

**COMMUNITY LIVING TRENT HIGHLANDS**

**FINANCIAL STATEMENTS**

**MARCH 31, 2024**

**COMMUNITY LIVING TRENT HIGHLANDS**

**FINANCIAL STATEMENTS**

**MARCH 31, 2024**

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## **INDEPENDENT AUDITOR'S REPORT**

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**To the Directors of Community Living Trent Highlands**

**[www.bakertilly.ca](http://www.bakertilly.ca)**

### *Opinion*

We have audited the financial statements of Community Living Trent Highlands (the Organization), which comprise the statement of financial position as at March 31, 2024, the statements of operations, changes in fund balances 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, 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 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.

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Peterborough

Courtice

Lindsay

Cobourg

### *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.

***Baker Tilly KDN LLP***

Chartered Professional Accountants  
Licensed Public Accountants

Peterborough, Ontario  
June 20, 2024

# COMMUNITY LIVING TRENT HIGHLANDS

## STATEMENT OF FINANCIAL POSITION As at March 31, 2024

|                                                   | Operating<br>Fund<br>2024<br>\$ | Capital<br>Asset Fund<br>2024<br>\$ | Internally<br>Restricted<br>Fund<br>2024<br>\$ | Total<br>2024<br>\$ | Total<br>2023<br>\$ |
|---------------------------------------------------|---------------------------------|-------------------------------------|------------------------------------------------|---------------------|---------------------|
| <b>ASSETS</b>                                     |                                 |                                     |                                                |                     |                     |
| <b>Current assets</b>                             |                                 |                                     |                                                |                     |                     |
| Cash                                              | 1,809,995                       | -                                   | 1,510,450                                      | 3,320,445           | 4,019,738           |
| Investments (note 3)                              | 174,281                         | -                                   | -                                              | 174,281             | 173,998             |
| Accounts receivable                               | 3,268,887                       | -                                   | -                                              | 3,268,887           | 2,774,647           |
| Prepaid expenses                                  | 48,004                          | -                                   | -                                              | 48,004              | 56,666              |
| Due from (to) other funds                         | (1,679,081)                     | -                                   | 1,679,081                                      | -                   | -                   |
|                                                   | 3,622,086                       | -                                   | 3,189,531                                      | 6,811,617           | 7,025,049           |
| <b>Other assets</b>                               |                                 |                                     |                                                |                     |                     |
| Tangible capital assets (note 4)                  | -                               | 5,689,180                           | -                                              | 5,689,180           | 6,079,740           |
|                                                   | 3,622,086                       | 5,689,180                           | 3,189,531                                      | 12,500,797          | 13,104,789          |
| <b>LIABILITIES AND FUND BALANCES</b>              |                                 |                                     |                                                |                     |                     |
| <b>Current liabilities</b>                        |                                 |                                     |                                                |                     |                     |
| Accounts payable and accrued liabilities (note 5) | 2,933,260                       | -                                   | -                                              | 2,933,260           | 3,076,452           |
| Deferred revenue (note 10)                        | 907,106                         | -                                   | -                                              | 907,106             | 958,816             |
| Current portion of long term debt (note 7)        | -                               | 147,041                             | -                                              | 147,041             | 885,121             |
|                                                   | 3,840,366                       | 147,041                             | -                                              | 3,987,407           | 4,920,389           |
| <b>Long term liabilities</b>                      |                                 |                                     |                                                |                     |                     |
| Long term debt (note 7)                           | -                               | 1,260,922                           | -                                              | 1,260,922           | 651,772             |
| Deferred capital contributions (note 8)           | -                               | 1,432,198                           | -                                              | 1,432,198           | 1,653,431           |
|                                                   | -                               | 2,693,120                           | -                                              | 2,693,120           | 2,305,203           |
|                                                   | 3,840,366                       | 2,840,161                           | -                                              | 6,680,527           | 7,225,592           |
| <b>Fund balances</b>                              |                                 |                                     |                                                |                     |                     |
| Internally restricted                             | -                               | -                                   | 3,189,531                                      | 3,189,531           | 3,060,359           |
| Invested in capital assets                        | -                               | 2,849,019                           | -                                              | 2,849,019           | 2,889,416           |
| Unrestricted                                      | (218,280)                       | -                                   | -                                              | (218,280)           | (70,578)            |
|                                                   | (218,280)                       | 2,849,019                           | 3,189,531                                      | 5,820,270           | 5,879,197           |
|                                                   | 3,622,086                       | 5,689,180                           | 3,189,531                                      | 12,500,797          | 13,104,789          |

