



Financial Statements

Niagara Children's Centre

March 31, 2021

Independent Auditor's Report

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To the Members of
Niagara Children's Centre

Opinion

We have audited the financial statements of Niagara Children's Centre, which comprise the statement of financial position as at March 31, 2021, and the statements of changes in fund balances, 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 Niagara Children's Centre as at March 31, 2021, 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 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.

Niagara Children's Centre Statement of Financial Position

March 31	Operating Fund	Capital Fund	Total 2021	Total 2020
Assets				
Current				
Cash	\$ 1,433,609	\$ 11,714	\$ 1,445,323	\$ 596,369
Cash, externally restricted	-	22,101	22,101	23,947
Guaranteed investment certificates	1,821,562	-	1,821,562	705,249
Accounts receivable	236,266	-	236,266	248,553
Interfund balances	(1,139)	1,139	-	-
Prepaid expenses	78,075	-	78,075	108,004
	<u>3,568,373</u>	<u>34,954</u>	<u>3,603,327</u>	<u>1,682,122</u>
Long-term				
Guaranteed investment certificates	-	-	-	1,212,698
Guaranteed investment certificates, externally restricted	-	198,816	198,816	194,433
Property and equipment (Note 4)	-	2,006,869	2,006,869	2,117,663
	<u>\$ 3,568,373</u>	<u>\$ 2,240,639</u>	<u>\$ 5,809,012</u>	<u>\$ 5,206,916</u>
Liabilities				
Current				
Accounts payable and accrued liabilities	\$ 650,755	\$ 4,500	\$ 655,255	\$ 407,902
Deferred revenues (Note 5)	9,295	-	9,295	50,718
Deferred contributions (Note 6)	167,022	-	167,022	55,422
	<u>827,072</u>	<u>4,500</u>	<u>831,572</u>	<u>514,042</u>
Deferred property and equipment contributions (Note 7)	-	1,420,431	1,420,431	1,531,157
Fund balances				
Invested in property and equipment internally restricted (Note 8)	-	594,791	594,791	594,859
Externally restricted (Note 9)	2,741,301	-	2,741,301	2,348,478
	-	220,917	220,917	218,380
	<u>2,741,301</u>	<u>815,708</u>	<u>3,557,009</u>	<u>3,161,717</u>
	<u>\$ 3,568,373</u>	<u>\$ 2,240,639</u>	<u>\$ 5,809,012</u>	<u>\$ 5,206,916</u>

Approved on behalf of the board

 Director

 Director

Niagara Children's Centre Statement of Operations

Year ended March 31	Operating Fund	Capital Fund	Total 2021	Total 2020
Revenues				
Ministry of Children, Community and Social Services				
Children's Treatment Centre	\$ 4,132,679	\$ -	\$ 4,132,679	\$ 4,123,679
Preschool Speech and Language	1,439,145	-	1,439,145	1,439,146
SSAH, SCS	1,163,519	-	1,163,519	1,060,273
School Based Rehabilitation	1,833,697	-	1,833,697	1,967,393
Regional Municipality of Niagara	314,166	-	314,166	431,875
Local Health Integration Network	90,794	-	90,794	77,397
Other grants and recoveries	651,460	5,385	656,845	389,000
Amortization of deferred capital contributions	-	110,726	110,726	119,689
	<u>9,625,460</u>	<u>116,111</u>	<u>9,741,571</u>	<u>9,608,452</u>
Expenses				
Salaries	6,014,197	-	6,014,197	5,114,795
Employee benefits (Note 10)	1,387,825	-	1,387,825	1,195,997
Contracted services	414,433	-	414,433	1,561,544
SSAH client contracts	992,646	-	992,646	889,400
Centre operating	453,989	-	453,989	443,206
Building services	260,641	-	260,641	233,827
Office supplies	99,612	-	99,612	113,030
Staff development and travel	49,297	-	49,297	87,592
Therapy supplies	164,457	-	164,457	163,767
Donations	-	2,848	2,848	3,840
Amortization of property and equipment	-	110,794	110,794	119,723
	<u>9,837,097</u>	<u>113,642</u>	<u>9,950,739</u>	<u>9,926,721</u>
(Deficiency) excess of revenues over expenses before Fundraising	<u>(211,637)</u>	<u>2,469</u>	<u>(209,168)</u>	<u>(318,269)</u>
Fundraising				
Contributions (Note 6)	876,869	-	876,869	2,124,650
Salaries and expenses	(272,409)	-	(272,409)	(227,742)
Excess of fundraising revenues over expenses	<u>604,460</u>	<u>-</u>	<u>604,460</u>	<u>1,896,908</u>
Excess of revenues over expenses for the year	<u>\$ 392,823</u>	<u>\$ 2,469</u>	<u>\$ 395,292</u>	<u>\$ 1,578,639</u>

SSAH stands for Special Services at Home
SCS stands for Specialized Community Support

Niagara Children's Centre

Notes to the Financial Statements

March 31, 2021

1. Nature of operations

Niagara Children's Centre operates under the Ministry of Children, Community and Social Services. The Centre provides rehabilitation and treatment services to children with physical, developmental or communicative challenges. The Centre is exempt from income tax as a registered charity under the Income Tax Act (Canada).

