

Peel Senior Link
Financial Statements
For the year ended March 31, 2022

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Independent Auditor's Report

To the Board of Directors of Peel Senior Link

Opinion

We have audited the financial statements of Peel Senior Link (the "Organization"), which comprise the statement of financial position as at March 31, 2022, and the statements of changes in net assets, operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2022, 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 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.

Comparative Information

We draw attention to Note 13 to the financial statements, which explains that certain comparative information presented for the year ended March 31, 2021 has been restated. Our opinion is not modified in respect of this matter.

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.



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.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Oakville, Ontario
June 24, 2022

Peel Senior Link
Statement of Financial Position

March 31	2022	2021
		(Restated - Note 13)
Assets		
Current		
Cash	\$ 1,065,222	\$ 1,213,008
Accounts receivable (Note 12)	294,956	90,072
Prepaid expenses and deposits	16,982	19,038
	<u>1,377,160</u>	1,322,118
Capital assets (Note 2)	<u>99,603</u>	97,778
	<u>\$ 1,476,763</u>	\$ 1,419,896
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities (Note 3)	\$ 930,777	\$ 682,185
Deferred revenue (Note 4)	154,177	59,674
Due to Ministry (Note 5, 12)	176,630	508,614
	<u>1,261,584</u>	1,250,473
Deferred capital contributions (Note 6)	<u>69,600</u>	76,571
	<u>1,331,184</u>	1,327,044
Net Assets		
Funds Invested in Capital Assets	30,003	21,207
Contingency Fund	115,576	71,645
	<u>145,579</u>	92,852
	<u>\$ 1,476,763</u>	\$ 1,419,896

On behalf of the Board:



Director



Director

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

Peel Senior Link
Statement of Changes in Net Assets

For the year ended March 31

	Funds Invested in Capital Assets	Contingency Fund	General Fund	2022 Total	2021 Total
Net assets , beginning of year as previously stated	\$ 21,207	\$ 178,367	\$ -	\$ 199,574	\$ 169,142
Restatement (Note 13)	-	(106,722)	-	(106,722)	(106,722)
Net assets , beginning of year as restated	21,207	71,645	-	92,852	62,420
Excess of revenue over expenditures for the year	-	-	52,727	52,727	30,432
Interest income	-	461	(461)	-	-
Transfer of funds	-	56,864	(56,864)	-	-
Purchase of capital assets	28,905	(13,394)	(15,511)	-	-
Capital contributions received	(15,511)	-	15,511	-	-
Amortization of capital assets	(27,080)	-	27,080	-	-
Amortization of deferred capital contributions	22,482	-	(22,482)	-	-
Balance , end of year	\$ 30,003	\$ 115,576	\$ -	\$ 145,579	\$ 92,852

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

Peel Senior Link Statement of Operations

For the year ended March 31					2022	2021
	General	MSA	MH LHIN	CW LHIN	Total	Total
Revenue						
Funding						
LHIN	\$ -	\$ -	\$ 6,752,519	\$ 702,758	\$ 7,455,277	\$ 7,304,077
MH LHIN one time (Note 12)	-	-	933,981	-	933,981	1,202,497
CW LHIN one time (Note 12)	-	-	-	98,436	98,436	231,432
MSA	-	76,019	-	-	76,019	52,853
Less: Due to Ministry (Note 5)	-	-	(81,760)	(9,991)	(91,751)	(85,809)
Donations	21,194	-	-	-	21,194	20,083
Other (Note 9, 12)	408,573	-	3,915	-	412,488	448,754
Interest	461	-	2,086	-	2,547	4,536
	430,228	76,019	7,610,741	791,203	8,908,191	9,178,423
Expenditures						
Advertising	-	2,190	2,820	-	5,010	4,000
Communications	5,410	480	104,651	17,295	127,836	130,653
Insurance	-	-	25,533	-	25,533	21,717
Office supplies	37,214	34,486	223,635	21,993	317,328	306,980
Professional fees	63,729	100	81,589	-	145,418	125,127
Purchased services	-	-	95,739	22,439	118,178	217,036
Rent and occupancy costs	-	-	103,030	5,600	108,630	111,982
Salaries and benefits	261,435	38,331	6,895,673	719,108	7,914,547	8,132,970
Training	200	19	15,082	2,066	17,367	8,092
Travel	4,915	413	62,989	2,702	71,019	87,968
	372,903	76,019	7,610,741	791,203	8,850,866	9,146,525
Excess of revenue over expenditures before undernoted items	57,325	-	-	-	57,325	31,898
Other income (expenditures)						
Amortization	(27,080)	-	-	-	(27,080)	(16,072)
Deferred capital contributions	22,482	-	-	-	22,482	14,606
Excess of revenue over expenditures \$	52,727	\$ -	\$ -	\$ -	52,727	\$ 30,432