The accompanying notes are an integral part of these financial statements

# COMMUNITY LIVING TRENT HIGHLANDS

## STATEMENT OF CHANGES IN FUND BALANCES

For the Year Ended March 31, 2024

|                                                              | Operating<br>Fund<br>2024<br>\$ | Capital<br>Asset Fund<br>2024<br>\$ | Internally<br>Restricted<br>Fund<br>2024<br>\$ | Total<br>2024<br>\$ | Total<br>2023<br>\$ |
|--------------------------------------------------------------|---------------------------------|-------------------------------------|------------------------------------------------|---------------------|---------------------|
| <b>Fund balances - beginning of year</b>                     | (70,578)                        | 2,889,416                           | 3,060,359                                      | 5,879,197           | 5,709,642           |
| Excess/(deficiency) of revenue over expenditure for the year | 227,863                         | (286,790)                           | -                                              | (58,927)            | 169,555             |
| Transfer for long term debt repayments                       | (128,930)                       | 128,930                             | -                                              | -                   | -                   |
| Board approved transfer to internally restricted fund        | (129,172)                       | -                                   | 129,172                                        | -                   | -                   |
| Purchase of tangible capital assets                          | (117,463)                       | 117,463                             | -                                              | -                   | -                   |
| <b>Fund balances - end of year</b>                           | <b>(218,280)</b>                | <b>2,849,019</b>                    | <b>3,189,531</b>                               | <b>5,820,270</b>    | <b>5,879,197</b>    |

The accompanying notes are an integral part of these financial statements

# COMMUNITY LIVING TRENT HIGHLANDS

## STATEMENT OF OPERATIONS For the Year Ended March 31, 2024

|                                                                      | Operating<br>Fund<br>2024<br>\$ | Capital<br>Asset Fund<br>2024<br>\$ | Internally<br>Restricted<br>Fund<br>2024<br>\$ | Total<br>2024<br>\$ | Total<br>2023<br>\$ |
|----------------------------------------------------------------------|---------------------------------|-------------------------------------|------------------------------------------------|---------------------|---------------------|
| <b>Revenue</b>                                                       |                                 |                                     |                                                |                     |                     |
| Province of Ontario (note 9)                                         | 26,841,821                      | -                                   | -                                              | 26,841,821          | 26,554,622          |
| City of Kawartha Lakes                                               | 1,296,942                       | -                                   | -                                              | 1,296,942           | 1,529,483           |
| Program revenue                                                      | 4,122,692                       | -                                   | -                                              | 4,122,692           | 3,031,910           |
| Rentals                                                              | 1,516,204                       | -                                   | -                                              | 1,516,204           | 1,461,135           |
| Amortization of deferred capital<br>contributions (note 8)           | -                               | 221,233                             | -                                              | 221,233             | 158,654             |
| Donations and fundraising                                            | 49,232                          | -                                   | -                                              | 49,232              | 39,147              |
| Interest and other                                                   | 329,603                         | -                                   | -                                              | 329,603             | 170,986             |
| <b>Total revenue</b>                                                 | <b>34,156,494</b>               | <b>221,233</b>                      | <b>-</b>                                       | <b>34,377,727</b>   | <b>32,945,937</b>   |
| <b>Expenses</b>                                                      |                                 |                                     |                                                |                     |                     |
| Salaries and benefits                                                | 21,339,892                      | -                                   | -                                              | 21,339,892          | 20,679,512          |
| Purchased services                                                   | 9,494,047                       | -                                   | -                                              | 9,494,047           | 8,604,119           |
| Occupancy costs                                                      | 1,110,470                       | -                                   | -                                              | 1,110,470           | 1,059,179           |
| Amortization                                                         | -                               | 508,023                             | -                                              | 508,023             | 425,075             |
| Advertising and promotion                                            | 2,781                           | -                                   | -                                              | 2,781               | 3,727               |
| Training costs                                                       | 185,893                         | -                                   | -                                              | 185,893             | 175,602             |
| Insurance                                                            | 187,602                         | -                                   | -                                              | 187,602             | 156,419             |
| Interest                                                             | 82,334                          | -                                   | -                                              | 82,334              | 73,620              |
| Office                                                               | 564,046                         | -                                   | -                                              | 564,046             | 531,937             |
| Repairs and maintenance                                              | 847,182                         | -                                   | -                                              | 847,182             | 988,249             |
| Travel                                                               | 114,384                         | -                                   | -                                              | 114,384             | 78,943              |
| <b>Total expenses</b>                                                | <b>33,928,631</b>               | <b>508,023</b>                      | <b>-</b>                                       | <b>34,436,654</b>   | <b>32,776,382</b>   |
| <b>Excess (deficiency) of revenue<br/>over expenses for the year</b> | <b>227,863</b>                  | <b>(286,790)</b>                    | <b>-</b>                                       | <b>(58,927)</b>     | <b>169,555</b>      |

