

Audited Financial Statements of

CEDAR CENTRE

Year ended March 31, 2020

CEDAR CENTRE

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INDEPENDENT AUDITOR'S REPORT

To the Directors of Cedar Centre

Qualified Opinion

I have audited the accompanying financial statements of Cedar Centre, which comprise the statement of financial position as at March 31, 2020, and the statements of revenue, expenditures and changes in net assets and cash flows for the year then ended and notes to the financial statements including a summary of significant accounting policies.

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Cedar Centre as at March 31, 2020, 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 Qualified Opinion

The Organization derives a portion of its revenue from fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, my verification of this revenue was limited to the amounts reflected in the records of the Organization and I was not able to determine whether any adjustments might be necessary to revenue, excess (deficiency) of revenue over expenditures, assets or net assets.

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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Statements

My objective is 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in an 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risk 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 my 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 Entity'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 Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Entity 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.
- I 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 I identify during my audit.

BDCA Professional Corporation

Toronto, Canada
November 4, 2020

BDCA Professional Corporation
Authorized to practise public accounting by the
Chartered Professional Accountants of Ontario


CEDAR CENTRE

STATEMENT OF FINANCIAL POSITION


March 31, 2020

	<u>2020</u>	<u>2019</u>
ASSETS		
Current assets		
Cash - unrestricted	\$ 200,835	\$ 278,567
Cash - restricted (note 2)	22,235	24,148
Guaranteed investment certificates	230,908	150,098
Accounts receivable	36,217	24,372
Prepaid expenses	<u>17,219</u>	<u>27,793</u>
	507,414	504,978
Tangible capital assets (note 3)	24,136	28,578
Intangible capital asset (note 4)	<u>-</u>	<u>-</u>
	<u>24,136</u>	<u>28,578</u>
	<u>\$ 531,550</u>	<u>\$ 533,556</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	\$ 44,596	\$ 78,207
Government remittances payable	18,420	16,268
Deferred revenue - fundraising (note 6)	37,075	68,411
Deferred revenue - funding (note 7)	<u>103,437</u>	<u>10,100</u>
	203,528	172,986
Deferred revenue - capital assets	<u>9,982</u>	<u>13,174</u>
	213,510	186,160
NET ASSETS	<u>318,040</u>	<u>347,396</u>
	<u>\$ 531,550</u>	<u>\$ 533,556</u>
Commitment (note 8)		

On behalf of the Board:



Director



Director

CEDAR CENTRE

STATEMENT OF REVENUE AND EXPENDITURES

March 31, 2020

	AP (1) See Schedule A	C,Y&FP (2) See Schedule B	Other Programs See Schedule C	2020 Total	2019 Total
Revenue					
Central Local Health Integration Network	\$ 294,036	\$ -	\$ -	\$ 294,036	\$ 320,089
Ministry of Health and Long-term Care (note 11)	-	249,956	-	249,956	-
Ministry of Children, Community and Social Services	58,164	-	8,285	66,449	320,317
United Way Grant	92,080	92,080	-	184,160	184,160
Net fundraising (note 5)	93,423	52,418	(5,154)	140,687	156,742
Department of Justice	-	-	83,081	83,081	49,145
Donations and other sources	10,770	11,371	3,325	25,466	28,309
Ontario Trillium Grant	-	-	16,213	16,213	-
Fees for services	11,027	-	-	11,027	9,931
	<u>559,500</u>	<u>405,825</u>	<u>105,750</u>	<u>1,071,075</u>	<u>1,068,693</u>
Expenditures					
Salaries and benefits	370,550	321,140	101,690	793,380	793,652
Fees for services	69,943	-	13,800	83,743	92,806
Occupancy costs	42,337	36,817	788	79,942	81,274
Office and general	33,026	23,633	8,738	65,397	64,153
Professional fees	15,975	12,503	773	29,251	34,928
Education, courses and seminars	17,316	6,097	1,698	25,111	21,043
Amortization of capital assets - intangible	-	-	-	-	16,734
Insurance	5,108	4,499	227	9,834	9,548
Amortization of capital assets - tangible	2,886	-	4,182	7,068	7,155
Therapy dog	-	-	2,145	2,145	4,838
Transportation	2,359	1,136	1,065	4,560	4,001
	<u>559,500</u>	<u>405,825</u>	<u>135,106</u>	<u>1,100,431</u>	<u>1,130,132</u>
Deficiency of revenue over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (29,356)</u>	<u>\$ (29,356)</u>	<u>\$ (61,439)</u>

