

**HURON-PERTH CENTRE
FOR CHILDREN AND YOUTH**

FINANCIAL STATEMENTS

MARCH 31, 2024

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Huron-Perth Centre for Children and Youth
63 Lorne Avenue East, Unit 2A
Stratford, Ontario

Qualified Opinion

We have audited the financial statements of **Huron-Perth Centre for Children and Youth**, which comprise the statement of financial position as at **March 31, 2024** and the statements of operations, net assets and 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 matter described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of **Huron-Perth Centre for Children and Youth** as at **March 31, 2024** 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

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of **Huron-Perth Centre for Children and Youth** 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 those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

In common with many not-for-profit organizations, the organization derives cash revenue, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to revenue, excess of revenue 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 year ends. Our audit opinion on the financial statements for the year ended March 31, 2023, was modified accordingly because of the possible effects of this limitation in scope.

INDEPENDENT AUDITORS' REPORT - continued

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

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

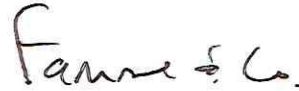
Auditors' Responsibilities for the Audit of the Financial Statements

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 auditors' 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:

- (a) 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.
- (b) 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.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) Conclude on the appropriateness of the entity'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 we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 entity to cease to continue as a going concern.
- (e) 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.

INDEPENDENT AUDITORS' REPORT - continued

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.



Professional Corporation
Chartered Professional Accountants
*Authorized to practice public accounting by
the Chartered Professional Accountants of Ontario*

Stratford, Ontario
June 11, 2024

Huron-Perth Centre for Children and Youth
Statement of Financial Position
As at March 31, 2024

ASSETS

	2024	2023
Current Assets		
Bank	\$ 556,076	\$ 387,454
Accounts receivable	21,053	12,579
HST receivable	14,204	14,676
Prepaid expenses	<u>16,614</u>	<u>13,093</u>
	\$ 607,947	<u>427,802</u>
Property, Plant and Equipment		
Computer equipment	374,414	383,878
Leasehold improvements	514,434	514,434
Computer equipment - COVID funding	<u>87,106</u>	<u>87,106</u>
	975,954	985,418
Less: Accumulated amortization	<u>958,067</u>	<u>946,521</u>
	<u>17,887</u>	<u>38,897</u>
	<u>\$ 625,834</u>	<u>\$ 466,699</u>

Approved on Behalf of the Board:

Director

Director

(See Accompanying Notes to the Financial Statements)

Huron-Perth Centre for Children and Youth
Statement of Financial Position
As at March 31, 2024

LIABILITIES

	2024	2023
Current Liabilities		
Accounts payable and accrued liabilities	\$ 93,754	\$ 73,074
Accrued compensatory wages	26,138	27,922
Accrued vacation	40,679	55,112
Accrued wages and payroll remittances payable	163,959	41,247
Payable to other organizations	8,819	-
Payable to the Ministry of Children, Community and Social Services	9,799	9,799
Payable to the Ministry of Health	27,740	27,740
Deferred revenue (Note 3)	<u>236,388</u>	<u>192,237</u>
	\$ 607,276	<u>427,131</u>
Long-Term Liabilities		
Deferred capital contributions	<u>17,887</u>	<u>38,897</u>
	625,163	<u>466,028</u>
NET ASSETS		
Net Assets	<u>671</u>	<u>671</u>
	<u>\$ 625,834</u>	<u>\$ 466,699</u>

(See Accompanying Notes to the Financial Statements)

Huron-Perth Centre for Children and Youth

Statement of Net Assets

For the year ended March 31, 2024

	2024	2023
Balance - beginning of year	\$ 671	\$ 671
Excess of revenue over expenditures for the year	<u>-</u>	<u>-</u>
Balance - end of year	\$ <u>671</u>	\$ <u>671</u>

(See Accompanying Notes to the Financial Statements)

Huron-Perth Centre for Children and Youth

Statement of Operations

For the year ended March 31, 2024

	2024	2023
Revenue		
Province of Ontario - MOH - Huron	\$ 832,880	\$ 729,263
Province of Ontario - MOH - Perth	776,386	731,032
Province of Ontario - other Ministry revenue	1,691,763	1,625,388
Province of Ontario - MOH - COVID-19 funding	-	29,036
Other organizations	95,823	114,027
Central administration recovery	115,065	148,524
Capital contributions	21,010	35,251
Interest	7,452	3,608
Other income	29,517	25,938
Transferred to deferred revenue	<u>(20,030)</u>	<u>(23,055)</u>
	\$ 3,549,866	3,419,012
Expenditures		
Salaries and wages	2,204,335	2,191,022
Employee benefits	469,605	443,968
Staff travel and parking	66,493	39,451
Conference fees	39,478	29,102
Library purchases	885	1,377
Recruitment	91	368
Bank charges and interest	2,333	2,638
Furniture and fixtures	2,372	850
Building maintenance	39,111	35,428
Property taxes	15,274	15,238
Building rent - occupancy	169,785	160,952
Utilities	13,568	14,176
Technology, IT and legal fees	41,291	35,269
Payroll services	6,231	8,540
Purchased services	199,548	86,203
Audit and accounting	9,400	9,175
Program supplies	16,917	22,329
Promotion	860	2,555
Central administration	115,065	148,524
Office supplies	22,463	22,973
Telephones	33,848	32,103
Equipment lease	11,371	10,833
Insurance	19,055	17,055
HST paid	22,360	17,479
Memberships	7,117	7,117
Amortization related to COVID-19 funding	-	29,036
Amortization related to other funding	<u>21,010</u>	<u>35,251</u>
	3,549,866	3,419,012
Excess of revenue over expenditures for the year	\$ -	\$ -

