

Community Living Burlington

Financial Statements

For the year ended March 31, 2024

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To the Members of
Community Living Burlington

Independent Auditors' Report

Opinion

We have audited the accompanying financial statements of Community Living Burlington (the Organization), which comprise the statement of financial position as at March 31, 2024, and the statements of operations, changes in net assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Community Living Burlington as at March 31, 2024, 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 *Auditors' 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 the financial statements, management is responsible for assessing the Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 Auditing Standards (CASs), 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 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.



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.

June 18, 2024
Burlington, Ontario

SB Partners LLP

Chartered Professional Accountants
Licensed Public Accountants

Community Living Burlington
Statement of Financial Position
March 31, 2024

Assets	2024	2023 (Note 16)
Current assets		
Cash and cash equivalents (Note 3)	\$ 1,320,513	\$ 306,269
Restricted cash - music room (Note 3)	37,226	37,226
Restricted cash - wellness centre (Note 3)	227,409	-
Internally restricted cash - other (Note 3)	1,041,622	1,010,755
Short-term Investments	186,787	180,000
Accounts receivable (Note 4)	562,997	270,602
Prepays and house deposit	13,101	20,866
	3,389,655	1,825,718
Long-term investments (Note 5)	181,533	174,147
Fixed assets (Note 6)	6,975,989	7,149,388
	\$ 10,547,177	\$ 9,149,253

Approved on Behalf of the Board

"Danish Baig" (Signed)

Director

"Graham Browne" (Signed)

Director

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



Community Living Burlington
Statement of Financial Position
March 31, 2024

Liabilities		
	2024	2023
Current liabilities		
Accounts payable and accrued liabilities (Note 8)	\$ 2,026,292	\$ 1,185,023
Deferred revenue	982,598	738,050
Current portion of long-term debt (Note 9)	314,334	117,740
	3,323,224	2,040,813
Long-term debt (Note 9)	95,986	196,734
Deferred fixed asset contributions (Note 10)	2,721,931	3,037,784
	6,141,141	5,275,331
Net Assets		
Net assets restricted for endowment purposes (Note 5)	170,320	170,320
Unrestricted	(914,278)	(1,084,731)
Internally restricted funds	1,041,621	953,977
Restricted funds - music room	37,226	37,226
Restricted funds - wellness centre	227,409	-
Invested in fixed assets (Note 12)	3,843,738	3,797,130
	4,406,036	3,873,922
	\$ 10,547,177	\$ 9,149,253

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



Community Living Burlington

Statement of Operations

Year Ended March 31, 2024

	2024	2023 (Note 16)
Revenues		
Province of Ontario	\$ 21,422,886	\$ 20,558,643
Program service fees	2,417,375	1,485,211
Residents' fees	1,880,992	1,549,285
Miscellaneous revenue	362,682	546,963
Amortization of deferred fixed asset contributions	315,853	262,744
Grants	133,042	107,934
	26,532,830	24,510,780
Expenditures		
Staff salaries and benefits	20,201,764	19,226,949
Purchased services for clients	1,527,854	1,113,999
Repairs and maintenance	1,093,591	1,348,513
Occupancy costs	623,287	393,756
Supplies	553,984	489,236
Food	474,574	463,622
Amortization of fixed assets - Building	314,115	295,469
Professional fees	302,661	238,858
Automobile and travel	290,345	247,885
Equipment	237,021	100,677
Insurance	150,758	138,724
Telephone and postage	99,518	97,997
Staff training	88,274	88,519
Amortization of fixed assets - Equipment and Vehicles	54,518	75,439
Personal and health care needs	54,372	40,839
Bank charges and interest	40,877	71,492
Other rentals	26,887	28,254
	26,134,400	24,460,228
Excess revenues over expenditures from operations	398,430	50,552
Donations	99,183	52,160
Fundraising revenue (Note 11)	71,535	56,028
Miscellaneous expense	(21,914)	(13,744)
Fundraising expense (Note 11)	(15,120)	(10,948)
Excess revenues over expenditures	\$ 532,114	\$ 134,048

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



Community Living Burlington
Statement of Changes in Net Assets
Year Ended March 31, 2024