2. Significant accounting policies

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed as follows:

Fund accounting

Revenues and expenses related to program delivery and fundraising are reported in the Operating Fund. The Capital Fund reports the assets, liabilities, revenues and expenses related to the Centre's property and equipment. The Capital Fund also reports the transactions related to certain externally restricted contributions.

Revenue recognition

Contributions related to the externally restricted fund are recognized as revenue of the externally restricted fund when received. Investment income in the externally restricted fund is recognized as revenue when earned.

Restricted contributions to unrestricted funds are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue of the appropriate fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Unrestricted investment income is recognized as revenue when earned.

Pension plan

The Centre offers a multi-employer defined benefit pension plan to employees. Due to the nature of the plan, the Centre does not have sufficient information to account for the plan as a defined benefit plan. Therefore, the multi-employer defined benefit pension plan is accounted for in the same manner as a defined benefit contribution plan. An expense is recorded in the period when the Centre is obligated to make contributions for services rendered by the employee. Any unpaid contributions are included in accounts payable and accrued liabilities on the statement of financial position.

Niagara Children's Centre Notes to the Financial Statements

March 31, 2021

3. Joseph Olascki Trust Fund and Niagara Children's Centre Fund held at the Niagara Community Foundation

The Niagara Community Foundation ("NCF") has established the Joseph Olascki Trust Fund and Niagara Children's Centre Fund. The NCF is completely responsible for investing and administering the funds. As the Centre has no element of control or administration, these funds have not been reported in these financial statements. At March 31, 2021, the market value of the Joseph Olascki Trust Fund is \$658,450 and the market value of the Niagara Children's Centre Fund is \$593,237.

Unless otherwise directed by the Centre, the NCF will issue an annual grant to the Centre based on the NCF Board's approved annual dispersal percentage. Additional funds may also be requested from the Niagara Children's Centre Fund. The income from NCF is recognized in these financial statements when it is received.

4. Property and equipment

			<u>2021</u>	<u>2020</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Land	\$ 201,434	\$ -	\$ 201,434	\$ 201,434
Building	5,703,513	4,054,719	1,648,794	1,735,574
Parking lot	256,753	161,667	95,086	103,354
Equipment and furniture	927,710	866,155	61,555	76,943
Computer hardware	<u>589,353</u>	<u>589,353</u>	<u>-</u>	<u>358</u>
	<u>\$ 7,678,763</u>	<u>\$ 5,671,894</u>	<u>\$ 2,006,869</u>	<u>\$ 2,117,663</u>

5. Deferred revenues

Deferred revenues reported in the Operating Fund include the portion of revenues relating to operating expenses not yet incurred. The deferred revenues are recognized to revenue when the related expenses are incurred.

The changes for the year in the deferred revenues balance reported in the Operating Fund are as follows:

	<u>2021</u>	<u>2020</u>
Balance, beginning of year	\$ 50,718	\$ 91,786
Revenues received during the year	142,355	106,547
Revenue returned to Regional Municipality of Niagara	(74,434)	-
Amounts recognized in revenues	<u>(109,344)</u>	<u>(147,615)</u>
Balance, end of year	<u>\$ 9,295</u>	<u>\$ 50,718</u>

Niagara Children's Centre

Notes to the Financial Statements

March 31, 2021

9. Externally restricted fund balance

The externally restricted fund balance consists largely of the Dr. W. J. Orr Trust fund, which recognizes the significant contribution he has made to children since the early 1950's. The purpose of the fund is to benefit and enhance the lives of children of the Region of Niagara who have physical disabilities and no other funding available.

10. Pension plan

Substantially all of the employees of the Centre are eligible to be members of the Hospitals of Ontario Pension Plan, a multi-employer pension plan. The plan provides defined pension benefits to employees based on their length of service and rates of pay. The Centre contributes \$1.26 for every \$1.00 that the employee contributes to the plan. During the year ended March 31, 2021, the Centre contributed \$566,041 (2020 - \$485,181) to the plan.

11. Credit facility

The Centre's credit facility includes an authorized overdraft lending account of \$150,000 bearing interest at prime plus 0.25%. No amount was outstanding during the 2021 fiscal year.

12. Financial instruments

The following analysis provides a measure of the Centre's risk exposure and concentrations at the statement of financial position date, March 31, 2021:

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Centre is not significantly exposed to these market risks.

Niagara Children's Centre Notes to the Financial Statements

March 31, 2021

15. Service contracts

The Centre has service contracts with The Ministry of Children, Community and Social Services. Reconciliation reports summarize by service, all revenues and expenses and identifies any resulting surplus or deficit that relates to the Service Contracts.

	Pandemic Pay	Early Childhood Development	E702 Children's Rehabilitation Services	F706 Special Needs Program	F608 Children's DS Community Support Services	2021 Total
Operating grant	\$ 1,789	\$ 3,272,922	\$ 4,113,679	\$ 111,452	\$ 66,421	\$ 7,566,263
Expenses						
Salaries and benefits	1,789	2,656,068	3,448,499	97,818	66,400	6,270,574
Other service costs	-	460,927	665,180	3,634	21	1,129,762
	<u>1,789</u>	<u>3,116,995</u>	<u>4,113,679</u>	<u>101,452</u>	<u>66,421</u>	<u>7,400,336</u>
Central administration	-	155,927	-	10,000	-	165,927
Variance - end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
