

Woodview Mental Health and Autism Services

Financial Statements
For the year ended March 31, 2022

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To the Directors of
Woodview Mental Health and Autism Services

Independent Auditors' Report

Opinion

We have audited the accompanying financial statements of Woodview Mental Health and Autism Services (the Organization), which comprise the statement of financial position as at March 31, 2022, 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 Woodview Mental Health and Autism Services 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 *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 29, 2022
Burlington, Ontario

SB Partners LLP

Chartered Professional Accountants
Licensed Public Accountants

Woodview Mental Health and Autism Services

Statement of Financial Position

March 31, 2022

Assets		
	2022	2021
Current assets		
Cash and cash equivalents	\$ 741,871	\$ 734,685
Accounts receivable (Note 3)	788,448	718,098
Prepays and deposits	60,971	75,104
	1,591,290	1,527,887
Restricted cash	2,946	652,568
Long-term investments (Note 4)	1,822,096	1,091,701
Capital assets (Note 5)	2,283,483	2,405,608
	\$ 5,699,815	\$ 5,677,764

Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (Note 6)	\$ 552,151	\$ 343,368
Deferred revenue	147,174	239,141
Current portion of mortgage payable (Note 7)	81,557	79,312
	780,882	661,821
Mortgage payable (Note 7)	730,504	812,056
Deferred capital funding (Note 8)	1,000,318	1,131,501
Deferred revenue	516,767	368,643
	3,028,471	2,974,021

Net Assets		
Operating fund (Note 9)	1,527,282	1,565,644
Designated fund	482,946	485,531
Restricted fund (Note 10)	661,116	652,568
	2,671,344	2,703,743
	\$ 5,699,815	\$ 5,677,764

Approved on Behalf of the Board

Director

Director

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



Woodview Mental Health and Autism Services

Statement of Changes in Fund Balances

Year Ended March 31, 2022

	Ministry Funded Operating Fund	General Operating Fund	Designated Fund	Restricted Fund	2022	2021
Fund balances, beginning of year	\$ -	\$ 1,565,644	\$ 485,531	\$ 652,568	\$ 2,703,743	\$ 2,517,382
Excess (deficiency) of revenues over expenditures	-	(38,362)	(2,585)	8,548	(32,399)	186,361
Fund balances, end of year	\$ -	\$ 1,527,282	\$ 482,946	\$ 661,116	\$ 2,671,344	\$ 2,703,743

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



Woodview Mental Health and Autism Services

Statement of Operations

Year Ended March 31, 2022

	Ministry Funded Operating Fund	General Operating Fund	Designated Fund	Restricted Fund	2022	2021
Revenue						
Ministry funding	\$ 7,887,492	\$ -	\$ -	\$ -	\$ 7,887,492	\$ 7,495,047
Ontario Autism Program	-	2,045,411	-	-	2,045,411	1,583,830
Fee for service	-	1,967,369	3,750	-	1,971,119	1,010,574
Stop Now and Plan	-	224,548	-	-	224,548	230,273
Administrative (net of management support)	-	124,635	-	-	124,635	110,718
Grants and community sponsorships	-	-	42,500	-	42,500	23,723
Fundraising and donations	-	-	54,403	-	54,403	140,048
Interest and other income	70,230	-	-	378	70,608	45,623
	\$ 7,957,722	\$ 4,361,963	\$ 100,653	\$ 378	\$ 12,420,716	\$ 10,639,836
Expenditures						
Salaries and wages	\$ 4,953,670	\$ 3,085,773	\$ 12,626	\$ -	\$ 8,052,069	\$ 6,823,254
Employee benefits - statutory	407,824	245,261	1,110	-	654,195	524,795
Employee benefits - other	484,776	178,634	562	-	663,972	625,098
Central administration	765,856	-	-	-	765,856	746,911
Rent	326,786	136,717	-	-	463,503	386,685
Professional services (non-client)	173,138	208,249	-	-	381,387	135,038
Other supplies and equipment	112,437	133,592	87,246	-	333,275	283,468
Services related to repairs and maintenance	155,330	80,015	-	-	235,345	122,843
Professional and contracted out services - IT	109,306	50,522	-	-	159,828	126,778
Staff training	64,769	65,585	267	-	130,621	50,179
Purchased client services	74,119	33,904	-	-	108,023	135,645
Communication	72,245	18,654	312	-	91,211	81,234
Travel	56,778	15,914	-	-	72,692	32,194
Other services	45,034	27,371	-	-	72,405	126,112
IT supplies and equipment	29,468	32,517	1,115	-	63,100	84,486
Advertising and promotion	8,532	50,151	-	-	58,683	34,423
Insurance	37,663	16,279	-	-	53,942	51,479
Utilities	25,759	24,529	-	-	50,288	26,874
Supplies and equipment related to repairs and maintenance	3,798	4,960	-	-	8,758	4,400
	\$ 7,907,288	\$ 4,408,627	\$ 103,238	\$ -	\$ 12,419,153	\$ 10,401,896