(See Accompanying Notes to the Financial Statements)

Huron-Perth Centre for Children and Youth

Statement of Cash Flows

For the year ended March 31, 2024

	2024	2023
Cash Provided By (Used In):		
Operating Activities		
Excess of revenue over expenditures for the year	\$ -	\$ -
Items not requiring cash		
Amortization of property, plant and equipment	21,010	64,287
Realized capital contributions	(21,010)	(64,287)
Net changes in non-cash current operating accounts		
Decrease (increase) in accounts receivable	(8,474)	5,996
Decrease (increase) in HST receivable	472	7,705
Decrease (increase) in prepaid expenses	(3,521)	11,033
Increase (decrease) in accounts payable and accrued expenses	20,680	22,300
Increase (decrease) in accrued compensatory wages	(1,784)	2,661
Increase (decrease) in accrued vacation	(14,433)	(7,988)
Increase (decrease) in payroll remittances payable	122,712	14,206
Increase (decrease) in other organization payables	8,819	-
Increase (decrease) in deferred revenue	<u>44,151</u>	<u>23,785</u>
	\$ 168,622	<u>79,698</u>
Investing Activities		
Purchase of property, plant and equipment	-	(23,292)
Assets funded by capital contributions	<u>-</u>	<u>23,292</u>
	-	-
Increase in cash and cash equivalents	168,622	79,698
Cash and cash equivalents - beginning of year	<u>387,454</u>	<u>307,756</u>
Cash and cash equivalents - end of year	\$ <u>556,076</u>	\$ <u>387,454</u>
Cash and cash equivalents consist of cash on hand and balances with banks. Cash and cash equivalents comprise the following balance sheet amounts:		
Bank	\$ <u>556,076</u>	\$ <u>387,454</u>

(See Accompanying Notes to the Financial Statements)

Huron-Perth Centre for Children and Youth
Notes to the Financial Statements
For the year ended March 31, 2024

1. Purpose

The Huron-Perth Centre for Children and Youth was incorporated December 31, 1976 to establish, equip, maintain, operate and conduct diagnostic and treatment centres to provide service for children and their families with emphasis on prevention. The organization is a not-for-profit organization incorporated in Ontario without share capital and is a registered charity which is not taxable under Section 149(1)(f) of the Income Tax Act and may issue income tax receipts to donors.

2. Summary of Significant Accounting Policies

These financial statements have been prepared in accordance with the Canadian accounting standards for not-for-profit organizations summarized below:

- (a) **Amortization**
Amortization of property, plant and equipment is calculated using the straight-line method at the rates reflected in the accompanying schedule of property, plant and equipment.
- (b) **Capital Contributions**
Any capital contributions received for property, plant and equipment were deferred and amortized over the same number of years as the asset to which they relate. During the year, \$ 21,010 (2023 - \$ 64,287) was recognized in income to offset amortization.
- (c) **Revenue Recognition**
Revenue is recognized as approved budget expenditures are incurred. Any unspent funds are shown as deferred revenue on the balance sheet.
- (d) **Use of Estimates**
Preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that could affect amounts reported as assets, liabilities, revenues and expenditures. Due to measurement uncertainty, results could differ from those estimates.
- (e) **Financial Instruments**
A financial asset is any asset that is cash; a contractual right to receive cash from another party; or an equity instrument of another entity. A financial liability is any liability that is a contractual obligation to deliver cash to another party.

Financial assets and liabilities are initially measured at fair value, except for certain non-arm's length transactions. Subsequently, financial assets and financial liabilities are measured at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in excess of revenue over expenditures.

Huron-Perth Centre for Children and Youth
Notes to the Financial Statements
For the year ended March 31, 2024

3. Deferred Revenue

The organization records revenue it receives from other funding sources that has not yet been spent by the year end on the specific program as deferred revenue. The details of the deferred revenue are as follows:

	2024	2023
Donations and EAP	\$ 197,734	\$ 161,486
Group Delta	1,109	1,109
Alternatives to Custody - Community	1,691	1,691
Male Survivors	8,533	8,533
Section 23 (CTCC) - Non-Ministry Funding	16,243	16,243
Complex Transition Fund	<u>11,078</u>	<u>3,175</u>
	<u>\$ 236,388</u>	<u>\$ 192,237</u>

4. Lease Commitments

The organization's total obligations, under various operating leases for occupied premises, exclusive of realty taxes and other occupancy charges, are as follows:

2025	\$ 167,978
2026	<u>96,776</u>
	<u>\$ 264,754</u>

5. Economic Dependence

The organization derives a significant portion of its overall revenue from the Ministry of Health.

