

Community Living North Bay
Financial Statements
For the year ended March 31, 2025

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Financial Statements
For the year ended March 31, 2025

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Independent Auditor's Report

To the members and board of directors of Community Living North Bay

Opinion

We have audited the financial statements of Community Living North Bay (the Organization), which comprise the statement of financial position as at March 31, 2025, the statements of operations, 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 our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2025, and its results of operations and 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.

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 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.

Chartered Professional Accountants, Licensed Public Accountants

North Bay, Ontario
June 16, 2025

Community Living North Bay Statement of Financial Position

March 31

2025

2024

Assets

Current

Cash and cash equivalents (Note 9)	\$ 3,110,552	\$ 2,746,748
Short-term investments (Note 3)	328,423	306,482
Accounts receivable (Note 4)	505,905	519,828
	<u>3,944,880</u>	<u>3,573,058</u>

Capital assets (Note 5)

10,858,264	11,135,488
<u>\$ 14,803,144</u>	<u>\$ 14,708,546</u>

Liabilities and Net Assets

Current

Accounts payable and accrued liabilities (Note 6)	\$ 2,757,258	\$ 2,866,058
Deferred revenue (Note 7)	362,894	157,254
Current portion of mortgages and loans payable (Note 8)	338,482	2,444,061
	<u>3,458,634</u>	<u>5,467,373</u>

Mortgages and loans payable (Note 8)

2,035,208	-
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Deferred capital contributions (Note 10)

3,093,904	3,244,152
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<u>8,587,746</u>	<u>8,711,525</u>
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Net Assets

Internally restricted - Perpetual fund	61,000	61,000
Internally restricted - Designated funds - Trust	2,536	1,588
Internally restricted - Designated funds - Donations and fundraising	36,202	36,202
Unrestricted	6,115,660	5,898,231
	<u>6,215,398</u>	<u>5,997,021</u>

<u>\$ 14,803,144</u>	<u>\$ 14,708,546</u>
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Commitments (Note 13)

On behalf of the Board:

Director

Director

Community Living North Bay Statement of Operations

For the year ended March 31

2025

2024

Revenues

Province of Ontario - core funding	\$ 18,865,124	\$ 18,322,940
DNSSAB Funding	2,264,449	2,151,349
Transfer to deferred revenue	(55,898)	(41,553)
Resident rent	894,529	807,787
Restaurant sales	170,470	278,163
Other revenue	989,594	917,989
Passport	946,553	660,661
Urgent Response	51,460	21,080
Specialized Accommodations	23,647	26,591
Donations and Fundraising	13,466	53,516
Unrealized gain (loss) on investments	21,941	21,296
Amortization of deferred capital contributions (Note 10)	151,023	198,280
	24,336,358	23,418,099

Expenses

Salaries	15,894,623	15,364,839
Benefits	2,902,544	2,940,667
Food	1,254,108	955,733
Building occupancy (Note 8)	1,081,862	1,162,183
Parent / provider subsidy	584,133	467,196
Professional Services	509,713	439,088
Program	430,731	359,256
Transportation	424,241	355,001
Training	194,559	188,242
Promotion and publicity	87,491	64,239
Respite Subsidy	67,691	63,425
Office administration	56,027	66,525
Medical & health related	21,856	41,487
Outcomes Programs	10,171	7,363
Fundraising	8,924	16,529
Donations	400	200
Amortization	588,907	601,474
	24,117,981	23,093,447

Excess of revenues over expenses for the year

\$ 218,377 \$ 324,652

Community Living North Bay Statement of Changes in Net Assets

For the year ended March 31

2025

2024

	Internally Restricted - Perpetual Fund	Internally Restricted - Designated Funds - Trust	Internally Restricted - Designated Funds - Donations and Fundraising	Unrestricted	Total	Total
Balance						
- beginning of year	\$ 61,000	\$ 1,588	\$ 36,202	\$ 5,898,231	\$ 5,997,021	\$ 5,672,369
Excess of revenues over expenses for the year	-	-	-	218,377	218,377	324,652
	61,000	1,588	36,202	6,116,608	6,215,398	5,997,021
Transfer to internally restricted net assets	-	948	-	(948)	-	-
Balance - end of year	\$ 61,000	\$ 2,536	\$ 36,202	\$ 6,115,660	\$ 6,215,398	\$ 5,997,021