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

Peel Senior Link
Statement of Cash Flows

For the year ended March 31	2022	2021
Cash provided by (used in)		
Operating activities		
Excess of revenue over expenditures	\$ 52,727	\$ 30,432
Adjustments required to reconcile excess of revenue over expenditures with net cash provided by operating activities		
Amortization of capital assets	27,080	16,072
Amortization of deferred capital contributions	(22,482)	(14,606)
Changes in non-cash working capital balances		
Accounts receivable	(204,884)	13,060
Prepaid expenses and deposits	2,056	662
Accounts payable and accrued liabilities	248,592	69,470
Deferred revenue	94,503	(34,402)
Due to Ministry	(331,984)	85,809
	(134,392)	166,497
Investing activity		
Purchase of capital assets	(28,905)	(78,021)
Financing activity		
Deferred capital contributions received	15,511	61,350
Increase (decrease) in cash during the year	(147,786)	149,826
Cash, beginning of year	1,213,008	1,063,182
Cash, end of year	\$ 1,065,222	\$ 1,213,008

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

Peel Senior Link

Notes to Financial Statements

March 31, 2022

1. Summary of Significant Accounting Policies

Nature of Operations

Peel Senior Link (the "Organization") is a non-profit organization incorporated without share capital. The Organization was incorporated under the provisions of the Canada Not-for-profit Corporations Act, and effective March 28, 2019, the Organization became incorporated under the Corporations Act (Ontario).

The purpose of Peel Senior Link is to help seniors live at home independently with integrated support and services, and advancing care excellence in the community to help seniors age at home with dignity.

The Organization is a registered charity and, as such, is exempt from income tax and may issue income tax receipts to donors.

Basis of Accounting

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

Revenue Recognition

The Organization follows the deferral method of accounting for revenue, whereby restricted sources of revenue are recognized as revenue in the year in which the related expenses are incurred. Unrestricted sources of revenue, such as donations, are recognized as revenue when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Government grants and subsidies are recognized as revenue in the period in which the related expenses are incurred.

Capital Assets

Capital assets are recorded at cost less accumulated amortization. Amortization is provided on a diminishing balance basis based on the useful lives of assets as follows:

Computer equipment	-	30%
Office equipment	-	20%
Furniture and fixtures	-	20%
Leasehold improvements	-	over term of lease

Deferred Revenue

Deferred revenue relates to restricted funds received in advance for expenses to be incurred in the following fiscal year.

Funds Invested in Capital Assets

Funds invested in capital assets represents funds provided for the acquisition and financing of capital assets. The financing of funds invested in capital assets is transferred from operations on an annual basis. All amortization of capital assets and of deferred capital contributions is charged to this fund.

Contingency Fund

The Board of Directors has established a contingency fund to allow for extraordinary and unanticipated general contingencies incidental to the operations of Peel Senior Link.

Peel Senior Link Notes to Financial Statements

March 31, 2022

1. Summary of Significant Accounting Policies (continued)

Contributed Materials and Services

Contributed materials and services which are used in the normal course of the Organization's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if fair value can be reasonably estimated. There were no contributed materials and services in the current or prior year.

Use of Estimates

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

Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are charged to the financial instrument.

2. Capital Assets

	2022		2021	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Computer equipment	\$ 172,864	\$ 143,106	\$ 157,353	\$ 130,352
Office equipment	20,585	18,578	20,585	18,077
Furniture and fixtures	87,660	42,395	81,946	31,078
Leasehold improvements	89,302	66,729	81,622	64,221
	\$ 370,411	\$ 270,808	\$ 341,506	\$ 243,728
Net book value		\$ 99,603		\$ 97,778

Peel Senior Link Notes to Financial Statements

March 31, 2022

3. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities is \$160,686 (2021 - \$80,354) in government withholding taxes.