The accompanying notes are an integral part of these financial statements

# COMMUNITY LIVING TRENT HIGHLANDS

## STATEMENT OF CASH FLOWS For the Year Ended March 31, 2024

|                                                           | 2024<br>\$       | 2023<br>\$       |
|-----------------------------------------------------------|------------------|------------------|
| <b>CASH PROVIDED FROM (USED FOR):</b>                     |                  |                  |
| <b>Operating activities</b>                               |                  |                  |
| Excess of revenue over expenses for the year              | (58,927)         | 169,555          |
| Non-cash charges to operations                            |                  |                  |
| Amortization of tangible capital assets                   | 508,023          | 425,075          |
| Amortization of deferred capital contributions            | (221,233)        | (158,654)        |
|                                                           | <u>227,863</u>   | <u>435,976</u>   |
| Changes in non-cash working capital items                 |                  |                  |
| Accounts receivable                                       | (494,240)        | (1,104,999)      |
| Prepaid expenses                                          | 8,662            | 37,021           |
| Accounts payable and accrued liabilities                  | (143,192)        | 84,682           |
| Deferred revenue                                          | (51,710)         | 467,564          |
|                                                           | <u>(680,480)</u> | <u>(515,732)</u> |
| Net increase/(decrease) in cash from operating activities | <u>(452,617)</u> | <u>(79,756)</u>  |
| <b>Investing activities</b>                               |                  |                  |
| Purchase of tangible capital assets                       | (117,463)        | (108,653)        |
| Disposal of investments                                   | 200,125          | 191,660          |
| Purchase of investments                                   | (200,408)        | (151,269)        |
| Net decrease in cash from investing activities            | <u>(117,746)</u> | <u>(68,262)</u>  |
| <b>Financing activities</b>                               |                  |                  |
| Repayment of long term debt                               | (128,930)        | (74,375)         |
| Net increase/(decrease) in cash from financing activities | <u>(128,930)</u> | <u>(74,375)</u>  |
| <b>Decrease in cash</b>                                   | <u>(699,293)</u> | <u>(222,393)</u> |
| <b>Cash - beginning of year</b>                           | <u>4,019,738</u> | <u>4,242,131</u> |
| <b>Cash - end of year</b>                                 | <u>3,320,445</u> | <u>4,019,738</u> |

The accompanying notes are an integral part of these financial statements



# COMMUNITY LIVING TRENT HIGHLANDS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended March 31, 2024

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### 1. NATURE OF OPERATIONS

Community Living Trent Highlands ("the Organization") is a not-for-profit organization that was established on April 1, 2017 through the amalgamation of Community Living Central Highlands and Community Living Peterborough. The Organization is incorporated without share capital, to provide support and services which promote the personal growth, community participation of people with intellectual disabilities and their families. The Organization serves the communities of Haliburton, Kawartha Lakes, and Peterborough.

### 2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations. Significant aspects of the accounting policies are as follows:

#### (a) *Recognition of revenues and expenses*

Revenues and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues in the period in which the transactions or events occurred that give rise to the revenue; expenses are recognized in the period the goods or services are acquired and a legal liability is incurred or transfers are due.