	Restricted for Endowment Purposes	Unrestricted (Note 16)	Internally restricted funds	Restricted funds - music room	Restricted funds - wellness centre	Invested in Fixed Assets (Note 16)	2024 Total	2023 Total
Net assets, beginning of year	\$ 170,320	\$(1,084,731)	\$ 953,977	\$ 37,226	\$ -	\$ 3,797,130	\$ 3,873,922	\$ 3,739,874
Excess revenues over expenditures	-	532,114	-	-	-	-	532,114	134,048
Allocation of funds (Note 2)	-	(315,053)	87,644	-	227,409	-	-	-
Change in net assets invested in fixed assets (Note 12)	-	(46,608)	-	-	-	46,608	-	-
Net assets, end of year	\$ 170,320	\$ (914,278)	\$ 1,041,621	\$ 37,226	\$ 227,409	\$ 3,843,738	\$ 4,406,036	\$ 3,873,922

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



Community Living Burlington

Statement of Cash Flows

Year Ended March 31, 2024

	2024	2023 (Note 16)
Cash flows from operating activities		
Excess revenues over expenditures	\$ 532,114	\$ 134,048
Charges not involving cash		
Amortization of fixed assets	368,633	370,908
Amortization of deferred fixed asset contributions	(315,853)	(262,744)
	584,894	242,212
Net change in accounts receivable	(292,395)	25,745
Net change in accounts payable and accrued liabilities	841,269	(456,461)
Net change in deferred revenue	244,548	(891,134)
Net change in other operating working capital balances	7,765	(14,935)
Cash flows from (used in) operating activities	1,386,081	(1,094,573)
Cash flows from financing activities		
Increase (decrease) in long-term debt	95,846	(46,369)
Cash flows from (used in) financing activities	95,846	(46,369)
Cash flows from investing activities		
Allocation of endowment income	(7,386)	(3,827)
Increase in internally restricted cash - other	(258,276)	(81,323)
Purchase of investments	(6,787)	(180,000)
Purchase of capital assets	(195,234)	-
Cash flows used in investing activities	(467,683)	(265,150)
Net increase (decrease) in cash and cash equivalents	1,014,244	(1,406,092)
Cash and cash equivalents, beginning of year	306,269	1,712,361
Cash and cash equivalents, end of year	\$ 1,320,513	\$ 306,269

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



Community Living Burlington
Notes to Financial Statements
Year Ended March 31, 2024

1. Purpose of the Organization

Community Living Burlington ("CLB" or the "organization") was incorporated as a company without share capital on May 17, 1963 by letters patent issued under the Corporations Act of the Province of Ontario, as a not-for-profit organization and is a registered charity under the Income Tax Act. The purpose of CLB is to administer various programs for individuals with developmental disabilities.

2. Significant accounting policies

Basis of presentation

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

Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks. Bank borrowings to finance capital and operating expenditures are considered to be financing activities.

Capital assets

Capital assets are recorded at cost. Amortization is provided as follows:

Buildings	30 year straight-line
Computer equipment	20% declining balance
Furniture and equipment	20% declining balance
Vehicles	30% declining balance

Revenue recognition

CLB follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Resident fees are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenues from fundraising activities are recorded when received.

Restricted funds

CLB has created the following restricted purpose funds:

Internally restricted funds

A separate fund has been established to set aside funds from fundraising activities for large purchases. During the year, \$87,644 (2023 - \$46,608) have been restricted to this fund.

Restricted funds - music room

A separate fund has been established to set aside funds for the music room.

Restricted funds - wellness centre

A separate fund has been established to set aside funds for wellness purposes. During the year, \$227,409 (2023 - \$NIL) have been restricted



Community Living Burlington
Notes to Financial Statements
Year Ended March 31, 2024

2. Significant accounting policies (cont'd.)

Contributed services

In common with many not-for-profit organizations, CLB receives contributions from individuals in the form of contributed services. Because of the difficulty determining their fair value, contributed services are not recognized in the financial statements.

Deferred fixed asset contributions

Contributions received and spent for fixed assets are deferred in the accounts and amortized over the same terms and on the same basis as the related fixed assets.

3. Cash and cash equivalents

Cash and cash equivalents, including any restricted cash, are held at a bank and receive interest on the average monthly balance at a rate of prime less 1.9%.

4. Accounts receivable

	2024	2023
Trade accounts receivable	\$ 63,394	\$ 43,910
H.S.T recoverable	435,767	155,539
Funding receivable	22,946	9,500
Passport fees receivable	40,890	61,653
	<hr/>	
	\$ 562,997	\$ 270,602

5. Long-term investments

The long-term investment represents an endowment contribution to Burlington Community Foundation. The contribution has been invested in a balanced investment portfolio. Due to the nature of the endowment contribution, only the income earned on the investment can be used for operations.



