Woodview Mental Health and Autism Services

Financial Statements

For the year ended March 31, 2024

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To the Directors of
Woodview Mental Health and Autism Services

Independent Auditors' Report

Opinion

We have audited the accompanying financial statements of Woodview Mental Health and Autism Services (the Organization), which comprise the statement of financial position as at March 31, 2024, and the statements of operations, changes in fund balances, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Woodview Mental Health and Autism Services 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 Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' 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 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.

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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 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 Auditing Standards (CASs), 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.

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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.

June 26, 2024
Burlington, Ontario

SB Partners LLP

Chartered Professional Accountants
Licensed Public Accountants

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Woodview Mental Health and Autism Services

Statement of Financial Position

March 31, 2024

Assets

	2024	2023
Current assets		
Cash and cash equivalents	$ **1,432,641**	$ 649,040
Short-term investments (Note 3)	**531,326**	506,558
Accounts receivable (Note 4)	**434,075**	1,008,993
Prepaids and deposits	**38,923**	37,215
	2,436,965	2,201,806
Restricted cash	**-**	2,946
Long-term investments (Note 5)	**2,009,862**	1,858,617
Capital assets (Note 6)	**2,390,842**	2,378,224
	$ **6,837,669**	$ 6,441,593

Liabilities

	2024	2023
Current liabilities		
Accounts payable and accrued liabilities (Note 7)	$ **614,409**	$ 709,651
Deferred revenue	**531,950**	157,482
Current portion of mortgage payable (Note 8)	**89,832**	83,878
	1,236,191	951,011
Mortgage payable (Note 8)	**560,356**	646,628
Deferred capital funding (Note 9)	**1,254,148**	1,169,366
Deferred revenue	**168,592**	507,595
	3,219,287	3,274,600

Net Assets

	2024	2023
Operating fund (Note 10)	**2,334,767**	1,957,442
Designated fund	**555,592**	535,243
Restricted fund (Note 11)	**728,023**	674,308
	3,618,382	3,166,993
	$ **6,837,669**	$ 6,441,593

Approved on Behalf of the Board

Director

Director

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

Woodview Mental Health and Autism Services

Statement of Changes in Fund Balances

Year Ended March 31, 2024

	Ministry Funded Operating Fund	General Operating Fund	Designated Fund	Restricted Fund	2024	2023
Fund balances, beginning of year	**$ -**	**$ 1,957,442**	**$ 535,243**	**$ 674,308**	**$ 3,166,993**	$ 2,671,344
Excess of revenues over expenditures	**-**	**377,325**	**20,349**	**53,715**	**451,389**	495,649
Fund balances, end of year	**$ -**	**$ 2,334,767**	**$ 555,592**	**$ 728,023**	**$ 3,618,382**	$ 3,166,993

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

Woodview Mental Health and Autism Services

Statement of Operations

Year Ended March 31, 2024

	Ministry Funded Operating Fund	General Operating Fund	Designated Fund	Restricted Fund	2024	2023
Revenue						
Ministry funding	$ 8,587,309	$ -	$ -	$ -	$ 8,587,309	$ 8,163,453
Fee for service	-	3,395,448	495	-	3,395,943	2,726,033
Ontario Autism Program	-	1,368,308	-	-	1,368,308	2,290,065
Stop Now and Plan	-	202,945	-	-	202,945	224,556
Administrative (net of management support)	-	141,953	-	-	141,953	131,625
Grants and community sponsorships	-	-	84,325	-	84,325	219,308
Fundraising and donations	-	-	79,447	-	79,447	118,581
Other revenue	94,870	24,963	-	37	119,870	75,483
	$ 8,682,179	$ 5,133,617	$ 164,267	$ 37	$ 13,980,100	$ 13,949,104
Expenditures						
Salaries and wages	$ 5,317,402	$ 3,317,833	$ 17,422	$ -	$ 8,652,657	$ 8,433,604
Employee benefits - statutory	467,489	297,909	1,535	-	766,933	699,689
Employee benefits - other	556,184	315,865	427	-	872,476	777,802
Central administration	805,395	-	-	-	805,395	759,417
Rent	296,840	204,828	-	-	501,668	498,174
Other supplies and equipment	205,914	118,245	124,218	-	448,377	606,265
Services related to repairs and maintenance	132,114	73,428	-	-	205,542	205,668
Professional services (non-client)	161,706	42,818	40	-	204,564	248,092
Travel	153,658	48,203	276	-	202,137	155,906
Purchased client services	112,940	63,974	-	-	176,914	242,740
Professional and contracted out services - IT	123,464	51,029	-	-	174,493	140,554
Staff training	112,126	32,639	-	-	144,765	118,347
Other services	62,130	46,883	-	-	109,013	131,019
Communication	53,551	16,114	-	-	69,665	79,429
Insurance	45,150	22,441	-	-	67,591	59,225
Utilities	30,714	26,800	-	-	57,514	63,505
Advertising and promotion	11,925	45,225	-	-	57,150	32,743
IT supplies and equipment	28,758	18,936	-	-	47,694	129,000
Supplies and equipment related to repairs and maintenance	4,719	5,973	-	-	10,692	12,761
Bad debts	-	10,218	-	-	10,218	73
	$ 8,682,179	$ 4,759,361	$ 143,918	$ -	$ 13,585,458	$ 13,394,013