The Organization follows the deferral method of accounting for contributions, which includes donations and government grants. Restricted contributions are recognized as revenue in the year 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. Program revenue and rental revenue are recognized as revenue when the related service is provided.

Capital contributions are deferred and amortized on the same basis and rate as the amortization of the related tangible capital assets.

Investment income is recognized as revenue when earned in the appropriate fund.

#### (b) *Government grants*

The various programs are eligible for operating subsidies from the Ontario Ministry of Children, Community and Social Services. The Ministry will pay the Organization for admissible expenditures incurred up to the funding contracts. While the revenue from these funding contracts is recorded in the current period, the reimbursement of these amounts is ultimately dependent upon their acceptance by the Ministry of Children, Community and Social Services.

#### (c) *Fund accounting*

Community Living Trent Highlands uses the deferral method of accounting and reports on a fund accounting basis. The three funds maintained are the operating fund, capital asset fund and the internally restricted fund. The funds are classified as follows:

- (i) Operating fund - includes results of day-to-day operating transactions and all unrestricted contributions;
- (ii) Capital asset fund - includes the Organization's assets, liabilities, revenue and expenses related to the tangible capital assets; and
- (iii) Internally restricted fund - includes revenues and expenses related to funds internally restricted by the Board for various projects.

# COMMUNITY LIVING TRENT HIGHLANDS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended March 31, 2024

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### 2. SIGNIFICANT ACCOUNTING POLICIES, continued

#### (d) *Tangible capital assets*

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, if any, of tangible capital assets is amortized, over the expected useful life of the asset, as follows:

|                                    |               |
|------------------------------------|---------------|
| Building and building improvements | 40 years      |
| Equipment and furnishings          | 5 years       |
| Computer equipment                 | 4 years       |
| Vehicles                           | 5 years       |
| Leasehold improvements             | Term of lease |

Tangible capital assets are reviewed for impairment whenever events or conditions indicate that the assets no longer contribute to the Organization's ability to provide services or that the service potential of the assets are less than their net carrying amount. When conditions indicate that a tangible capital asset is impaired, the net carrying amount of the asset is written down to the asset's fair value or replacement cost.

#### (e) *Income taxes*

The Organization qualifies as a not-for-profit organization which is exempt from income taxes under the Income Tax Act.

#### (f) *Use of estimates*

The preparation of financial statements in conformity 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year.

Key areas where management has made complex or subjective judgments (often as a result of matters that are inherently uncertain) include, among others, revenue recognition, accounts payable and accrued liabilities and useful lives of tangible capital assets and amortization. Actual results could differ from these and other estimates, the impact of which would be recorded in future periods.

#### (g) *Volunteer services*

Volunteers contribute a significant amount of time to assist in the Organization's activities. While these services benefit the Organization considerably, a reasonable estimate of their amounts and fair value cannot be made and, accordingly, these volunteer services are not recognized in the financial statements.

# COMMUNITY LIVING TRENT HIGHLANDS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended March 31, 2024

### 2. SIGNIFICANT ACCOUNTING POLICIES, continued

#### (h) Financial instruments

##### (i) Measurement

The Organization initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument. The Organization subsequently measures its financial assets and financial liabilities at amortized cost, except for those instruments that are quoted in an active market. Financial assets measured at amortized cost include cash, investments, and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, and long term debt. The Organization has no financial instruments measured at fair value.

##### (ii) Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in the statement of operations.

### 3. INVESTMENTS

Investments are recorded at cost plus accrued interest and consist of the following:

|                                                                         | 2024    | 2023    |
|-------------------------------------------------------------------------|---------|---------|
|                                                                         | \$      | \$      |
| GIC, maturing September 9, 2024, bearing interest at 2.25% per annum    | 11,497  | -       |
| GIC, maturing January 27, 2025, bearing interest at 4.9% per annum      | 100,886 | -       |
| Prime-linked GIC, maturing August 2, 2024 with a variable interest rate | 61,898  | -       |
| GIC, maturing July 4, 2023, bearing interest at 1.60% per annum         | -       | 21,519  |
| GIC, maturing September 9, 2023, bearing interest at 0.75% per annum    | -       | 11,316  |
| GIC, maturing January 22, 2024, bearing interest at 4.6% per annum      | -       | 100,845 |
| GIC, maturing July 24, 2023, bearing interest at 4.3% per annum         | -       | 40,318  |
|                                                                         | 174,281 | 173,998 |

