

Albion Neighbourhood Services

Financial Statements

December 31, 2019

Albion Neighbourhood Services
FINANCIAL STATEMENTS
December 31, 2019

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Independent Auditor's Report

To the Members of Albion Neighbourhood Services

Opinion

We have audited the financial statements of Albion Neighbourhood Services, which comprise the statement of financial position as at December 31, 2019, and the statements of changes in net assets, operations 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 December 31, 2019, and its results of 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 ASNPO, 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.

Independent Auditor's Report — continued

- ◆ 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 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.

Booth & Partners CPA Prof. Corp

Booth & Partners CPA Professional Corporation
Authorized to practise public accounting by The Institute of Chartered Professional Accountants of Ontario

Toronto, Ontario
May 8, 2020

Albion Neighbourhood Services
STATEMENT OF FINANCIAL POSITION

As at December 31, 2019

2019

2018

Assets

Current assets

Cash	\$ 795,794	\$ 686,102
Accounts receivable	22,036	32,176
Prepaid expenses	6,297	7,191
HST rebate recoverable	22,457	18,736

TOTAL ASSETS

\$ 846,584	\$ 744,205
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Liabilities

Current liabilities

Accounts payable and accrued liabilities	\$ 135,883	\$ 119,189
Payroll source deductions payable	22,436	23,684
Deferred contributions (Note 3)	364,684	286,873

TOTAL LIABILITIES

523,003	429,746
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Designated (Note 4)
 Unrestricted

33,621	33,621
289,960	280,838

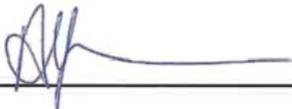
323,581	314,459
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TOTAL LIABILITIES AND FUND BALANCES

\$ 846,584	\$ 744,205
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On behalf of the Board

 Member



 Member

Albion Neighbourhood Services
STATEMENT OF CHANGES IN NET ASSETS

For the year ended December 31, 2019	2019	2018
Net assets, beginning of year	\$ 280,838	\$ 257,078
Excess of revenue over expenditures	9,122	23,760
Net assets, end of year	<u>\$ 289,960</u>	<u>\$ 280,838</u>

Albion Neighbourhood Services
STATEMENT OF OPERATIONS

For the year ended December 31, 2019

2019**2018**

Revenue		
Contributions (Note 5)	\$ 3,153,381	\$ 3,170,935
User fees	106,833	99,077
Interest income	6,931	7,419
In-kind (Note 10)	98,000	98,000
	<hr/>	<hr/>
Total revenue	3,365,145	3,375,431
	<hr/>	<hr/>
Expenditures		
Advertising and promotion	3,422	1,745
Fundraising	20,298	17,812
Program (Note 8)	313,616	311,427
Minor equipment	21,043	23,178
Other	13,939	16,664
Office and general	63,612	68,204
Professional fees	21,465	15,288
Occupancy (Notes 9 and 10)	282,240	250,466
Personnel (Notes 6 and 10)	2,564,858	2,600,326
Volunteers	10,887	10,206
Travel	24,270	18,132
Training	16,373	18,223
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Total expenditures	3,356,023	3,351,671
	<hr/>	<hr/>
Excess of revenue over expenditures	\$ 9,122	\$ 23,760

Albion Neighbourhood Services
STATEMENT OF CASH FLOWS

For the year ended December 31, 2019

2019**2018**

Operating activities

Excess of revenue over expenditures \$ 9,122 \$ 23,760

Changes in non-cash working capital items

Accounts receivable	10,140	36,969
Prepaid expenses	894	389
Government remittances	(3,721)	2,322
Accounts payable and accrued liabilities	16,694	(38,468)
Payroll source deductions payable	(1,248)	4,362
Deferred contributions	77,811	(79,805)

100,570 (74,231)

Net cash provided by (used in) operating activities

109,692 (50,471)

Investing activities

Guaranteed investment certificates redeemed - 150,128

Net cash provided by investing activities

- 150,128

Increase in cash

109,692 99,657

Cash, beginning of year

686,102 586,445

Cash, end of year

\$ 795,794 \$ 686,102

Albion Neighbourhood Services

NOTES TO FINANCIAL STATEMENTS

For the year ended December 31, 2019

1. Nature of operations

Albion Neighbourhood Services (the "Organization") is incorporated without share capital in the Province of Ontario. The Organization is exempt from income tax in Canada as a registered charitable organization under the Income Tax Act (Canada).

The Organization works in partnership with the community to enhance peoples' lives through the delivery of programs, services and supports that are engaging, accessible and responsive.

2. Summary of significant accounting policies

The Organization applies the Canadian accounting standards for not-for-profit organizations.

Revenue recognition

The principal sources of revenue and recognition of these revenues for financial statement purposes are as follows:

Contributions

The Organization follows the deferral method of revenue recognition for contributions. Externally restricted contributions, including grants and restricted donations, related to current expenses are recognized as revenue in the current year. Externally restricted contributions received in the year for expenses to be incurred in the following year are recorded as deferred contributions.

Unrestricted contributions, including donations and amounts received from fundraising in the current year, are recognized as revenue when received.

In-kind contributed personnel and occupancy costs

Personnel and occupancy costs contributed to the Organization are recorded as in-kind contributions and in-kind expenses based on their estimated fair value.

Other contributed materials and services

Other contributed materials and services which are normally purchased by the Organization are not recorded in the accounts. Volunteers contribute their time to assist the Organization in delivering its services. Because of the difficulty of determining the fair value, contributed services are not recognized in the financial statements.

User fees

User fees revenue is recognized when services are delivered.

Interest income

Interest income is recognized as revenue as it is earned, over the term of the guaranteed investment certificates.

