

Financial Statements of

PEEL SENIOR LINK

And Independent Auditor's Report thereon

Year ended March 31, 2024

PEEL SENIOR LINK

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Year ended March 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Peel Senior Link

Opinion

We have audited the accompanying financial statements of Peel Senior Link (the Organization), which comprise:

- the statement of financial position as at March 31, 2024
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the “financial statements”).

In our opinion, 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 combined cash flows for the year then ended in accordance with Canadian Accounting standards for not-for-profit organizations.

Basis for Opinion

We have 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 auditor’s 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.

Other Matter – Comparative Information

The financial statements for the year ended March 31, 2023 were audited by another auditor who expressed an unmodified opinion on those financial statements on June 23, 2023.

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 the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.

The image shows the handwritten signature "KPMG LLP" in black ink. The letters are in a cursive, slightly slanted font. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P', with a small upward tick at the right end.

Chartered Professional Accountants, Licensed Public Accountants

Oakville, Canada

June 20, 2024

PEEL SENIOR LINK

Statement of Financial Position

March 31, 2024, with comparative information for 2023

	2024	2023
Assets		
Current assets:		
Cash	\$ 2,580,532	\$ 1,590,401
Accounts receivable	70,979	40,376
Prepaid expenses and deposits	102,412	16,195
	<u>2,753,923</u>	<u>1,646,972</u>
Capital assets (note 3)	92,741	78,713
	<u>\$ 2,846,664</u>	<u>\$ 1,725,685</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 4)	\$ 1,438,137	\$ 557,982
Deferred revenue (note 5)	573,650	435,030
Due to Ministry (note 6)	338,908	338,908
	<u>2,350,695</u>	<u>1,331,920</u>
Deferred capital contributions (note 7)	70,623	52,834
	<u>2,421,318</u>	<u>1,384,754</u>
Net assets:		
Funds invested in capital assets	22,118	25,879
Contingency funds	403,228	315,052
	<u>425,346</u>	<u>340,931</u>
	<u>\$ 2,846,664</u>	<u>\$ 1,725,685</u>

See accompanying notes to financial statements.

Approved on behalf of the Board:



Director



Director

PEEL SENIOR LINK

Statement of Operations

Year ended March 31, 2024, with comparative information for 2023

	General	MSA	LHIN	2024 Total	2023 Total
Revenue:					
Funding:					
LHIN	\$ –	\$ –	\$ 9,090,299	\$ 9,090,299	\$ 8,294,071
MH LHIN one time	–	–	–	–	51,776
CW LHIN one time	–	–	–	–	5,978
MSA	–	51,438	–	51,438	18,867
Donations	13,780	–	–	13,780	16,771
Other (note 10)	719,646	–	8,127	727,773	442,506
Interest	67,956	–	–	67,956	18,313
	801,382	51,438	9,098,426	9,951,246	8,848,282
Expenses:					
Advertising	–	–	2,832	2,832	1,837
Communications	6,893	–	138,215	145,108	125,603
Insurance	–	–	33,693	33,693	23,954
Office supplies	32,300	6,383	315,725	354,408	259,232
Professional fees	68,734	–	158,297	227,031	221,580
Purchased services	58,010	–	168,963	226,973	158,747
Rent and occupancy costs	–	–	118,258	118,258	114,538
Salaries and benefits	538,501	44,035	8,033,140	8,615,676	7,655,469
Training	1,559	–	53,794	55,353	6,069
Travel	7,209	1,020	75,509	83,738	78,629
	713,206	51,438	9,098,426	9,863,070	8,645,658
Excess of revenue over expenses before the undernoted items	88,176	–	–	88,176	202,624
Other income (expenses):					
Amortization	(29,326)	–	–	(29,326)	(20,890)
Deferred capital contributions	25,565	–	–	25,565	16,766
Excess of revenue over expenses	\$ 84,415	\$ –	\$ –	\$ 84,415	\$ 198,500

See accompanying notes to financial statements.

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Statement of Changes in Net Assets

Year ended March 31, 2024, with comparative information for 2023

	Funds invested in capital assets	Contingency fund	General fund	2024 Total	2023 Total
Net assets, beginning of year	\$ 25,879	\$ 315,052	\$ –	\$ 340,931	\$ 142,431
Excess of revenue over expenses	–	–	84,415	84,415	198,500
Transfer of funds	–	88,176	(88,176)	–	–
Amortization of capital assets	(29,326)	–	29,326	–	–
Amortization of deferred capital contributions	25,565	–	(25,565)	–	–
Net assets, end of year	\$ 22,118	\$ 403,228	\$ –	\$ 425,346	\$ 340,931

See accompanying notes to financial statements.