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



Woodview Mental Health and Autism Services

Statement of Operations (Cont'd.)

Year Ended March 31, 2022

	Ministry Funded Operating Fund	General Operating Fund	Designated Fund	Restricted Fund	2022	2021
Excess (deficiency) of revenues over expenditures before other items	\$ 50,434	\$ (46,664)	\$ (2,585)	\$ 378	\$ 1,563	\$ 237,940
Government subsidies (Note 12)	-	24,230	-	-	24,230	234,433
Amortization of capital assets	(145,916)	(144,836)	-	-	(290,752)	(259,071)
Amortization of deferred capital funding (Note 8)	145,916	76,861	-	-	222,777	175,169
COVID-19 related expenditures	(52,184)	(6,273)	-	-	(58,457)	(315,822)
Interest on long-term debt	-	(23,905)	-	-	(23,905)	(31,573)
Unrealized gain on investments (Note 4)	-	72,225	-	8,170	80,395	145,285
Gain on disposal of capital assets	1,750	10,000	-	-	11,750	-
Excess (deficiency) of revenues over expenditures	\$ -	\$ (38,362)	\$ (2,585)	\$ 8,548	\$ (32,399)	\$ 186,361

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



Woodview Mental Health and Autism Services

Statement of Cash Flows

Year Ended March 31, 2022

	2022	2021
Cash flows from operating activities		
Excess (deficiency) of revenues over expenditures for the year	\$ (32,399)	\$ 186,361
Charges not involving cash		
Amortization of capital assets	290,752	259,071
Amortization of deferred capital funding	(222,777)	(175,169)
Unrealized gain on investments	(80,395)	(145,285)
Gain on disposal of capital assets	(11,750)	-
	(56,569)	124,978
Net change in accounts receivable	(70,350)	(379,501)
Net change in accounts payable and accrued liabilities	208,783	113,130
Net change in deferred revenue	56,157	226,394
Net change in prepaids and deposits	14,133	(41,731)
Cash flows from operating activities	152,154	43,270
Cash flows from financing activities		
Repayment of mortgage payable	(79,307)	(69,220)
Cash flows used in financing activities	(79,307)	(69,220)
Cash flows from investing activities		
Purchase of investments (Note 4)	(650,000)	(250,000)
Purchase of capital assets	(168,627)	(400,319)
Proceeds on disposal of capital assets	11,750	-
Proceeds from deferred capital funding	91,594	400,320
Cash flows used in investing activities	(715,283)	(249,999)
Net decrease in cash and cash equivalents	(642,436)	(275,949)
Cash and cash equivalents, beginning of year	1,387,253	1,663,202
Cash and cash equivalents, end of year	\$ 744,817	\$ 1,387,253
Cash and cash equivalents consist of:		
Cash and cash equivalents	\$ 741,871	\$ 734,685
Restricted cash	2,946	652,568
	\$ 744,817	\$ 1,387,253

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



Woodview Mental Health and Autism Services

Notes to Financial Statements

Year Ended March 31, 2022

1. Nature of operations

Woodview Mental Health and Autism Services (the "Centre") was established in 1960 and provides a broad spectrum of community-based mental health and autism services in the communities of Brant, Hamilton and Halton. The Centre is a charitable organization incorporated under the Corporations Act of Ontario as a not-for-profit organization without share capital.