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

Woodview Mental Health and Autism Services

Statement of Operations (Cont'd.)

Year Ended March 31, 2024

	Ministry Funded Operating Fund	General Operating Fund	Designated Fund	Restricted Fund	2024	2023
Excess of revenues over expenditures before other items	$ -	$ 374,256	$ 20,349	$ 37	$ 394,642	$ 555,091
Amortization of capital assets	(191,994)	(136,754)	-	-	(328,748)	(299,497)
Amortization of deferred capital funding (Note 9)	191,994	64,590	-	-	256,584	225,192
Interest on long-term debt	-	(19,352)	-	-	(19,352)	(21,657)
Unrealized gain on investments (Note 5)	-	94,585	-	53,678	148,263	36,520
Excess of revenues over expenditures	$ -	$ 377,325	$ 20,349	$ 53,715	$ 451,389	$ 495,649

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

Woodview Mental Health and Autism Services

Statement of Cash Flows

Year Ended March 31, 2024

	2024	2023
Cash flows from operating activities		
Excess of revenues over expenditures for the year	$ **451,389**	$ 495,649
Charges not involving cash		
Amortization of capital assets	**328,748**	299,497
Amortization of deferred capital funding	**(256,584)**	(225,192)
Unrealized gain on investments	**(148,263)**	(36,520)
	375,290	533,434
Net change in accounts receivable	**574,918**	(220,545)
Net change in accounts payable and accrued liabilities	**(95,242)**	157,500
Net change in deferred revenue	**35,465**	1,136
Net change in prepaids and deposits	**(1,708)**	23,756
Cash flows from operating activities	**888,723**	495,281
Cash flows from financing activities		
Repayment of mortgage payable	**(80,318)**	(81,555)
Cash flows used in financing activities	**(80,318)**	(81,555)
Cash flows from investing activities		
Purchase of long-term investments	**(2,982)**	-
Increase in short-term investments	**(24,768)**	(506,558)
Purchase of capital assets	**(341,366)**	(394,239)
Proceeds from deferred capital funding	**341,366**	394,240
Cash flows used in investing activities	**(27,750)**	(506,557)
Net increase (decrease) in cash and cash equivalents	**780,655**	(92,831)
Cash and cash equivalents, beginning of year	**651,986**	744,817
Cash and cash equivalents, end of year	$ **1,432,641**	$ 651,986
Cash and cash equivalents consist of:		
Cash and cash equivalents	$ **1,432,641**	$ 649,040
Restricted cash	**-**	2,946
	$ **1,432,641**	$ 651,986

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

1. Nature of operations

Woodview Mental Health and Autism Services (the "Centre") was established in 1960 and provides a broad spectrum of community-based mental health and autism services in the communities of Brant, Hamilton and Halton. The Centre is a charitable organization incorporated under the Corporations Act of Ontario as a not-for-profit organization without share capital.

2. Significant accounting policies

Basis of accounting

The financial statements of the Centre have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations.

Fund accounting

The Centre, which follows the deferral method of accounting for contributions, uses several funds to record its transactions.

The Centre operates programs pursuant to service contracts and agreements with the Ontario Ministry of Children, Community and Social Services and the Ontario Ministry of Health (the "Ministry"). Revenues and expenditures of the Centre related to the delivery of these services are recorded in the Statement of Operations in the Ministry Funded Operating Fund. Under these service contracts and agreements, any excess of revenue over expenditures of the Ministry funded programs for the fiscal year is repayable to the Ministry.

