

COMMUNITY LIVING ST. CATHARINES

Financial Statements
For the year ended March 31, 2024
and Independent Auditor's Report

COMMUNITY LIVING ST. CATHARINES

FINANCIAL STATEMENTS
MARCH 31, 2024

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CHARTERED
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INDEPENDENT AUDITOR'S REPORT

**To the Members of
Community Living St. Catharines:**

Qualified Opinion

We have audited the financial statements of Community Living St. Catharines (the "Organization"), which comprise the statement of financial position as at March 31, 2024, and the statement of operations, statement of changes in net assets and 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, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2024, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Organization derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenditures, and cash flows from operations for the years ended March 31, 2024 and 2023, current assets as at March 31, 2024 and 2023, and net assets as at April 1 and March 31 for both the 2024 and 2023 years.

As disclosed in Note 1 of the financial statements, purchases of furniture, equipment and vehicles that are funded by government subsidy or grants are recorded in the statement of operations of the various operating fund programs as an expense in the year acquired. Purchases of land and buildings are recorded at cost with the corresponding grant revenue set up as a liability; neither of which is amortized. This constitutes a departure from Canadian accounting standards for not-for-profit organizations. The impact of this departure from Canadian accounting standards for not-for-profit organizations on these financial statements have not been determined and therefore we were not able to determine the adjustments necessary to expenditures, excess of revenues over expenditures and cash flows from operations for the year ended March 31, 2024 and 2023, assets and liabilities at March 31, 2024 and 2023 and net assets as at April 1 and March 31 for both the 2024 and 2023 years.

As disclosed in Note 8, sick leave entitlement is available to unionized employees and the Organization expenses this entitlement in the period which payments are made. No provision has been made in the financial statements for this liability. This constitutes a departure from Canadian accounting standards for not-for-profit organizations. The estimated liability has not been determined and therefore we were not able to determine the adjustments necessary to expenditures, excess of revenues over expenditures and cash flows from operations for the year ended March 31, 2024 and 2023, liabilities at March 31, 2024 and 2023, and net assets as at April 1 and March 31 for both the 2024 and 2023 years.

The predecessor auditor's opinion on the financial statements for the year ended March 31, 2023 was modified because of the effects of these departures from Canadian accounting standards for not-for-profit organizations.

Our audit opinion on the financial statements for the year ended March 31, 2024 was modified accordingly because of the possible effects of this limitation in scope and departures from Canadian accounting standards for not-for-profit organizations.

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 qualified opinion.

Other Matter

The financial statements of the Organization for the year ended March 31, 2023, were audited by another auditor who expressed a qualified opinion on those statements on July 12, 2023 for the reasons described in the Basis for Qualified Opinion section.

Our audit was conducted for the purposes of forming an opinion on the financial statements taken as a whole. The schedule presented on page 15 is presented for purposes of additional information and is not a required part of the financial statements.

Certain comparative amounts have been reclassified to conform to the current year's financial statement presentation. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we express no opinion on it.

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

Management is responsible for the preparation and fair presentation of the 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.

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 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.

Durward Jones Barkwell + Company LLP

Durward Jones Barkwell & Company LLP
Licensed Public Accountants
Welland, Ontario
July 11, 2024

COMMUNITY LIVING ST. CATHARINES

STATEMENT OF OPERATIONS YEAR ENDED MARCH 31, 2024

	2024	2023
REVENUE		
Province of Ontario	\$ 13,501,627	\$ 13,770,843
Regional Municipality of Niagara	603,303	604,832
Room and board recoveries	1,076,257	1,037,974
Third party fee for service	1,380,384	924,282
Resident fees and recoveries	172,903	209,425
Grants and other income	90,667	43,692
	16,825,141	16,591,048
EXPENDITURES		
Administrative costs	29,843	24,286
Communications	65,216	56,300
Depreciation	11,248	-
Furniture, equipment and computers	149,073	194,866
Insurance	162,400	174,002
Interest on long-term debt	125,913	96,888
Other purchased services	216,772	154,637
Purchased client services	974,958	705,542
Rent and property taxes	194,211	160,427
Repairs and maintenance	172,534	325,222
Salaries and benefits	13,089,186	13,133,031
Staff training	100,375	69,433
Supplies	1,035,474	981,876
Utilities	174,636	170,315
Vehicle operation and travel	166,618	313,140
	16,668,457	16,559,965
EXCESS OF REVENUE OVER EXPENDITURES BEFORE OTHER INCOME	156,684	31,083
OTHER INCOME		
Donations and fundraising	119,783	198,994
Interest income	67,751	34,193
	187,534	233,187
EXCESS OF REVENUE OVER EXPENDITURES	\$ 344,218	\$ 264,270