Financial instruments

The Organization's financial instruments include cash, guaranteed investment certificates, amounts receivable, accounts payable and accrued liabilities. Amounts receivable, accounts payable and accrued liabilities are initially recorded at fair value and are subsequently recorded net of any provisions for impairment in value. Guaranteed investment certificates are recorded at cost plus accrued interest, which approximates fair value.

Albion Neighbourhood Services

NOTES TO FINANCIAL STATEMENTS

For the year ended December 31, 2019

3. Deferred contributions

The following contributions have been deferred at the year end:

	Balance, beginning of year	Received	Recognized	Balance, end of year
Deferred contributions	\$ 286,873	\$ 3,231,192	\$ (3,153,381)	\$ 364,684
			<u>2019</u>	<u>2018</u>
Boys and Girls Club of Canada			\$ 51,624	\$ 47,017
United Way of Greater Toronto and York Region			90,375	63,810
Province of Ontario - MTCS			33,547	-
City of Toronto - Shelter Support and Housing			26,175	42,401
City of Toronto - Other			19,154	4,219
Ontario Trillium Foundation			82,081	41,278
The Geoffrey H. Wood Foundation In Trust for AFEY			10,000	10,000
The W. Garfield Weston Foundation			-	15,000
Other Foundations			15,215	4,954
Neighbourhood Information Post			13,474	16,313
Rexdale Community Health Centre			2,890	2,890
Other Agencies			4,245	-
Terri Noseworthy Scholarship Fund			9,513	9,513
Other			6,392	29,478
TOTAL			<u>\$ 364,684</u>	<u>\$ 286,873</u>

4. Designated

As at December 31, 2019, the Board of Directors of the Organization has designated net assets of \$33,621 for future capital initiatives and to provide for the cost of replacing minor capital equipment (\$33,621 designated as at December 31, 2018).

Albion Neighbourhood Services

NOTES TO FINANCIAL STATEMENTS

For the year ended December 31, 2019

5. Contributions

Contribution revenue recognized in the year was as follows:

	<u>2019</u>	<u>2018</u>
CITY OF TORONTO		
TORONTO - SHELTER/SUPPORT/HOUSING	\$ 1,529,860	\$ 1,452,084
TORONTO - COMMUNITY SERVICE PROGRAM	158,688	156,730
TORONTO - TESS	60,097	44,662
TORONTO - CHILDREN'S SERVICES	27,000	27,000
TORONTO - OTHER	99,767	81,339
PROVINCE OF ONTARIO		
PROVINCIAL - MINISTRY OF TCS	350,353	369,460
PROVINCIAL - MINISTRY OF CSCS	-	24,211
PROVINCIAL - OESP	14,530	13,830
GOVERNMENT OF CANADA		
FEDERAL - SUMMER STUDENTS	54,674	70,811
UNITED WAY TORONTO & YORK REGION		
UWT - PROGRAM GRANT	520,045	336,825
UWT - MEMBER GRANT	-	108,168
UWT - SPECIAL GRANTS	50,472	92,821
UWT - DESIGNATED DONATIONS	2,361	240
FOUNDATIONS	65,095	242,073
DONATIONS AND FUNDRAISING		
FUNDRAISING/DONATIONS/BEQUESTS	24,437	27,639
DONATIONS - RECEIPTED	4,915	5,557
FUNDRAISING - SPECIAL EVENTS	60,035	46,162
OTHER AGENCIES	101,804	66,404
CORPORATE CONTRIBUTIONS	29,248	4,919
TOTAL	<u>\$ 3,153,381</u>	<u>\$ 3,170,935</u>

6. Personnel Expense

Personnel expense for the year was as follows:

	<u>2019</u>	<u>2018</u>
Salaries and Benefits	\$ 2,514,858	\$ 2,550,326
In-kind	50,000	50,000
	<u>\$ 2,564,858</u>	<u>\$ 2,600,326</u>

Albion Neighbourhood Services

NOTES TO FINANCIAL STATEMENTS

For the year ended December 31, 2019

7. Amadeusz Project

Included in the statement of operations are the following revenues and expenses related to the Organizations's trusteeship of the Amadeusz Project. The following is a summary of revenues and expenses for the Amadeusz Project for the year:

	<u>2019</u>	<u>2018</u>
Revenue	\$ 212,579	\$ 255,371
Expenses	(212,579)	(255,371)
Excess of revenue over expenses	<u>\$ -</u>	<u>\$ -</u>

8. Summer Camp Program Revenue and Expenses

Included in the statement of operations are the following revenues and expenses related to the Albion Boys and Girls Club Summer Camp Program:

	<u>2019</u>	<u>2018</u>
REVENUE		
Contributions		
Government of Canada	\$ 38,528	\$ 52,431
City of Toronto	27,000	27,000
Foundations and other agencies	9,000	12,000
Donations and Fundraising	-	1,919
Other agencies	8,360	-
Total Revenue	<u>82,888</u>	<u>93,350</u>
EXPENSES		
Personnel	64,641	66,075
Program	14,197	22,675
Office	3,500	4,000
Travel and training	550	600
Total Expenses	<u>82,888</u>	<u>93,350</u>
Excess of revenue over expenses	<u>\$ -</u>	<u>\$ -</u>

9. Occupancy Costs

Occupancy costs for the year were as follows:

	<u>2019</u>	<u>2018</u>
Rent and utilities	\$ 234,240	\$ 202,466
In-kind	48,000	48,000
	<u>\$ 282,240</u>	<u>\$ 250,466</u>

Albion Neighbourhood Services
NOTES TO FINANCIAL STATEMENTS

For the year ended December 31, 2019

10. In-kind Contributions and Expenses

During the year, personnel and occupancy costs were contributed to the Organization. In 2019, management estimated the value of contributed personnel and occupancy costs to be \$98,000.