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Statement of Cash Flows

Year ended March 31, 2024, with comparative information for 2023

	2024	2023
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenses	\$ 84,415	\$ 198,500
Adjustments required to reconcile excess of revenue over expenses with net cash provided by operating activities:		
Amortization of capital assets	29,326	20,890
Amortization of deferred capital contributions	(25,565)	(16,766)
Change in non-cash operating working capital:		
Accounts receivable	(30,603)	251,431
Prepaid expenses and deposits	(86,217)	787
Accounts payable and accrued liabilities	880,155	(372,794)
Deferred revenue	138,620	280,853
Due to Ministry	–	162,278
	990,131	525,179
Investing activities:		
Purchase of capital assets	(43,354)	–
Financing activities:		
Deferred capital contributions received	43,354	–
Increase in cash	990,131	525,179
Cash, beginning of year	1,590,401	1,065,222
Cash, end of year	\$ 2,580,532	\$ 1,590,401

See accompanying notes to financial statements.

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Notes to Financial Statements

Year ended March 31, 2024

1. Purpose of the Organization:

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 registered as a charitable organization, is exempt from income tax and is able to issue income tax receipts for donations.

2. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations. Significant aspects of the accounting policies adopted by the Organization are as follows:

(a) Revenue recognition:

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year the related expense is incurred. Unrestricted contributions are recognized as revenue when received or receivable, if the amount can be reasonably estimated and collection is reasonably assured. Deferred revenue relates to grants received in advance for programs taking place in the next fiscal year.

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

(b) Capital assets:

Capital assets are recorded at cost less accumulated amortization. The Organization provides for amortization using the straight-line method at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates are as follows:

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

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Notes to Financial Statements (continued)

Year ended March 31, 2024

2. Significant accounting policies (continued):

(c) Funds:

Funds invested in capital assets represents funds used for the acquisition of capital assets. The financing of funds invested in capital assets is transferred from operations on an annual basis. All amortization of capital assets is charged to this account.

(d) Contingency fund:

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

(e) 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.

(f) Use of estimates:

The preparation of financial statements in conformity with the Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

(g) Financial instruments:

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, equities are recorded at fair value, with all other financial instruments 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 for those measured at amortized cost.

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Notes to Financial Statements (continued)

Year ended March 31, 2024

3. Capital assets:

	2024		
	Cost	Accumulated amortization	Net book value
Computer	\$ 216,218	\$ 171,288	\$ 44,930
Office equipment	20,585	19,301	1,284
Furniture and fixtures	87,660	58,690	28,970
Leasehold improvements	89,302	71,745	17,557
	<u>\$ 413,765</u>	<u>\$ 321,024</u>	<u>\$ 92,741</u>

	2023		
	Cost	Accumulated amortization	Net book value
Computer	\$ 172,864	\$ 152,033	\$ 20,831
Office equipment	20,585	18,980	1,605
Furniture and fixtures	87,660	51,448	36,212
Leasehold improvements	89,302	69,237	20,065
	<u>\$ 370,411</u>	<u>\$ 291,698</u>	<u>\$ 78,713</u>

4. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities is \$28,133 (2023 - \$81,040) in government withholding taxes.

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Notes to Financial Statements (continued)

Year ended March 31, 2024

5. Deferred revenue:

Deferred revenue consists of the following:

	2024	2023
Deferred revenue - Region of Peel	\$ 270,031	\$ 264,112
Deferred revenue - Ministry of Health	244,281	–
Deferred revenue - MSA	–	24,194
Deferred revenue - United Way	–	48,866
Deferred revenue - Ontario Trillium Foundation	32,780	96,300
Deferred revenue - New Horizons	25,000	–
Deferred revenue - Other	1,558	1,558
	<u>\$ 573,650</u>	<u>\$ 435,030</u>

6. Due to Ministry:

	2024	2023
Due to Ministry 2020-2021	\$ 84,879	\$ 84,879
Due to Ministry 2021-2022	91,751	91,751
Due to Ministry 2022-2023	162,278	162,278
	<u>\$ 338,908</u>	<u>\$ 338,908</u>

7. Deferred capital contributions:

	2024	2023
Balance, beginning of year	\$ 52,834	\$ 69,600
Capital contributions received	43,355	–
Amortization of deferred capital contributions	(25,566)	(16,766)
Balance, end of year	<u>\$ 70,623</u>	<u>\$ 52,834</u>

8. 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.

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Notes to Financial Statements (continued)

Year ended March 31, 2024

9. 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% (2023 - prime plus 2.3%) and is secured by book debts. No amounts have been drawn on the line of credit.

10. Other revenue and grants:

	2024	2023
Other revenue		
General	\$ 244,184	\$ 60,417
Other grants:		
Integrated Seniors Team Program ("SHIP")	234,351	219,568
Region of Peel	182,721	113,990
United Way	66,517	48,531
	<hr/> \$ 727,773	<hr/> \$ 442,506

11. Commitments:

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

2025	\$ 114,736
2026	115,159
2027	115,968
2028	116,777
2029	117,587
Thereafter	297,413
	<hr/> \$ 877,640

12. Contingencies:

The Organization has been served with a claim for wrongful termination by an employee. The Organization is defending the claim. Due to the stage of the proceedings, it is not possible to determine the likelihood of success or the quantum of any possible damages or settlement. Therefore, no provision for this claim has been made in the financial statements.

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Notes to Financial Statements (continued)

Year ended March 31, 2024

13. Financial risks and concentrations of risk:

Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Organization is exposed to credit risk with respect to its accounts receivable. There has been no change to the credit risk exposure from 2023.