4. Deferred Revenue

Deferred revenue consists of the following:

	2022	2021
Deferred revenue - Region of Peel	\$ 53,102	\$ 32,650
Deferred revenue - MSA	43,169	27,024
Deferred revenue - United Way	41,147	-
Deferred revenue - Ontario Trillium Foundation	15,200	-
Deferred revenue - Other	1,559	-
	\$ 154,177	\$ 59,674

5. Due to Ministry

	2022	2021
		(Restated - Note 13)
Due to Ministry 2017-2018	\$ -	\$ 73,477
Due to Ministry 2018-2019	-	106,722
Due to Ministry 2019-2020	-	242,606
Due to Ministry 2020-2021	84,879	85,809
Due to Ministry 2021-2022	91,751	-
	\$ 176,630	\$ 508,614

6. Deferred Capital Contributions

	2022	2021
Balance, beginning of year	\$ 76,571	\$ 29,827
Capital contributions received	15,511	61,350
Amortization of deferred capital contributions	(22,482)	(14,606)
Balance, end of year	\$ 69,600	\$ 76,571

Peel Senior Link

Notes to Financial Statements

March 31, 2022

7. Funding

The Organization is dependent upon the Mississauga Halton Local Health Integration Network (MH LHIN) as well as the Central West Local Health Integration Network (CW LHIN) for the majority of its funding. In recognition of this risk, the Organization identified the diversification of funding sources through strategic and annual business plans as a risk mitigation strategy.

8. Line of Credit

The Organization has a line of credit of \$50,000 available for its use, that bears interest at prime plus 2.3% (2021 - prime plus 2.3%), and is secured by book debts. No amounts have been drawn on the line of credit.

9. Other Revenue and Grants

	<u>2022</u>	<u>2021</u>
Other Revenue		
General	\$ 80,630	\$ 39,746
Other Grants		
Integrated Seniors Team Program (SHIP)	203,878	218,281
Region of Peel	110,212	190,727
United Way	13,853	-
	<u>\$ 408,573</u>	<u>\$ 448,754</u>

10. Commitments

The Organization has operating lease commitments for equipment, software maintenance, and premises. Future minimum annual payments for the next five years and thereafter are as follows:

2023	\$ 202,207
2024	110,560
2025	110,945
2026	111,330
2027	112,100
Thereafter	<u>513,890</u>
	<u>\$ 1,161,032</u>

Peel Senior Link

Notes to Financial Statements

March 31, 2022

11. Financial Instrument Risk

Credit risk

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

12. COVID-19

On March 11, 2020, the World Health Organization declared the outbreak of the coronavirus ("COVID-19") pandemic resulting in economic uncertainties. Being an essential business, the Organization's operations continued throughout the pandemic.

The Organization received funding from MH LHIN of \$710,894 (2021 - \$336,506), CW LHIN of \$81,739 (2021 - \$40,524), and SHIP of \$23,161 (2021 - \$Nil) for temporary wage enhancement pay. In 2021, the Organization also received funding from MH LHIN of \$425,681 and from CW LHIN of \$48,341 for temporary pandemic pay; no similar funds were received in fiscal 2022. In addition, the Organization received Operating Pressure funding to support capacity and one-time expenditures related to COVID-19 from MH LHIN in the amount of \$223,087 (2021 - \$61,400) and from CW LHIN in the amount of \$13,091 (2021 - \$75,000), which are recorded as receivable at year end. Unspent COVID-19 funding of \$81,760 (2021 - \$Nil) is repayable to MH LHIN and \$9,991 (2021 - \$26,343) is repayable to CW LHIN, which have been included in due to ministry on the statement of financial position. \$9,388 (2021 - \$Nil) of unspent COVID-19 funding is repayable to SHIP and has been included in accounts payable and accrued liabilities on the statement of financial position.

The Organization received funding from Region of Peel (ROP) in the amount of \$25,500 (2021 - \$55,855) to support emergency service provision related to COVID-19. In the prior year, the Organization also received funding in the amount of \$50,000 for office renovation and reconfiguration to facilitate social distancing. This amount was included in deferred capital contributions on the statement of financial position in the prior year.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude of the impact that the pandemic will have on the Organization's financial condition, liquidity, and future results of operations. Management and the Board of Directors are actively monitoring how the situation is affecting its financial condition, liquidity, operations, suppliers, sector and workforce.

Peel Senior Link
Notes to Financial Statements

March 31, 2022

13. Restatement of Prior Year's Financial Results

During the year, it was determined that the amount due to Ministry was understated by \$106,722, which reflects a payable relating to the fiscal year 2018-19. As a result, the balance due to Ministry was understated at the prior year end. The result of this correction to the prior year is as follows:

Statement of Financial Position as at March 31, 2021:

Due to Ministry

As previously stated	\$ 401,892
As restated	\$ 508,614

Statement of Changes in Net Assets for the year ended March 31, 2021:

Net assets - beginning of year

As previously stated	\$ 169,142
As restated	\$ 62,420

Net assets - end of year

As previously stated	\$ 199,574
As restated	\$ 92,852