(1) Adult Program

(2) Child, Youth & Family Program

See accompanying notes to financial statements.

CEDAR CENTRE

SCHEDULE A - ADULT PROGRAM

Year ended March 31, 2020

	AP		
	Detail Code VAW 8773	Other	Total
Revenue			
Central Local Health Integration Network	\$ -	\$ 294,036	\$ 294,036
Ministry of Children, Community and Social Services	58,032	132	58,164
United Way Grant	-	92,080	92,080
Net fundraising	-	93,423	93,423
Department of Justice	-	-	-
Donations and other sources	-	10,770	10,770
Fees for services	-	11,027	11,027
	<u>58,032</u>	<u>501,468</u>	<u>559,500</u>
Expenditures			
Salaries and benefits	20,945	349,605	370,550
Fees for services	34,928	35,015	69,943
Occupancy costs	1,000	41,337	42,337
Office and general	659	32,367	33,026
Professional fees	-	15,975	15,975
Education, courses and seminars	400	16,916	17,316
Amortization of capital assets - intangible	-	-	-
Insurance	-	5,108	5,108
Amortization of capital assets - tangible	-	2,886	2,886
Transportation	100	2,259	2,359
	<u>58,032</u>	<u>501,468</u>	<u>559,500</u>
Excess of revenue over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

CEDAR CENTRE

SCHEDULE B - CHILD, YOUTH AND FAMILY PROGRAM

Year ended March 31, 2020

	C, Y & FP					Total
	Detail Code A349	Detail Code A351	Detail Code A352	Detail Code A354	Detail Code A356	
Revenue						
Ministry of Health and Long-term care	\$ 107,124	\$ 47,611	\$ 35,708	\$ 35,708	\$ 23,805	\$ 249,956
United Way Grant	39,463	17,539	13,154	13,154	8,770	92,080
Net Fundraising	22,465	9,985	7,488	7,488	4,992	52,418
Department of Justice	-	-	-	-	-	-
Donations and other sources	4,873	2,167	1,624	1,624	1,083	11,371
	<u>173,925</u>	<u>77,302</u>	<u>57,974</u>	<u>57,974</u>	<u>38,650</u>	<u>405,825</u>
Expenditures						
Salaries and benefits	137,631	61,170	45,877	45,877	30,585	321,140
Fees for services	-	-	-	-	-	-
Occupancy costs	15,779	7,013	5,259	5,259	3,507	36,817
Office and general	10,129	4,502	3,376	3,376	2,250	23,633
Professional fees	5,358	2,382	1,786	1,786	1,191	12,503
Education, courses and seminars	2,613	1,161	871	871	581	6,097
Insurance	1,928	857	643	643	428	4,499
Transportation	487	217	162	162	108	1,136
	<u>173,925</u>	<u>77,302</u>	<u>57,974</u>	<u>57,974</u>	<u>38,650</u>	<u>405,825</u>
Excess of revenue over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