# COMMUNITY LIVING TRENT HIGHLANDS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended March 31, 2024

### 4. TANGIBLE CAPITAL ASSETS

Tangible capital assets consist of the following:

|                                    | Cost       | Accumulated<br>Amortization | Net Book Value |           |
|------------------------------------|------------|-----------------------------|----------------|-----------|
|                                    | \$         | \$                          | 2024           | 2023      |
|                                    |            |                             | \$             | \$        |
| Land                               | 1,540,479  | -                           | 1,540,479      | 1,540,479 |
| Building and building improvements | 6,148,483  | 3,259,657                   | 2,888,826      | 3,122,630 |
| Vehicles                           | 1,103,806  | 816,535                     | 287,271        | 312,144   |
| Equipment and furnishings          | 1,147,181  | 925,907                     | 221,274        | 240,792   |
| Leasehold improvements             | 1,566,036  | 814,706                     | 751,330        | 863,695   |
| Computer equipment                 | 393,899    | 393,899                     | -              | -         |
|                                    | 11,899,884 | 6,210,704                   | 5,689,180      | 6,079,740 |

The Organization owns several properties that were partially funded by the Ministry of Children, Community and Social Services. Upon disposition of these properties, a portion of the proceeds must be repaid to the Ministry.

### 5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of the following:

|                                          | 2024      | 2023      |
|------------------------------------------|-----------|-----------|
|                                          | \$        | \$        |
| Accounts payable and accrued liabilities | 1,737,602 | 1,897,370 |
| Accrued vacation                         | 979,954   | 979,954   |
| Government remittances                   | 215,704   | 199,128   |
|                                          | 2,933,260 | 3,076,452 |

### 6. ECONOMIC DEPENDENCE

The Organization's major source of revenue is in the form of subsidies from the Ontario Ministry of Children, Community and Social Services. The nature and extent of this revenue is of such significance as to affect the viability of the Organization and, accordingly, it can be said that the Organization is economically dependent upon the Ontario government.

# COMMUNITY LIVING TRENT HIGHLANDS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended March 31, 2024

### 7. LONG TERM DEBT

Long term debt consists of the following:

|                                                                                                                                                        | 2024<br>\$ | 2023<br>\$ |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------|
| Mortgage payable, 7.16%, repayable \$2,108 per month principal and interest, due October 31, 2027, secured by general security agreement and property. | 161,268    | -          |
| Mortgage payable, 7.14%, repayable \$2,460 per month principal and interest, due June 26, 2026, secured by general security agreement and property.    | 230,468    | -          |
| Mortgage payable, 6.52%, repayable \$1,280 per month principal and interest, due April 12, 2024, secured by general security agreement and property.   | 91,755     | -          |
| Mortgage payable, 7.24%, repayable \$2,375 per month principal and interest, due November 3, 2025, secured by general security agreement and property. | 256,681    | -          |
| Mortgage payable, 4.56%, repayable \$3,943 per month principal and interest, due November 1, 2031, secured by general security agreement and property. | 667,791    | 683,956    |
| Mortgage payable, 3.96%, repayable \$1,513 per month principal and interest, due April 12, 2023, secured by general security agreement and property.   | -          | 113,282    |
| Mortgage payable, 4.40%, repayable \$1,981 per month principal and interest, due October 4, 2023, secured by general security agreement and property.  | -          | 267,840    |
| Mortgage payable, 3.95%, repayable \$2,612 per month principal and interest, due June 26, 2023, secured by general security agreement and property.    | -          | 274,998    |
| Mortgage payable, 4.35%, repayable \$1,873 per month principal and interest, due October 31, 2023, secured by general security agreement and property. | -          | 196,817    |
|                                                                                                                                                        | 1,407,963  | 1,536,893  |
| Less principal payments due within one year                                                                                                            | (147,041)  | (885,121)  |
| Due beyond one year                                                                                                                                    | 1,260,922  | 651,772    |