The Designated Fund represents contributions and expenditures related to specific programs run by the Centre, that are not externally restricted. These programs are funded by donations, fundraising proceeds, grants from sources other than the Ministry and fee for service revenue.

The Restricted Fund represents contributions and expenditures related to specific programs run by the Centre, that are externally restricted and the use of the funds is restricted by the Board of Directors. These programs are funded by donations, fundraising proceeds and grants from sources as described in Note 11.

All other revenues and expenditures of the Centre are recorded in the Statement of Operations in the General Operating Fund.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks. Bank borrowings to finance capital and operating expenditures are considered to be financing activities.

2. Significant accounting policies (cont'd.)

Leases

Leases are classified as either capital or operating leases. A lease that transfers substantially all the benefits and risks incidental to the ownership of property is classified as a capital lease. All other leases are accounted for as operating leases wherein rental payments are amortized on a straight-line basis over the term of the lease to rental expense. At the inception of a capital lease, an asset and an obligation is recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair value at the beginning of such lease.

Revenue recognition

Ministry funding is recorded as revenue to the Ministry Funded Operating Fund in the period in which the expenditures are incurred. Ministry funding received in excess of operating expenditures are recorded as amounts due to the Ministry. These grants are also subject to the review of the Ministry and adjustments, if any, arising therefrom are reflected as an adjustment to revenue in the period of such adjustments.

Unrestricted contributions are recognized as revenue in the General Operating Fund when received. Restricted contributions received for a specific program or a specific purpose are recognized as revenue when the related expenditures have been made.

Fee for service revenue is recognized as revenue when the services are performed.

Revenues from investments represents interest, dividends, and realized and unrealized gains and losses, net of administrative and management fees.

Donations in kind

Donations in kind are recorded at fair value when the fair market value can be reasonably estimated.

Capital assets and amortization

Capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is provided as follows:

Buildings	30 year straight-line
Building improvements and portables	10 year straight-line
Computer equipment and software	5 year straight-line
Furniture and fixtures	5 year straight-line
Office equipment	3 year straight-line
Vehicles	3 year straight-line

One-half the normal rate of amortization is provided for in the year of acquisition.

Deferred capital funding

Deferred capital funding consists of government and other grants which are received on account of capital and are deferred and amortized on a straight-line basis at rates corresponding to those of the related capital assets.

2. Significant accounting policies (cont'd.)

Deferred revenue

Deferred revenue represents designated funds received which have not yet been used for their specified purposes.

Income taxes

The Centre is a not-for-profit organization registered under the Income Tax Act (the "Act") and, as such, is exempt from income taxes and is able to issue donation receipts for income tax purposes. In order to maintain its status as a registered charity under the Act, the Centre must meet certain requirements of the Act. In the opinion of management, these requirements have been met.

Use of estimates

The preparation of financial statements 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 revenues and expense during the period. Actual results could differ from those estimates.

Financial instruments

The Centre's financial instruments consist of cash and cash equivalents, short-term investments, accounts receivable, long-term investments, accounts payable and accrued liabilities, and long-term debt. Short-term investments and long-term investments are initially recognized and subsequently measured at fair value without adjustment for transaction costs that would be incurred on disposal. Changes in fair value are recognized in net excess of revenue over expenditures for the period. All other financial instruments are initially recognized at fair value and subsequently measured at amortized cost. Transaction costs and financing fees associated with financial instruments carried at amortized cost are recorded as adjustments to the initial fair value recognized and amortized over the life of the financial instrument.

Impairment of long-lived assets

Property, plant and equipment subject to amortization are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

3. Short-term investments

	2024	2023
Guaranteed investment certificate	**$ 531,326**	$ 506,558

The guaranteed investment certificate has a principal of $523,419, bearing interest at a variable rate (4.95% per annum at year-end) and matures on December 11, 2024.

4. Accounts receivable

	2024	2023
Accounts receivable	**$ 247,911**	$ 362,186
Ministry receivable	**-**	444,460
H.S.T. receivable	**186,164**	202,347
	$ 434,075	$ 1,008,993

5. Long-term investments

	2024	2023
Oakville Community Foundation - unrestricted	**$ 1,281,839**	$ 1,187,254
Oakville Community Foundation - restricted	**728,023**	671,363
	$ 2,009,862	$ 1,858,617

In fiscal 2020, the Board of Directors passed a resolution to participate in pooled investing through the Oakville Community Foundation (the "Foundation").