CEDAR CENTRE

SCHEDULE C - OTHER PROGRAMS

Year ended March 31, 2020

	Other Programs					Total
	OPP (1) Detail Code	DOJ (2)	C&FP (3)	OT	Covid-19	
	A346					
Revenue						
Ministry of Children, Community and Social Services	\$ 8,285	\$ -	\$ -	\$ -	\$ -	\$ 8,285
United Way Grant	-	-	-	-	-	-
Net Fundraising	9,188	-	(14,342)	-	-	(5,154)
Department of Justice	-	83,081	-	-	-	83,081
Donations and other sources	469	-	2,856	-	-	3,325
Trillium Grant	-	-	-	16,213	-	16,213
	<u>17,942</u>	<u>83,081</u>	<u>(11,486)</u>	<u>16,213</u>	<u>-</u>	<u>105,750</u>
Expenditures						
Salaries and benefits	16,368	77,746	4,226	3,350	-	101,690
Fees for services	-	1,250	-	12,550	-	13,800
Occupancy costs	786	2	-	-	-	788
Office and general	287	1,219	6,910	-	322	8,738
Professional fees	274	499	-	-	-	773
Education, courses and seminars	-	1,698	-	-	-	1,698
Amortization of capital assets - intangible	-	-	-	-	-	-
Insurance	227	-	-	-	-	227
Amortization of capital assets - tangible	-	-	4,182	-	-	4,182
Therapy dog	-	-	2,145	-	-	2,145
Transportation	-	667	-	313	85	1,065
	<u>17,942</u>	<u>83,081</u>	<u>17,463</u>	<u>16,213</u>	<u>407</u>	<u>135,106</u>
Excess of revenue over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (28,949)</u>	<u>\$ -</u>	<u>\$ (407)</u>	<u>\$ (29,356)</u>

(1) Outreach & Prevention Program

(2) Department of Justice

(3) Current & Future Programming

See accompanying notes to financial statements.

CEDAR CENTRE

STATEMENT OF CHANGES IN NET ASSETS

Year ended March 31, 2020, with comparative figures in 2019

	<u>Unrestricted</u>	<u>Invested in Tangible Capital Assets</u>	<u>Restricted - Lottery</u>	<u>2020</u>	<u>2019</u>
Net assets, beginning of year	\$ 307,844	\$ 15,404	\$ 24,148	\$ 347,396	\$ 408,835
Tangible capital assets purchased	(2,626)	2,626	-	-	-
Deficiency of revenue over expenditures	<u>(23,567)</u>	<u>(3,876)</u>	<u>(1,913)</u>	<u>(29,356)</u>	<u>(61,439)</u>
Net assets, end of year	<u>\$ 281,651</u>	<u>\$ 14,154</u>	<u>\$ 22,235</u>	<u>\$ 318,040</u>	<u>\$ 347,396</u>

Invested in Tangible Capital Assets Consists of:

Tangible capital assets, net	\$ 24,136
Deferred revenue related to tangible capital assets	<u>(9,982)</u>
Net investment in tangible capital assets	<u>\$ 14,154</u>

See accompanying notes to financial statements.

CEDAR CENTRE

STATEMENT OF CASH FLOW

March 31, 2020

	<u>2020</u>	<u>2019</u>
Cash provided by (used in)		
Operations		
Deficiency of revenue over expenditures	\$ (29,356)	\$ (61,439)
Amortization of tangible capital assets	7,068	7,155
Amortization of intangible capital assets	-	16,734
Amortization of deferred contributions related to capital assets	(3,192)	(15,121)
Increase in guaranteed investment certificates	(80,810)	(1,917)
Decrease (increase) in accounts receivable	(11,845)	(3,865)
Decrease in prepaid expenses	10,574	371,500
Increase (decrease) in accounts payable and accrued liabilities	(33,611)	20,083
Increase in government remittances payable	2,152	1,250
Decrease in deferred revenue - fundraising	(31,336)	(325,069)
Increase in deferred revenue - funding	93,337	-
Increase in deferred revenue - tangible capital assets	-	9,320
	<u>(77,019)</u>	<u>18,631</u>
Investments		
Purchases of tangible capital assets	<u>(2,626)</u>	<u>(10,955)</u>
Increase (decrease) in cash during the year	(79,645)	7,676
Cash, beginning of year	<u>302,715</u>	<u>295,039</u>
Cash, end of year	<u><u>\$ 223,070</u></u>	<u><u>\$ 302,715</u></u>
Cash		
Unrestricted	\$ 200,835	\$ 278,567
Restricted	<u>22,235</u>	<u>24,148</u>
	<u><u>\$ 223,070</u></u>	<u><u>\$ 302,715</u></u>