# COMMUNITY LIVING TRENT HIGHLANDS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended March 31, 2024

### 7. LONG TERM DEBT, continued

The principal payments due in each of the next five years are as follows:

|                           | \$               |
|---------------------------|------------------|
| 2025                      | 147,041          |
| 2026                      | 294,313          |
| 2027                      | 237,635          |
| 2028                      | 135,042          |
| 2029                      | 20,663           |
| 2030 and subsequent years | 573,269          |
|                           | <u>1,407,963</u> |

### 8. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions relate to restricted funding received for purchases of tangible capital assets. Changes in deferred capital contribution balances are as follows

|                                    | 2024             | 2023             |
|------------------------------------|------------------|------------------|
|                                    | \$               | \$               |
| Balance, beginning of year         | 1,653,431        | 1,812,085        |
| Less: amounts amortized to revenue | (221,233)        | (158,654)        |
| Balance, end of year               | <u>1,432,198</u> | <u>1,653,431</u> |

### 9. PROVINCE OF ONTARIO

Province of Ontario revenue consists of the following:

|                                                     | 2024              | 2023              |
|-----------------------------------------------------|-------------------|-------------------|
|                                                     | \$                | \$                |
| Ministry of Children, Community and Social Services | 26,728,466        | 26,488,762        |
| Special Services at Home                            | 113,355           | 65,860            |
|                                                     | <u>26,841,821</u> | <u>26,554,622</u> |

# COMMUNITY LIVING TRENT HIGHLANDS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended March 31, 2024

### 10. DEFERRED REVENUE

The following amounts are included in deferred revenue:

|                        | 2024    | 2023    |
|------------------------|---------|---------|
|                        | \$      | \$      |
| Province of Ontario    | 31,771  | 31,771  |
| City of Kawartha Lakes | 624,679 | 629,075 |
| Other                  | 250,656 | 297,970 |
|                        | 907,106 | 958,816 |

The continuity of deferred contributions are as follows:

|                              | 2024      | 2023      |
|------------------------------|-----------|-----------|
|                              | \$        | \$        |
| Balance - beginning of year  | 958,816   | 491,252   |
| Add amounts received:        |           |           |
| City of Kawartha Lakes       | 1,292,546 | 1,958,559 |
| Other                        | 121,427   | 43,468    |
|                              | 1,413,973 | 2,002,027 |
| Less transfer to operations: |           |           |
| City of Kawartha Lakes       | 1,296,942 | 1,529,483 |
| Other                        | 168,741   | 4,980     |
|                              | 1,465,683 | 1,534,463 |
| Balance - end of year        | 907,106   | 958,816   |

### 11. PENSION PLAN

All employees of the Organization are eligible to be members of the Community Living Trent Highlands Pension Plan, which is a registered pension plan in the Province of Ontario. The plan is a defined contribution pension plan. The Organization matches the employee contributions up to 3% of each member's annual earnings. For the year ended March 31, 2024, the Organization contributed \$359,513 (2023 - \$392,867) to the plan on behalf of its employees. As this is a defined contribution pension plan, these contributions are the Organization's pension benefit expenses, and no pension liability for this plan is in the Organization's financial statements.

# COMMUNITY LIVING TRENT HIGHLANDS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended March 31, 2024

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### 12. FINANCIAL INSTRUMENTS

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

(a) Interest rate price risk

Interest rate price risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The value of fixed income securities will generally rise if interest rates fall and conversely fall when rates rise. The Organization is subject to interest rate price risk related to its investments and its long term debt.

(b) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Organization has limited exposure to credit risk as tenant receivables are rare and all other receivables are due from funders.

(c) Additional risk

Unless otherwise noted, it is management's opinion that the Organization is not exposed to significant other risks arising from these financial instruments.

### 13. COMMITMENT

The Organization's total commitments, under various operating leases and a property lease agreement, exclusive of occupancy costs, are as follows:

|      |                  |
|------|------------------|
| 2025 | \$310,734        |
| 2026 | 291,002          |
| 2027 | 291,361          |
| 2028 | 302,435          |
| 2029 | 304,932          |
|      | <u>1,500,464</u> |