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

COMMUNITY LIVING ST. CATHARINES

STATEMENT OF CHANGES IN NET ASSETS YEAR ENDED MARCH 31, 2024

	Balance, April 1, 2023	Excess of revenue over expenditures	Appropriation to reserve	Balance, March 31, 2024
Unrestricted	\$ 2,174,162	\$ 344,218	\$ (2,920)	\$ 2,515,460
Dedicated housing project reserve	42,908	-	2,920	45,828
	\$ 2,217,070	\$ 344,218	-	\$ 2,561,288

	Balance, April 1, 2022	Excess of revenue over expenditures	Appropriation to reserve	Balance, March 31, 2023
Unrestricted	\$ 1,912,812	\$ 264,270	\$ (2,920)	\$ 2,174,162
Dedicated housing project reserve	39,988	-	2,920	42,908
	\$ 1,952,800	\$ 264,270	-	\$ 2,217,070

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

COMMUNITY LIVING ST. CATHARINES
 STATEMENT OF FINANCIAL POSITION
 MARCH 31, 2024

	2024	2023
ASSETS		
Current assets		
Cash (Note 2)	\$ 849,504	\$ 359,500
Accounts receivable (Note 3)	261,766	127,483
Sales tax recoverable	81,620	114,517
Prepaid expenses	<u>3,747</u>	<u>19,693</u>
	1,196,637	621,193
Reserve funds on deposit	45,828	42,908
Property and equipment (Note 4)	<u>6,092,739</u>	<u>6,103,987</u>
	\$ 7,335,204	\$ 6,768,088
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (Note 5)	\$ 1,964,501	\$ 1,506,907
Deferred revenue	64,048	63,985
Current portion of long-term debt (Note 6)	<u>102,861</u>	<u>1,334,258</u>
	2,131,410	2,905,150
Long-term debt (Note 6)	1,700,545	703,907
Ministry capital grants (Note 7)	941,961	941,961
Contingencies (Note 8)		
	<u>4,773,916</u>	<u>4,551,018</u>
FUND BALANCES		
Unrestricted	2,515,460	2,174,162
Externally restricted - Dedicated Housing Project Reserve	<u>45,828</u>	42,908
	<u>2,561,288</u>	<u>2,217,070</u>
	\$ 7,335,204	\$ 6,768,088

Approved by the Board:

Director

Director

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

COMMUNITY LIVING ST. CATHARINES

STATEMENT OF CASH FLOWS YEAR ENDED MARCH 31, 2024

	2024	2023
OPERATING ACTIVITIES		
Excess of revenue over expenditures	\$ 344,218	\$ 264,270
Depreciation, an item not affecting cash	<u>11,248</u>	-
	355,466	264,270
Changes in non-cash operating assets and liabilities		
Accounts receivable	(134,283)	(66,409)
Provincial subsidies receivable	-	106,721
Sales tax recoverable	32,897	(6,731)
Prepaid expenses	15,946	23,877
Accounts payable and accrued liabilities	457,595	(496,006)
Deferred revenue	<u>63</u>	(8,050)
	727,684	<u>(182,328)</u>
INVESTING ACTIVITIES		
Purchase of property	-	(710,891)
Proceeds on sale of vehicle	-	500
Dedicated housing project reserve	<u>(2,920)</u>	(2,920)
	(2,920)	<u>(713,311)</u>
FINANCING ACTIVITIES		
Repayment of long-term debt	(193,781)	(88,277)
Increase in mortgages and loans payable	-	700,000
Repayment of bank loan	<u>(40,979)</u>	(57,081)
	(234,760)	<u>554,642</u>
INCREASE (DECREASE) IN CASH	490,004	(340,997)
CASH, BEGINNING OF YEAR	359,500	700,497
CASH, END OF YEAR	\$ 849,504	\$ 359,500

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

COMMUNITY LIVING ST. CATHARINES

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Basis of accounting

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations, except as explained below under property and equipment and as explained in Note 8 for sick leave entitlement.

Nature of operations

Community Living St. Catharines is a non-profit organization, incorporated without share capital under the Ontario Business Corporations Act and is a registered charity under the Income Tax Act. The Organization's primary purpose is to provide educational, rehabilitation and residential services for persons with developmental disabilities in the St. Catharines area.