CEDAR CENTRE

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2020

ORGANIZATION

Cedar Centre was incorporated under the laws of the Province of Ontario as a not-for-profit organization and is a registered charitable organization. As such, it is not subject to income taxes. The Organization offers hope and healing to people in York Region affected by all forms of childhood interpersonal trauma.

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements are prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations and include the following significant accounting policies.

(a) **Revenue recognition**

The Organization recognizes revenue according to the deferral method. Restricted contributions towards expenses of future periods are deferred and recognized as revenue in the period(s) 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.

(b) **Tangible capital assets**

Purchased tangible capital assets are recorded at cost. Contributed tangible capital assets are recorded at their fair value at the date of contribution. Amortization is recorded over the estimated useful lives of the tangible assets according to the following annual rates and methods:

Furniture and equipment	20% declining balance
Computers	30% declining balance
Leasehold improvements	Straight-line over remaining term of lease

(c) **Intangible capital assets**

Purchased intangible capital assets are recorded at cost. Contributed intangible capital assets are recorded at their fair value at the date of contribution. Software is the only intangible capital asset and amortization is recorded over its estimated useful life using the annual rate of 100% declining balance.

(d) **Deferred revenue - tangible and intangible capital assets**

Contributions received towards the purchase of capital assets are deferred and amortized into income on the same basis as the related capital assets are amortized.

(e) **Contributed goods and services**

Donated goods and services are reflected at their estimated fair market value but only when such value can be reasonably estimated and when the goods and services would normally be purchased by the Organization.

Volunteers contribute considerable time to assist the Organization in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

CEDAR CENTRE

NOTES TO FINANCIAL STATEMENTS - continued

Year ended March 31, 2020

1. SIGNIFICANT ACCOUNTING POLICIES - continued

(f) Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the recognition, measurement and disclosure of amounts reported in the financial statements and accompanying notes. The reported amounts and note disclosures are determined using management's best estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action. Estimates are used when accounting for the collectability of accounts receivable, the useful lives of capital assets and the determination of accrued liabilities. Actual results could differ from such estimates.

(g) Financial instruments

Financial instruments, consisting of cash, guaranteed investment certificates, accounts receivable and accounts payable and accrued liabilities, are recorded at fair value on initial recognition and then subsequently at cost or amortized cost, unless management has elected to carry them at fair value. The Organization has elected to carry its guaranteed investment certificates at fair value. All other financial instruments are carried at cost

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs.

Financial assets are assessed for indicators of impairment annually at the year-end date. If there is an indicator of impairment, the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized by selling the financial asset or the amount the Organization expects to realize by exercising its right to any collateral held to secure repayment of the asset. If events or circumstances change in a future period, an impairment loss can be reversed to the extent of the improvement, but not exceeding the initial carrying value.

(h) Allocation of expenses

The Organization operates various programs associated with its mandate and engages in fundraising activities to assist in supporting those programs. The costs of each program include the costs of personnel, premises and other direct expenses. The Organization also incurs general support expenses that are common to the administration of the Organization and each of its programs. General support expenses are tracked and allocated specifically for the AP, CY&FP, OPP and DOJ programs, with the remainder allocated on an "as needed" basis within the respective programs.

CEDAR CENTRE

NOTES TO FINANCIAL STATEMENTS - continued

Year ended March 31, 2020

2. RESTRICTED FUND

This Fund was created to segregate the monies raised from lotteries held during fundraising events. All the monies raised will be restricted to the purchase of therapeutic time and supplies specifically for the Organization's Child, Youth and Family Program. The Fund is therefore maintained separately from other operating accounts.