2. Significant accounting policies

Basis of accounting

The financial statements of the Centre have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations.

Fund accounting

The Centre, which follows the deferral method of accounting for contributions, uses several funds to record its transactions.

The Centre operates programs pursuant to service contracts and agreements with the Ontario Ministry of Children, Community and Social Services and the Ontario Ministry of Health (the "Ministry"). Revenues and expenditures of the Centre related to the delivery of these services are recorded in the Statement of Operations in the Ministry Funded Operating Fund. Under these service contracts and agreements, any excess of revenue over expenditures of the Ministry funded programs for the fiscal year is repayable to the Ministry.

The Designated Fund represents contributions and expenditures related to specific programs run by the Centre, that are not externally restricted. These programs are funded by donations, fundraising proceeds, grants from sources other than the Ministry and fee for service revenue.

The Restricted Fund represents contributions and expenditures related to specific programs run by the Centre, that are externally restricted and the use of the funds is restricted by the Board of Directors. These programs are funded by donations, fundraising proceeds and grants from sources as described in Note 10.

All other revenues and expenditures of the Centre are recorded in the Statement of Operations in the General Operating Fund.

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.

Leases

Leases are classified as either capital or operating leases. A lease that transfers substantially all the benefits and risks incidental to the ownership of property is classified as a capital lease. All other leases are accounted for as operating leases wherein rental payments are amortized on a straight-line basis over the term of the lease to rental expense. At the inception of a capital lease, an asset and an obligation is recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair value at the beginning of such lease.



Woodview Mental Health and Autism Services

Notes to Financial Statements

Year Ended March 31, 2022

2. Significant accounting policies (cont'd.)

Revenue recognition

Ministry funding is recorded as revenue to the Ministry Funded Operating Fund in the period in which the expenditures are incurred. Ministry funding received in excess of operating expenditures are recorded as amounts due to the Ministry. These grants are also subject to the review of the Ministry and adjustments, if any, arising therefrom are reflected as an adjustment to revenue in the period of such adjustments.

Unrestricted contributions are recognized as revenue in the General Operating Fund when received. Restricted contributions received for a specific program or a specific purpose are recognized as revenue when the related expenditures have been made.

Fee for service revenue is recognized as revenue when the services are performed.

Revenues from investments represents interest, dividends, and realized and unrealized gains and losses, net of administrative and management fees.

Donations in kind

Donations in kind are recorded at fair value when the fair market value can be reasonably estimated.

Capital assets and amortization

Capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is provided as follows:

Buildings	30 year straight-line
Building improvements and portables	10 year straight-line
Computer equipment and software	5 year straight-line
Furniture and fixtures	5 year straight-line
Vehicles	3 year straight-line

One-half the normal rate of amortization is provided for in the year of acquisition.

Deferred capital funding

Deferred capital funding consists of government and other grants which are received on account of capital and are deferred and amortized on a straight-line basis at rates corresponding to those of the related capital assets.

Deferred revenue

Deferred revenue represents designated funds received which have not yet been used for their specified purposes.

Income taxes

The Centre is a not-for-profit organization registered under the Income Tax Act (the "Act") and, as such, is exempt from income taxes and is able to issue donation receipts for income tax purposes. In order to maintain its status as a registered charity under the Act, the Centre must meet certain requirements of the Act. In the opinion of management, these requirements have been met.



Woodview Mental Health and Autism Services

Notes to Financial Statements

Year Ended March 31, 2022

2. Significant accounting policies (cont'd.)

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expense during the period. Actual results could differ from those estimates.