Community Living North Bay Statement of Cash Flows

For the year ended March 31	2025	2024
Cash provided by (used in)		
Operating activities		
Excess of revenues over expenses for the year	\$ 218,377	\$ 324,652
Items not involving cash		
Amortization of capital assets	588,907	601,474
Amortization of deferred contributions	(151,023)	(198,280)
Unrealized (gain) loss on investments	(21,941)	(21,296)
	<u>634,320</u>	<u>706,550</u>
Changes in non-cash working capital balances		
Accounts receivable	13,923	(114,013)
Accounts payable and accrued liabilities	(108,800)	(352,581)
Deferred revenue	205,640	(170,519)
	<u>745,083</u>	<u>69,437</u>
Investing activities		
Purchase of capital assets	<u>(311,683)</u>	<u>(585,775)</u>
Financing activities		
Principal payments on mortgage and loans payable	(70,371)	(75,950)
Contributions received for capital purposes	775	26,845
	<u>(69,596)</u>	<u>(49,105)</u>
Increase in cash and cash equivalents during the year	363,804	(565,443)
Cash and cash equivalents, beginning of year	<u>2,746,748</u>	<u>3,312,191</u>
Cash and cash equivalents, end of year	\$ 3,110,552	\$ 2,746,748

Community Living North Bay

Notes to Financial Statements

March 31, 2025

1. Summary of Significant Accounting Policies

Nature of Organization The organization is a non-profit organization created by Letters Patent on June 2, 1976 in the jurisdiction of the Province of Ontario. Its principal activities consist of providing support to citizens with a developmental challenge and their families.

Income Taxes The organization is a registered charity under the Canadian Income Tax Act and as such is not subject to Canadian income taxes.

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

Cash and Cash Equivalents Management considers all highly liquid investments with maturity of three months or less at acquisition to be cash equivalents.

Financial Instruments Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, equities traded in an active market are reported at fair value with any unrealized gains and losses reported in statement of remeasurement gains and losses. All other 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 expensed for those items remeasured at fair value at each statement of financial position date and charged to the financial instrument for those measured at amortized cost.

Capital Assets Capital assets are stated at cost less accumulated amortization. Amortization based on the estimated useful life of the asset is calculated as follows:

Land	No amortization
Buildings	15 - 40 years
Paving	10 years
Septic systems	10 years
Furniture and equipment	5 years
Vehicles	4 years

Community Living North Bay Notes to Financial Statements

March 31, 2025

1. Summary of Significant Accounting Policies (continued)

Revenue Recognition

Subsidy revenue is based on amounts approved by the Ministry of Children, Community and Social Services and the District of Nipissing Social Services Administration Board. Funding received which pertains to prior periods as well as any repayment of excess funding is recorded to the statement of operations under Other items as a prior period subsidy settlement.

Contributions restricted for the purchase of capital assets are deferred and amortized to revenue at rates corresponding to the related capital assets.

Deferred revenue results from funding received during the year from agreements which cover more than one fiscal year and represents the unexpended portion of that funding.

Donations are recognized as revenue when received. Restricted donations are recognized as revenue in the year in which the related expenses are incurred.

Resident rent, MSN health, Passport, Urgent response, Specialized Accommodations, and Restaurant sales revenue are recognized when products are delivered or services are provided.

Other revenue includes fees collected for services provided and are recognized as revenue when services are provided.

Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and reported amounts of revenue and expenses during the reporting period. Significant items subject to such estimates and assumptions and are based on management's best estimates include due from Ministry, accounts receivable, accounts payable and accrued liabilities, amounts due to MCCSS, deferred revenue and estimated future principal repayment of mortgages and loans payable. Actual results could differ from management's best estimates as additional information becomes available in the future.

Community Living North Bay Notes to Financial Statements

March 31, 2025

2. Financial Instruments

The following table provides cost and fair value information of financial instruments by category. The maximum exposure to credit risk would be the carrying value as shown below.

	2025		
	Fair Value	Amortized Cost	Total
Cash and cash equivalents	\$ 3,110,552	\$ -	\$ 3,110,552
Short-term investments	328,423	-	328,423
Accounts receivable	-	505,905	505,905
Accounts payable and accrued liabilities	-	(2,767,258)	(2,767,258)
Mortgages and loan payable	-	(2,373,690)	(2,373,690)
	\$ 3,438,975	\$ (4,635,043)	\$ (1,196,068)

3. Short-term Investments

	2025	2024
BMO Principal Protected Note (cost \$80,000)	\$ 77,752	\$ 74,829
Mutual Fund – Balanced (cost \$43,503)	64,845	59,288
Mutual Fund – Canadian Dividend (cost \$24,111)	76,442	68,301
TD Ultra Short-Term Bond (cost \$105,371)	109,384	104,064
	\$ 328,423	\$ 306,482

4. Accounts Receivable

	2025	2024
Coughlin and Associates	\$ -	\$ 45,000
HST rebate	60,836	49,828
Family Service Toronto	188,141	126,095
MCCSS	-	184,661
WSIB	181,753	-
Other receivables	75,175	114,244
	\$ 505,905	\$ 519,828

Community Living North Bay Notes to Financial Statements

March 31, 2025

5. Capital Assets

	2025		2024	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 1,036,153	\$ -	\$ 1,036,153	\$ -
Buildings	14,073,791	4,834,614	13,992,384	4,480,428
Paving	222,583	110,873	159,979	101,323
Septic System	157,372	157,372	157,372	157,372
Furniture and equipment	3,474,006	3,176,608	3,400,560	3,054,849
Vehicles	1,222,386	1,048,560	1,272,721	1,089,709
	\$ 20,186,291	\$ 9,328,027	\$ 20,019,169	\$ 8,883,681
Net book value		\$ 10,858,264		\$ 11,135,488

The Province of Ontario has a lien on the above noted land and buildings.