The investments are recorded at market value as reported by the Foundation. The principal invested as of March 31, 2024 is $1,652,946 (2023 - $1,650,000). The Centre recognizes, on an annual basis, its pro-rata share of the total investment income, net of administration and management fees, generated by the Foundation.

6. Capital assets

	Cost	Accumulated Amortization	2024	2023
Land	**$ 205,250**	**$ -**	**$ 205,250**	$ 205,250
Buildings	**2,243,557**	**929,194**	**1,314,363**	1,383,112
Building improvements and portables	**1,469,412**	**1,071,599**	**397,813**	341,450
Computer equipment and software	**684,712**	**491,828**	**192,884**	254,918
Furniture and fixtures	**244,265**	**149,463**	**94,802**	47,863
Office equipment	**48,935**	**24,468**	**24,467**	40,779
Vehicles	**545,924**	**384,661**	**161,263**	104,852
	$ 5,442,055	**$ 3,051,213**	**$ 2,390,842**	$ 2,378,224

7. Accounts payable and accrued liabilities

	2024	2023
Accounts payable and accrued liabilities	**$ 219,091**	$ 261,649
Ministry payable	**136,823**	212,912
Salaries payable	**258,495**	235,090
	$ 614,409	$ 709,651

8. Mortgage payable

	2024	2023
Royal Bank of Canada term loan, repayable in semi-monthly blended payments of $4,300, bearing interest at 2.8% per annum, matures December 18, 2025, secured by the property located at 643 Park Road North, Brantford, Ontario	**$ 650,188**	$ 730,506
Less: Current portion	**(89,832)**	(83,878)
	$ 560,356	$ 646,628

Minimum required principal repayments are as follows:

2025	$ 89,832
2026	560,356
	$ 650,188

9. Deferred capital funding

	2024	2023
Balance, beginning of year	**$ 1,169,366**	$ 1,000,318
- Ministry capital funding	**338,400**	317,485
- Other capital funding	**2,966**	76,755
Amortization of deferred capital funding	**(256,584)**	(225,192)
Balance, end of year	**$ 1,254,148**	$ 1,169,366

10. Operating fund

	2024	2023
Invested in capital assets		
Capital assets	**$ 2,390,842**	$ 2,378,224
Deferred capital funding	**(1,254,148)**	(1,169,366)
Mortgage payable	**(650,188)**	(730,506)
	486,506	478,352
Add: net assets from general operations	**$ 1,848,261**	$ 1,479,090
	2,334,767	1,957,442

11. Restricted fund

	2024	2023
Hamilton Autism Sustainability fund	**728,023**	674,308

12. Operating lease commitments

Future minimum payments for operating leases that have initial or remaining terms of one year or more consist of the following amounts:

	Premises	Equipment
2025	$ 505,180	$ 21,132
2026	106,492	8,452
2027	95,696	7,266
2028	73,503	1,509
2029	65,324	-
	$ 846,195	$ 38,359

13. Financial instruments

The Centre is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Centre's risk exposure and concentration as of March 31, 2024.

Credit risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Centre is exposed to credit risk from clients. The Centre does not obtain collateral or other security to support the accounts receivable subject to credit risk but mitigates this risk by dealing only with what management believes to be financially sound counterparties and, accordingly, does not anticipate significant loss for non-performance. The Centre has a significant number of clients which minimizes concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that the Centre will not be able to meets its obligations associated with financial liabilities. The Centre’s exposure to liquidity risk is dependent on the collection of accounts receivable, purchasing commitments and obligations or raising of funds to meet commitments and sustain operations. The Centre controls liquidity risk by management of working capital, cash flows and the availability of borrowing facilities.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. The mortgage payable is at a fixed rate of interest and is paid based on the contractual requirements of the debt instrument. A change in the market interest rates has no impact on cash flows to service this debt. The mortgage payable is at a fixed rate until December 2025 at which time, changes in the market rates may result in a change to the cash flows required to service this debt.

Market risk

The Centre's long-term investments exposes the Centre to price risks as equity investments are subject to price changes in an open market due to market movements, global markets and changes to market rates of interest.

Other risk

Unless otherwise noted, it is management's opinion that the Centre is not exposed to significant currency risk.

14. Comparative information

The comparative figures for 2023 have been reclassified where necessary to conform with the 2024 financial statement presentation.