Controlled not-for-profit organization

The Centre controls a not-for-profit organization, Manor Personnel Deployment. The Centre has elected to disclose the financial information for Manor Personnel Deployment in Note 13.

Financial instruments

The Centre's financial instruments consist of cash and cash equivalents, accounts receivable, restricted cash, long-term investments, accounts payable and accrued liabilities, and long-term debt. Long-term investments are initially recognized and subsequently measured at fair value without adjustment for transaction costs that would be incurred on disposal. Changes in fair value are recognized in net excess of revenue over expenditures for the period. All other financial instruments are initially recognized at fair value and subsequently measured at amortized cost. Transaction costs and financing fees associated with financial instruments carried at amortized cost are recorded as adjustments to the initial fair value recognized and amortized over the life of the financial instrument.

Impairment of long-lived assets

Property, plant and equipment subject to amortization are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

3. Accounts receivable

	2022	2021
Accounts receivable	\$ 328,960	\$ 245,038
Ministry receivable	287,356	282,247
H.S.T. receivable	172,132	178,880
Government subsidy receivable	-	11,933
	<hr/> \$ 788,448	<hr/> \$ 718,098



Woodview Mental Health and Autism Services

Notes to Financial Statements

Year Ended March 31, 2022

4. Long-term investments

	2022	2021
Oakville Community Foundation - unrestricted	\$ 1,163,926	\$ 1,091,701
Oakville Community Foundation - restricted	658,170	-
	<u>\$ 1,822,096</u>	<u>\$ 1,091,701</u>

In fiscal 2020, the Board of Directors passed a resolution to participate in pooled investing through the Oakville Community Foundation (the "Foundation").

During the year, the Centre invested an additional \$650,000 with the Foundation through the restricted fund for the Hamilton Autism Sustainability Fund.

The investments are recorded at market value as reported by the Foundation. The Centre recognizes, on an annual basis, its pro-rata share of the total investment income, net of administration and management fees, generated by the Foundation.

5. Capital assets

	Cost	Accumulated Amortization	2022	2021
Land	\$ 205,250	\$ -	\$ 205,250	\$ 205,250
Buildings	2,243,557	791,696	1,451,861	1,520,609
Building improvements and portables	1,152,158	962,869	189,289	176,468
Computer equipment and software	626,058	304,435	321,623	343,905
Furniture and fixtures	154,713	125,845	28,868	37,410
Vehicles	324,713	238,121	86,592	121,966
	<u>\$ 4,706,449</u>	<u>\$ 2,422,966</u>	<u>\$ 2,283,483</u>	<u>\$ 2,405,608</u>

6. Accounts payable and accrued liabilities

	2022	2021
Accounts payable and accrued liabilities	\$ 123,605	\$ 127,788
Ministry payable	196,334	68,532
Salaries payable	232,212	147,048
	<u>\$ 552,151</u>	<u>\$ 343,368</u>



Woodview Mental Health and Autism Services

Notes to Financial Statements

Year Ended March 31, 2022

7. Mortgage payable

	2022	2021
Royal Bank of Canada term loan, repayable in semi-monthly blended payments of \$4,300, bearing interest at 2.80% per annum, matures December 18, 2025, secured by the property located at 643 Park Road North, Brantford, Ontario.	\$ 812,061	\$ 891,368
Less: Current portion	(81,557)	(79,312)
	<u>\$ 730,504</u>	<u>\$ 812,056</u>

Minimum required principal repayments are as follows:

	2023	\$ 81,557
	2024	83,878
	2025	86,258
	2026	560,368
		<u>\$ 812,061</u>

8. Deferred capital funding

	2022	2021
Balance, beginning of year	\$ 1,131,501	\$ 906,350
Deferred capital funding received:		
- Ministry capital funding	20,414	268,666
- Other capital funding	71,180	131,654
Amortization of deferred capital funding	(222,777)	(175,169)
Balance, end of year	<u>\$ 1,000,318</u>	<u>\$ 1,131,501</u>