Fund accounting

The Organization utilizes fund accounting whereby financial statement elements are reported by fund. Resources are classified for accounting and reporting purposes by the activity or objective specified. The restricted fund has stipulations that specify how resources must be used. External restrictions have been stipulated by an arm's length third party. Unrestricted funds have no such stipulations. Internal restrictions have been applied by the Directors of the Organization.

The unrestricted net assets accounts for the funding received and the expenses incurred for general operations. This represents net unrestricted funds available to the Organization.

The Organization is required to maintain reserves for capital replacements for its Dedicated Housing Project. The cash in the fund is externally restricted and can only be used for capital expenditures as defined by the agreement.

Revenue recognition

The Organization follows the deferral method of accounting for contributions, in which restricted contributions related to expenses of future periods are deferred and recognized as revenue in the period 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.

Subsequent adjustment by the government, if any, based on their review of actual expenses versus the approved budget will be reflected by the Organization in the year of adjustment to the statement of operations.

Room and board recoveries are recorded in the period of occupancy. Third party fee for service, resident fees and recoveries, fundraising and other income are recorded in the period the services are rendered.

Property and equipment

Purchases of furniture, equipment and vehicles that are funded by government subsidy or grants are recorded in the statement of operations of the various operating fund programs as an expense in the year acquired. Purchases of land and buildings are recorded at cost and are not amortized as management believes there will be no decline in property value with proper upkeep and maintenance.

Purchases of furniture, equipment and vehicles that are not funded by government subsidy or grants are recorded at cost. Depreciation on the furniture, equipment and vehicles is calculated using the declining-balance method over their estimated useful life at the following rates:

Furniture and equipment	20%
Vehicles	30%

COMMUNITY LIVING ST. CATHARINES

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION — continued

Long-lived assets

Long-lived assets are tested for recoverability if events or changes in circumstances indicate that the carrying amount may not be recoverable. The carrying amount of the long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted cash flows expected to result from its use and eventual disposition. Impairment losses are measured as the amount by which the carrying amount of a long-lived asset exceeds its fair value.

Income taxes

No provision has been made for income taxes in these financial statements as this Organization is exempt from income taxes under section 149(1)(l) of the Canadian Income Tax Act.

Deferred revenue

The deferred revenue relates to funding received during the year for expenditures that span beyond the current fiscal year. The amount of funding received but not yet spent at the end of the fiscal year was deferred and will be recognized when the related expenses have been incurred.

Contributed materials and services

The Organization would not be able to carry out its activities without the services of the many volunteers who donate a considerable number of hours. Due to the difficulty of compiling these hours, contributed services are not recognized in the financial statements. The fair market value of donated property and equipment is recognized as donation revenue in the year the property and equipment are donated, if the fair market value can be reasonably estimated.

Financial instruments

(a) *Measurement of financial instruments*

(i) *Initial measurement*

The Organization initially measures its financial assets and liabilities originated or exchanged in arm's length transactions at fair value. Financial assets and liabilities originated or exchanged in related party transactions, except for those that involve parties whose sole relationship with the Organization is in the capacity of management, are initially measured at cost.

The cost of a financial instrument in a related party transaction depends on whether the instrument has repayment terms. If it does, the cost is determined using its undiscounted cash flows, excluding interest and dividend payments, less any impairment losses previously recognized by the transferor. Otherwise, the cost is determined using the consideration transferred or received by the Organization in the transaction.

(ii) *Subsequent measurement*

The Organization subsequently measures all its financial assets and liabilities at cost or amortized cost. Changes in fair value are recognized in income in the period incurred.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and long-term debt.

COMMUNITY LIVING ST. CATHARINES

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION — *continued*

*Financial instruments — *continued**

(b) *Transaction costs*

Transaction costs attributable to financial instruments subsequently measured at fair value and to those originated or exchanged in a related party transaction are recognized in income in the period incurred. Transaction costs related to financial instruments originated or exchanged in an arm's length transaction that are subsequently measured at cost or amortized cost are recognized in the original cost of the instrument. When the instrument is measured at amortized cost, transaction costs are recognized in income over the life of the instrument using the straight-line method.

(c) *Impairment*

For financial assets measured at cost or amortized cost, the Organization determines whether there are indications of possible impairment. When there are, and the Organization determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in income. If the indicators of impairment have decreased or no longer exist, the previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may be no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in income.

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. Significant estimates and assumptions are used when accounting for items such as impairment of long-lived assets, determination of useful lives of property and equipment, revenue recognition, contingent liabilities and allowances for accounts receivable. Actual results could differ from management's best estimates, as additional information becomes available in the future.