Community Living Burlington
Notes to Financial Statements
Year Ended March 31, 2024

6. Fixed assets	2024			2023
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land and buildings^(a)				
Alconbury House	\$ 283,146	\$ 136,573	\$ 146,573	\$ 153,734
Berkshire House	291,786	170,263	121,523	129,019
Barclay House	402,014	88,687	313,327	324,186
1254 Consort	384,000	88,800	295,200	304,800
1325 Consort	468,057	94,766	373,291	385,701
Daryl House	277,050	183,572	93,478	93,478
Deerwood House	321,516	181,568	139,948	148,402
Duncaster House	259,513	157,171	102,342	108,682
Dynes House	261,792	163,252	98,540	98,540
Forest	357,110	176,049	181,061	190,502
Fairfax House	420,490	195,700	224,790	236,223
Freeman House	285,854	164,344	121,510	129,039
Fischer House	422,951	126,614	296,337	307,277
Hammond House	249,218	159,468	89,750	96,124
Headon Forest House	378,630	214,178	164,452	176,762
Kirkburn House	252,426	153,532	98,894	105,381
Mainway	2,369,607	1,566,243	803,364	865,684
Moss Glen House	278,712	183,457	95,255	101,606
New Street 1	426,224	179,029	247,195	258,578
New Street 2	744,336	370,587	373,749	395,936
Rubens Court 1	452,405	203,936	248,469	248,469
Rubens Court 2	410,412	178,726	231,686	242,408
Rotary House	338,736	172,585	166,151	175,013
Ryerson House	395,054	195,043	200,011	210,471
Stratton House	313,681	183,988	129,693	137,149
Sunnydale	929,433	29,478	899,955	903,092
Wanda House	496,786	151,576	345,210	358,003
Wedgewood House	257,084	111,927	145,157	150,423
	\$ 12,728,023	\$ 5,981,112	\$ 6,746,911	\$ 7,034,682
Other assets	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer- Administration	\$ 54,988	\$ 54,988	\$ -	\$ -
Computer- Life Skills	8,995	8,906	89	111
Furniture and Fixtures	155,193	150,483	4,710	5,887
IT equipment	120,602	83,588	37,014	46,267
Vehicles	919,874	732,609	187,265	62,441
	1,259,652	1,030,574	229,078	114,706
	\$ 13,987,675	\$ 7,011,686	\$ 6,975,989	\$ 7,149,388



Community Living Burlington
Notes to Financial Statements
Year Ended March 31, 2024

6. Capital assets (cont'd.)

The Ministry of Community and Social Services ("the Ministry") has an interest in certain fixed assets of CLB. Therefore, CLB is not at liberty to dispose of, or otherwise encumber the title in relation to these assets without the Ministry's prior written approval.

^(a) Included in the total amount of land and building costs are land costs of \$2,965,135 (2023 - \$2,965,135) which are not being amortized.

7. Bank indebtedness

CLB has a demand operating line of credit. The amount of credit authorized is \$1,000,000, at prime plus 0.25%. At March 31, 2024, the amount drawn from this operating line was \$Nil (2023 - \$Nil).

CLB has a demand revolving term facility for the purposes of financing its buildings. The amount of credit authorized is \$1,000,000, at prime plus 0.25%. The revolving term facility is due on demand. Until demand, this facility is repayable between 203-218 regular monthly payments, plus accrued interest payable monthly in respect of each Demand Instalment Loan issued under this facility. At March 31, 2024, the amount drawn from this term facility was \$89,839 (2023 - \$97,485). The amounts drawn on the revolving term facility are disclosed in Note 9.

For financial statement purposes, CLB has reallocated \$1,116,405 (2021 - \$1,047,981) from cash and cash equivalents to restricted cash to present the restricted nature of those funds.

The operating line of credit and revolving term facility are secured by a General Security Agreement covering all present and future personal property of CLB. As part of the agreement, CLB is required to maintain certain financial covenants. As at March 31, 2024, CLB is in compliance with those covenants.