9. Operating fund

	2022	2021
Invested in capital assets		
Capital assets	\$ 2,283,483	\$ 2,405,608
Deferred capital funding	(1,000,318)	(1,131,501)
Mortgage payable	(812,061)	(891,368)
	<u>471,104</u>	<u>382,739</u>
Add: net assets from general operations	\$ 1,056,178	\$ 1,182,905
	<u>1,527,282</u>	<u>1,565,644</u>



Woodview Mental Health and Autism Services

Notes to Financial Statements

Year Ended March 31, 2022

10. Restricted fund

	2022	2021
Hamilton Autism Sustainability fund	661,116	652,568

11. Operating lease commitments

Future minimum payments for operating leases that have initial or remaining terms of one year or more consist of the following amounts:

	Premises	Equipment
2023	\$ 137,650	\$ 19,095
2024	136,161	19,095
2025	92,520	14,405
2026	7,724	13,138
2027	-	2,212
	\$ 374,055	\$ 67,945

12. Government assistance

The Centre received government assistance in the form of the Canada Emergency Wage Subsidy (CEWS) totalling \$24,230 (2021 - \$234,433).

13. Manor Personnel Deployment

The Centre controls a not-for-profit organization, Manor Personnel Deployment ("MPD"). MPD was established to provide employment to the Centre's adult clients, resulting in the two organizations having common operating objectives. MPD promotes vocational opportunities for adults with autism spectrum disorder. MPD is incorporated under the Corporations Act of Canada as a not-for-profit organization without share capital. Manor Personnel Deployment has reported the following balances as at March 31, 2022 and for the year then ended:

	2022	2021
Assets	\$ 18,831	\$ 20,856
Liabilities	2,369	6,606
Net assets	16,462	14,250
Revenues	35,159	46,390
Expenditures	32,947	46,142
Cash flows from operating activities	535	457



Woodview Mental Health and Autism Services

Notes to Financial Statements

Year Ended March 31, 2022

14. Financial instruments

The Centre is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Centre's risk exposure and concentration as of March 31, 2022.

Credit risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Centre is exposed to credit risk from clients. The Centre does not obtain collateral or other security to support the accounts receivable subject to credit risk but mitigates this risk by dealing only with what management believes to be financially sound counterparties and, accordingly, does not anticipate significant loss for non-performance. The Centre has a significant number of clients which minimizes concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that the Centre will not be able to meet its obligations associated with financial liabilities. The Centre's exposure to liquidity risk is dependent on the collection of accounts receivable, purchasing commitments and obligations or raising of funds to meet commitments and sustain operations. The Centre controls liquidity risk by management of working capital, cash flows and the availability of borrowing facilities.



Woodview Mental Health and Autism Services

Notes to Financial Statements

Year Ended March 31, 2022

14. Financial instruments (cont'd.)

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. The mortgage payable is at a fixed rate of interest and is paid based on the contractual requirements of the debt instrument. A change in the market interest rates has no impact on cash flows to service this debt. The mortgage payable is at a fixed rate until December 2025 at which time, changes in the market rates may result in a change to the cash flows required to service this debt.

Market risk

The Centre's long-term investments exposes the Centre to price risks as equity investments are subject to price changes in an open market due to market movements, global markets and changes to market rates of interest.

Other risk

Unless otherwise noted, it is management's opinion that the Centre is not exposed to significant currency risk.

15. Impact of COVID-19 pandemic

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This has resulted in governments worldwide, including the Canadian federal and provincial governments, enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally and in Canada resulting in an economic slowdown. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions, however the success of these interventions is not currently determinable. The current challenging economic climate may lead to adverse changes in cash flows, investments and future fundraising efforts, which may also have a direct impact on the Organization's operating results and financial position in the future. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the Organization is not known at this time. Management is carefully monitoring the situation as developments occur.