External events such as domestic and international pandemics, geopolitical unrest, natural disasters, climate change or inflationary pressures may cause economic uncertainty for many companies. Management assesses available information about the future, considers the possible outcomes, and develops a planned response to mitigate the effect of significant events or changes in conditions impacting the Company. Although it is not guaranteed that these efforts will be successful, management is of the opinion that the actions that the Company has taken are sufficient to mitigate these uncertainties.

2. CASH

The Organization has an authorized revolving demand facility by way of demand loans to a maximum of \$500,000 with Royal Bank. The loans bears interest prime rate (7.2% at March 31, 2024) and are secured together with long-term debt as described in Note 6. At March 31, 2024, the revolving demand facility is unused.

COMMUNITY LIVING ST. CATHARINES

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2024

3. ACCOUNTS RECEIVABLE

	2024	2023
Accounts receivable	\$ 212,292	\$ 85,056
Accrued receivables	49,474	45,641
	<hr/>	<hr/>
Less: allowance for doubtful accounts	261,766	130,697
	-	3,214
	<hr/>	<hr/>
	\$ 261,766	\$ 127,483
	<hr/>	<hr/>

4. PROPERTY AND EQUIPMENT

	2024		2023	
	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation
Land and buildings	\$ 6,054,627	\$ -	\$ 6,054,627	\$ -
Furniture and equipment	903,559	875,079	903,559	867,959
Vehicles	114,609	104,977	114,609	100,849
	<hr/>	<hr/>	<hr/>	<hr/>
	7,072,795	980,056	7,072,795	968,808
Net book value	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 6,092,739		\$ 6,103,987	
	<hr/>		<hr/>	

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2024	2023
Trade accounts payable	\$ 281,787	\$ 211,798
Accrued wages and salaries	1,468,951	1,233,863
Other accrued liabilities	213,763	61,246
	<hr/>	<hr/>
	\$ 1,964,501	\$ 1,506,907
	<hr/>	<hr/>

COMMUNITY LIVING ST. CATHARINES

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2024

6. LONG-TERM DEBT

	2024	2023
Demand loan - Meridian Credit Union, refinanced with Royal Bank in the year	\$ -	\$ 1,152,296
Term loan - Royal Bank, repaid in the year	- -	86,498
Term loan - Royal Bank, repaid in the year	- -	40,503
Term loan - Toronto Dominion Bank, repaid in the year	- -	24,818
Vehicle loan - Royal Bank, repayable in blended monthly payments of \$600, with interest at 0.99% per annum, maturing October 2025	11,305	18,354
Vehicle loan - Royal Bank, repayable in blended monthly payments of \$660, with interest at 2.99% per annum, maturing November 2025	12,859	20,272
Mortgage - Royal Bank, repayable in blended monthly payments of \$6,279, with interest at 6.43% per annum, maturing November 2025	667,925	695,424
Term loan - Royal Bank, repayable in blended monthly payments of \$10,387, bearing interest at 6.43% per annum, maturing July 2026	1,111,317	- -
	1,803,406	2,038,165
Less: current portion of long-term debt	<u>102,861</u>	<u>1,334,258</u>
	<u><u>\$ 1,700,545</u></u>	<u><u>\$ 703,907</u></u>

The debt held with Royal Bank is secured by a general agreement covering all assets, a first fixed charge on the property located at 77 Welland Avenue, St. Catharines, a second fixed charge on property located at 79 Welland Avenue, 7 Henry Street and 26 & 28 (South Side) Elizabeth Street in St. Catharines and specific vehicles financed by loans.

Principal amounts due in the next three years are as follows:

Years ending March 31,	2025	\$ 102,861
	2026	702,462
	2027	<u>998,083</u>
		<u><u>\$ 1,803,406</u></u>

COMMUNITY LIVING ST. CATHARINES

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2024

7. MINISTRY CAPITAL GRANTS

The Province of Ontario has provided funding for certain properties with a provision that it is entitled to a portion of the proceeds in the event that the Organization sells any of these properties. The Province has imposed conditions on the disposition or alterations of these properties.

The Ministry capital grants represent the amount of funding received on the acquisition of these properties and is not amortized.

8. CONTINGENCIES

The Organization pays unionized employees for time lost due to sickness up to an earned entitlement of time based on formulas outlined in the agency's union agreement. During the course of normal operations, staff will draw upon their entitled sick leave, however, upon retirement at the age of 55 or over, these employees are entitled to 50% of the unused sick day entitlement. If these employees leave the agency under any other circumstance, there is no obligation to pay the unused sick day entitlement. It is the policy of the Organization to expense such payments in the year which they are made. As such, no provision has been made in the financial statements for this liability. Notwithstanding the above, as at March 31, 2024, the maximum exposure for accumulated sick leave liability amounts to \$1.35 million (2023 - \$1.3 million).