8. Accounts payable and accrued liabilities

	2024	2023
Accounts payable and accrued liabilities	\$ 926,707	\$ 289,549
Payroll deductions payable	240,263	278,926
Salaries payable	859,322	616,548
	\$ 2,026,292	\$ 1,185,023



Community Living Burlington
Notes to Financial Statements
Year Ended March 31, 2024

9. Long-term debt	Current Requirements	2024	2023
1.87% mortgage, payable in blended monthly payments of \$523, maturing June 2024. Secured by Headon Forest House land and building.	\$ 2,034	\$ 2,034	\$ 12,319
Prime plus 0.65% term loan, payable in monthly principal payments of \$135, plus interest, maturing September 2024, due on demand. Secured by Deerwood House land and building.	17,563	17,563	20,643
Prime plus 0.65% term loan, payable in monthly principal payments of \$502, plus interest, maturing September 2024, due on demand. Secured by Berkshire House and Sovereign House land and building.	65,401	65,401	76,842
1.79% mortgage, payable in blended weekly payments of \$354, maturing February 2025. Secured by Wanda House land and building.	186,620	186,620	204,670
8.49% vehicle loan, payable in blended monthly payments of \$1,791, maturing May 31, 2027	16,941	54,891	-
8.49% vehicle loan, payable in blended monthly payments of \$1,025, maturing May 31, 2027	9,631	31,474	-
8.49% vehicle loan, payable in blended monthly payments of \$1,708, maturing May 31, 2027	16,144	52,337	-
	<u>\$ 314,334</u>	<u>\$ 410,320</u>	<u>\$ 314,474</u>
Less: Current portion		(314,334)	(117,740)
		<u>\$ 95,986</u>	<u>\$ 196,734</u>



Community Living Burlington
Notes to Financial Statements
Year Ended March 31, 2024

9. Long-term debt (cont'd.)

Interest expense on mortgages in 2024 amounted to \$10,723 (2023 - \$9,534), and is included in the statement of operations as a component of occupancy costs.

Certain term loans above are due on demand, and therefore are classified as a current liability.

	2025	\$	314,334
	2026		46,486
	2027		49,500
		\$	410,320

10. Deferred fixed asset contributions

	2024		2023
			(Note 16)
Balance, beginning of year	\$ 3,037,784	\$	3,300,528
Amortization for the year	(315,853)		(262,744)
Balance, end of year	\$ 2,721,931	\$	3,037,784

Deferred fixed asset contributions represent the unamortized amount of donations and grants received for the purchase of fixed assets.

11. Fundraising revenue and expense

	2024		2023
Fundraising revenue	\$ 71,535	\$	56,028
Fundraising expenses	(15,120)		(10,948)
Fundraising revenue, net of expenses	\$ 56,415	\$	45,080

Included in the above is the Walk 'N Roll fundraising event that CLB sponsors annually and various other smaller fundraising activities.

The above noted expenses do not include any allocation of administration or overhead costs.



Community Living Burlington
Notes to Financial Statements
Year Ended March 31, 2024

12. Net assets invested in fixed assets

	2024	2023 (Note 16)
Fixed assets	\$ 6,975,989	\$ 7,149,388
Amounts funded by deferred fixed asset contributions	(2,721,931)	(3,037,784)
Amounts funded by long term debt	(410,320)	(314,474)
	\$ 3,843,738	\$ 3,797,130

The change in net assets invested in fixed assets is as follows:

Purchase of fixed assets	\$ 195,234	\$ -
Amortization of fixed assets	(368,633)	(370,908)
Amortization of deferred fixed asset contributions	315,853	262,744
(Increase) decrease in long term debt	(95,846)	46,369
	\$ 46,608	\$ (61,795)

13. Economic dependence

The Organization receives the majority of its funding for operating and capital activities during the year from the Province of Ontario.

14. Financial instruments

The Company's financial instruments consist of bank indebtedness, cash and cash equivalents, internally restricted cash, short-term investments, accounts receivable, long-term investments, accounts payable and accrued liabilities, and long-term debt.

Interest rate risk

The Organization has an operating line of credit and mortgages that bear interest at a floating rate subject to fluctuations in the bank prime. Changes in the bank prime lending rate can cause fluctuation in interest payments and cash flows. The Company does not use derivative financial instruments to mitigate the effect of this risk.

Unless otherwise noted, it is management's opinion that the Company is not exposed to significant credit, liquidity, market, or currency risks.

15. Defined Contribution Pension Plan

During the year, the organization made contributions associated with its defined contribution pension plan in the amount of \$342,575 (2023 - \$348,631). This amount is included in staff salaries and benefits in the Statement of Operations.



Community Living Burlington
Notes to Financial Statements
Year Ended March 31, 2024

16. Comparative information

The comparative figures for 2023 have been reclassified where necessary to conform with the audited 2024 financial statement presentation.