6. Accounts Payable and Accrued Liabilities

	2025	2024
Trade payables	\$ 529,234	\$ 456,119
Accrued salaries, vacation pay & benefits	1,036,365	988,796
Accrued liabilities	26,219	36,307
Due to funding agencies	1,165,440	1,384,836
	\$ 2,757,258	\$ 2,866,058

Accounts payable and accrued liabilities include \$209,902 (2024 - \$193,594) of government remittances.

7. Deferred Revenue

The organization receives funding from various agencies. The agreements which contain restrictions and extend into the next fiscal year are deferred and recognized when spent.

	2025	2024
DNSSAB – operating	\$ 36,264	\$ 21,920
Breakfast Club of Canada	34,391	36,843
DNSSAB – Best Start	19,633	19,633
WSIB Rebate	184,717	-
Other	87,889	78,858
	\$ 362,894	\$ 157,254

Community Living North Bay Notes to Financial Statements

March 31, 2025

8. Mortgages and Loans Payable

	2025	2024
Loan payable – 4.66%, repayable at blended payments of \$1,469 per month, due March 9, 2028 secured by real property with a net book value of \$441,750	241,721	246,358
Loan payable – 4.97%, repayable at blended payments of \$1,172 per month, due January 18, 2026, secured by real property with a net book value of \$208,259	146,700	150,550
Loan payable – 4.91%, repayable at blended payments of \$14,513 per month, due March 20, 2028, secured by real property with a net book value of \$3,412,418.	1,985,269	2,047,153
	2,373,690	2,444,061
Less amounts due within one year	338,482	2,444,061
	\$ 2,035,208	\$ -

The estimated principal repayments for the three years are as follows:

2026	\$ 338,482
2027	191,782
2028	1,843,426
	\$ 2,373,690

Estimated principal repayment is based on assumption that loans will be renewed at similar terms and conditions.

Included in building occupancy is interest on long-term debt of \$164,580 (2024 – \$134,168).

9. Credit Facility Agreement

The organization has an operating line of credit of \$300,000 (2024 - \$300,000). The loan is secured by a general security agreement on various properties and bears interest at the bank's prime lending rate plus 0%. At year end \$Nil (2024 - \$Nil) was drawn on this facility.

Community Living North Bay Notes to Financial Statements

March 31, 2025

10. Deferred Capital Contributions

Deferred capital contributions represent restricted contributions towards the purchase of buildings, equipment and vehicles, which are recognized as revenue to the same extent that the related capital asset is amortized.

	2025	2024
Balance at beginning of year	\$ 3,244,152	\$ 3,415,587
Add: Capital contributions received during the year	775	26,845
Less: Amounts amortized to revenue	(151,023)	(198,280)
	<u>\$ 3,093,904</u>	<u>\$ 3,244,152</u>

11. Economic Dependence

The organization receives a substantial portion of its revenue from the Ministry of Children, Community and Social Services and the District of Nipissing Social Services Administration Board and is dependent on those government organizations to deliver its programs.

12. Financial Instrument Risk Management

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 resulting from the possibility that a customer or counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The organization's financial instruments that are exposed to concentrations of credit risk relate primarily to the accounts receivable and cash and cash equivalents. The organization holds its cash accounts with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation. The organization's accounts receivable is made up of various amounts due from organizations or individuals in varying sectors (Note 4).

There have been no significant changes from the previous year in the exposure to risk or policies, procedures, and methods used to measure the risk.

Market Risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Community Living North Bay Notes to Financial Statements

March 31, 2025

12. Financial Instrument Risk Management (continued)

The organization is exposed to fluctuations in equity markets on its short term investments which are invested in mutual fund units which are based in part in shares of various Canadian publicly traded corporations.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures, and methods used to measure the risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The organization is exposed to this risk through its loans payable. Certain of the organizations loans payable have variable interest rates which involves risks of default on interest and principal and price changes due to, without limitation, such factors as interest rates and general economic conditions.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures, and methods used to measure the risk.

Liquidity Risk

Liquidity risk is the risk that the organization encounters difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the organization will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value which is less than what they are worth; or may be unable to settle or recover a financial asset. Liquidity risk arises from accounts payable, mortgages and loans payable and commitments.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures, and methods used to measure the risk.

13. Commitments

The organization has entered in various operating leases for premises and office equipment.

The minimum annual lease payments for the next three years are as follows:

2026	\$	15,725
2027		15,725
2028		5,349