The Organization receives funding from the Ontario Ministry of Children, Community and Social Services ("Ministry"). The Organization must submit an annual report (Transfer Payment Ontario Reconciliation - TPON) to the Ministry regarding the spending of this funding in accordance with contractual guidelines. The Ministry's assessed amounts could differ significantly from what has been reported in these financial statements. Any differences in the estimated amounts owing will be recorded in other income or expense in the year of assessment.

9. ECONOMIC DEPENDENCE

The Organization receives a significant portion of its revenue for operations pursuant to a service contact with the Ontario Ministries of Community and Social Services and Children and Youth Services. Should these contributions cease, the Organization would need to consider its ability to continue its current operations.

10. FINANCIAL RISK MANAGEMENT

The Organization has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The risks that arise from transacting financial instruments include interest rate risk, market (other price) risk, currency risk, credit risk, and liquidity risk. Price risk arises from changes in interest rates, foreign currency exchange rates and market prices.

(a) 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 Organization is exposed to interest rate risk since changes in interest rates may impact the Organization's borrowing costs. The Organization does not use any derivative instrument to reduce its exposure to interest rate risk.

COMMUNITY LIVING ST. CATHARINES

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2024

10. FINANCIAL RISK MANAGEMENT — continued

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Organization monitors the collection efforts to ensure sufficient cash flows are generated from operations to meet the current debt obligations. The Organization monitors cash flows on a daily basis and in aggregate through its' annual budget process. The Organization expects that cash flow from operations in fiscal 2025 along with the continued support of its lenders will be adequate to fund ongoing investments in working capital and capital expenditures.

It is management's opinion that the Organization is not exposed to significant market, currency, and credit risks arising from its financial instruments.

11. COMPARATIVE FIGURES

Certain comparative amounts have been reclassified to conform to the current year's financial statement presentation.

Community Living St. Catharines
Schedule of Ministry Program Revenue and Expenses
 (Unaudited)
 Year ended March 31, 2024

	<u>24/7 Adult Services</u>	<u>BPS</u>	<u>Partner Facility Renewal</u>	<u>Host Family</u>	<u>Supported Independent Living</u>	<u>Community Participation</u>	<u>CSN</u>	<u>SSAH</u>	<u>Non MCCSS</u>	<u>Total</u>
	8847	8876	8915	9111	9112	9131	9256	9261	9999	TOTAL
REVENUE										
Government funding	10,995,169	1,846	71,000	179,413	742,551	1,197,532	260,811	5,316	-	13,453,638
Grants, donations and other income	8,247	-	-	5	-	-	-	-	118,360	126,612
Program funding	28,431	-	-	-	-	87,925	-	571,802	1,286,788	1,974,946
Technical service	-	-	-	-	-	-	-	-	24,330	24,330
ODSP	1,021,457	-	-	133,607	40,098	-	-	-	10,200	1,205,362
PAP Recoveries	43,112	-	-	-	1,260	-	-	-	-	44,372
Interest income	-	-	-	-	-	-	-	-	26,255	26,255
	12,096,417	1,846	71,000	313,025	783,909	1,285,457	260,811	577,118	1,465,933	16,855,516
EXPENSES										
Allocated central administration	931,839	-	-	15,250	62,093	99,461	22,344	-	(1,130,987)	-
Depreciation	-	-	-	-	-	-	-	-	11,248	11,248
Occupancy	720,765	-	71,000	5,020	110,356	94,545	5,922	-	126,298	1,133,906
Other expenses	30,216	-	-	632	21,159	177	-	-	123,552	175,736
Purchased client services	219,793	-	-	196,691	(153)	19,405	(4,638)	571,410	79,285	1,081,793
Supplies and Equipment	715,678	-	-	1,537	13,953	18,311	1,811	69	90,953	842,312
Training	40,668	-	-	85	-	1,156	-	85	2,531	44,525
Travel and communication	209,645	-	-	4,160	13,776	14,642	5,600	238	5,521	253,582
Wages and benefits	9,227,813	1,846	-	89,650	562,725	1,037,760	229,772	5,316	1,960,122	13,115,004
	12,096,417	1,846	71,000	313,025	783,909	1,285,457	260,811	577,118	1,268,523	16,658,106
EXCESS OF REVENUE OVER EXPENSES	-	-	-	-	-	-	-	-	197,410	197,410