

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2022

17. CONTRIBUTED SERVICES AND MATERIALS:

Because of the difficulty of determining the fair value of services provided by volunteers, and materials contributed to the organization, contributed services and materials are not recognized in the financial statements.

18. PENSION AGREEMENTS:

The Centre makes contributions to the Healthcare of Ontario Pension Plan ("HOOPP"), which is a multi-employer plan, on behalf of members of its staff. The plan is a defined benefit plan, which specifies the amount of retirement benefit to be received by the employees, based on the length of service and rates of pay. The amount contributed by the Centre to HOOPP for fiscal 2022 was \$338,369 (2021 - \$332,938) for current service costs and is included as an expense in the Statement of Operations. The last actuarial valuation was completed for the plan as of December 31, 2021. At that time, the plan was fully funded.

19. SEGMENTED INFORMATION - SUMMER DAY PROGRAM

The following schedule has been extracted from the books and records underlying the Centre's audited financial statements. This data is presented for information purposes only. Audit procedures were performed on the organization as a whole, not at the individual department level.

	<u>2022</u>	<u>2021</u>
<u>REVENUES</u>		
Human Resources and Skill Development - CSJ	\$ 38,257	\$ 26,578
Ministry of Health and Long Term Care	6,639	6,639
Children's Services	5,150	-
Participants Contributions	4,490	-
Foundations and Donations - Children summer	12,000	-
	<u>66,536</u>	<u>33,217</u>
<u>EXPENDITURES</u>		
Salaries	\$ 40,956	\$ 28,248
Benefits	5,303	3,980
Administration	1,810	989
Program Costs	18,467	-
	<u>66,536</u>	<u>33,217</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>	<u>\$ -</u>	<u>\$ -</u>

DAVENPORT-PERTH NEIGHBOURHOOD AND COMMUNITY HEALTH CENTRE

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2022

**20. SEGMENTED INFORMATION -
CITY OF TORONTO - CHILD AND FAMILY PROGRAMS**

The following schedule has been extracted from the books and records underlying the Centre's audited financial statements. This data is presented for information purposes only. Audit procedures were performed on the organization as a whole, not at the individual department level.

<u>REVENUES - GOVERNMENT GRANTS</u>		\$ 615,935
<u>EXPENDITURES</u>		
Salaries	\$ 377,624	
Benefits	101,120	
Adminstration	60,229	
Program Costs	28,235	
Food	5,133	
Utilities and Maintenance	3,274	
School Board Permit Fees	90	
Cleaning and House Keeping	2,110	
Professional Development	4,549	
Business Travel	229	
Office Related	22,365	
Payments to Subcontracted Agencies	10,977	615,935
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>		<u>\$ -</u>