3. TANGIBLE CAPITAL ASSETS

	<u>2020</u>			<u>2019</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Furniture and equipment	\$ 102,670	\$ 86,598	\$ 16,072	\$ 18,119
Computers	50,048	41,984	8,064	10,459
Leasehold improvements	<u>93,459</u>	<u>93,459</u>	-	-
	<u>\$ 246,177</u>	<u>\$ 222,041</u>	<u>\$ 24,136</u>	<u>\$ 28,578</u>

4. INTANGIBLE CAPITAL ASSET

	<u>2020</u>			<u>2019</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Software	<u>\$ 36,215</u>	<u>\$ 36,215</u>	<u>\$ -</u>	<u>\$ -</u>

5. FUNDRAISING

The Organization undertakes various fundraising activities each year. Gross revenue and expenses related to these activities were as follows:

	<u>2020</u>	<u>2019</u>
Revenues	281,149	693,542
Expenses	<u>(140,462)</u>	<u>(536,800)</u>
	<u>\$ 140,687</u>	<u>\$ 156,742</u>

6. DEFERRED REVENUE - FUNDRAISING

	<u>Balance Apr. 1, 2019</u>	<u>Amount Received</u>	<u>Amount brought into income in 2020</u>	<u>Balance Mar. 31, 2020</u>
Fundraising	<u>\$ 68,411</u>	<u>\$ 249,813</u>	<u>\$ 281,149</u>	<u>\$ 37,075</u>

CEDAR CENTRE

NOTES TO FINANCIAL STATEMENTS - continued

Year ended March 31, 2020

7. DEFERRED REVENUE - FUNDING

	<u>Balance</u> <u>Apr. 1, 2019</u>	<u>Amount</u> <u>Received</u>	<u>Amount brought</u> <u>into income in 2020</u>	<u>Balance</u> <u>Mar. 31, 2020</u>
Funding - OTF	\$ -	\$ 47,300	\$ 16,213	\$ 31,087
Funding - DOJ	-	37,000	-	37,000
Funding - Kinark	10,100	-	-	10,100
Funding - Capital	-	25,250	-	25,250
	<u>\$ 10,100</u>	<u>\$ 109,550</u>	<u>\$ 16,213</u>	<u>\$ 103,437</u>

8. COMMITMENT

The Organization occupies its premises under a lease which expires on July 31, 2022. The future minimum payments before applicable taxes for the remainder of the lease term are stated below:

2021	\$ 41,427
2022	41,427
2023	<u>13,809</u>
	<u>\$ 96,663</u>

9. CAPITAL MANAGEMENT

The Organization's objectives when managing capital - defined as working capital (current assets less current liabilities and deferred revenue) - are to maintain financial strength and manage liquidity requirements while developing and promoting the Organization's goals. The Organization is not subject to externally imposed capital requirements from a commercial lending institution. The Organization is required to use donor funds for expenses to which the donor has restricted their contribution.

The Organization manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. This is accomplished by retaining a net asset position which provides for the possibility that cash flows from revenues will not be sufficient to meet future cash flow requirements.

10. SUBSEQUENT EVENTS

During January 2020, the World Health Organization declared a public health emergency due to the outbreak of a strain of the novel coronavirus ("COVID-19"). As a result, a series of public health and emergency measures have been put in place to combat the spread of the virus and it is not possible to reliably estimate the impact that the length and severity of these developments will have on the financial results and condition of the Organization in future periods.

11. MINISTRY OF HEALTH AND LONG-TERM CARE

The funding contract for the Ministry of Children, Community and Social Service (MCCSS) changed to the Ministry of Health and Long-term Care (MOH) in fiscal 2019-2020.

CEDAR CENTRE

NOTES TO FINANCIAL STATEMENTS - continued

Year ended March 31, 2020

12. RECLASSIFICATIONS

Certain of the 2019 figures, presented for comparative purposes, have been reclassified to conform with the financial statement presentation adopted in 2020.