6. Line of Credit

The organization has available a \$ 90,000 line of credit which bears interest at prime plus 1%.

7. Contributed Services

Volunteers contribute significant hours to the organization annually. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

8. Public Sector Salary Disclosure Act

In the fiscal year 2024, one employee was paid a salary, as defined by the Public Salary Disclosure Act, 1996, of \$ 100,000 or more by Huron-Perth Centre for Children and Youth.

Huron-Perth Centre for Children and Youth**Schedule of Property, Plant and Equipment and Amortization**

For the year ended March 31, 2024

	<u>As at March 31, 2023</u>						<u>As at March 31, 2024</u>					
	Cost	Accum. Amort.	Unamort. Bal.	Add.	Disp.	Gain	Unamort. Bal.	Rate %	Prov.	Cost	Accum. Amort.	Unamort. Bal.
Computer equipment	383,878	357,141	26,737				26,737	3 yr s.l.	15,431	374,414	363,108	11,306
Leasehold improvements	514,434	502,274	12,160				12,160	10 yr s.l.	5,579	514,434	507,853	6,581
Computer equipment - COVID funded	87,106	87,106						3 yr s.l.		87,106	87,106	
	985,418	946,521	38,897				38,897		21,010	975,954	958,067	17,887

Huron-Perth Centre for Children and Youth
Statement of Operations for Ministry Purposes
For the year ended March 31, 2024

	Total for Accounting Purposes 2024	Adjustments for Ministry Purposes	Total for Ministry Purposes 2024	Total for Ministry Purposes 2023
Revenue				
Province of Ontario - MOH - Huron	\$ 832,880	\$ -	\$ 832,880	\$ 744,294
Province of Ontario - MOH - Perth	776,386	-	776,386	739,293
Province of Ontario - other ministries	1,691,763	-	1,691,763	1,625,388
Other organizations	95,823	-	95,823	114,027
Central administration recovery	115,065	-	115,065	148,524
Capital contributions	21,010	(21,010)	-	-
Interest	7,452	-	7,452	3,608
Other income	29,517	-	29,517	25,938
Transferred from deferred revenue	(20,030)	-	(20,030)	(23,055)
	<u>3,549,866</u>	<u>(21,010)</u>	<u>3,528,856</u>	<u>3,378,017</u>
Expenditures				
Salaries and wages	2,204,335	-	2,204,335	2,191,022
Employee benefits	469,605	-	469,605	443,968
Staff travel and parking	66,493	-	66,493	39,451
Conference fees	39,478	-	39,478	29,102
Library purchases	885	-	885	1,377
Recruitment	91	-	91	368
Bank charges and interest	2,333	-	2,333	2,638
Furniture and fixtures	2,372	-	2,372	850
Building maintenance	39,111	-	39,111	43,928
Property taxes	15,274	-	15,274	15,238
Building rent - occupancy	169,785	-	169,785	160,952
Utilities	13,568	-	13,568	14,176
Technology, IT and legal fees	41,291	-	41,291	49,178
Payroll services	6,231	-	6,231	8,540
Purchased services	199,548	-	199,548	86,203
Audit and accounting	9,400	-	9,400	9,175
Program supplies	16,917	-	16,917	22,329
Promotion	860	-	860	2,555
Central administration	115,065	-	115,065	148,524
Office supplies	22,463	-	22,463	22,973
Telephones	33,848	-	33,848	32,103
Equipment lease	11,371	-	11,371	10,833
Insurance	19,055	-	19,055	17,055
HST paid	22,360	-	22,360	18,362
Memberships	7,117	-	7,117	7,117
Amortization	21,010	(21,010)	-	-
	<u>3,549,866</u>	<u>(21,010)</u>	<u>3,528,856</u>	<u>3,378,017</u>
Excess of revenue over expenditures for the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Schedule 3)

Huron-Perth Centre for Children and Youth
Reconciliation of Statements of Operations
For the year ended March 31, 2024

	2024	2023
Excess of revenue over expenditures for the year for Ministry purposes (Schedule 2)	\$ -	\$ -
Add: Property, plant and equipment expensed (net of proceeds on disposal)	-	23,292
Less: Deferred capital contributions related to property, plant and equipment purchases	-	(23,292)
Add: Realized capital contributions	21,010	35,251
Less: Amortization	(21,010)	(35,251)
Add: Realized capital contributions related to COVID funding	-	29,306
Less: Amortization related to COVID funding	<u>-</u>	<u>(29,306)</u>
Excess of revenue over expenditures for the year per Statement of Operations	<u>\$ -</u>	<u>\$ -</u>