

COMMUNITY VISIONS & NETWORKING (QUINTE) ASSOCIATION
Financial Statements

Year Ended March 31, 2022

ERIC REYNOLDS CPA
PROFESSIONAL CORPORATION

COMMUNITY VISIONS & NETWORKING (QUINTE) ASSOCIATION

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Year Ended March 31, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of COMMUNITY VISIONS & NETWORKING (QUINTE) ASSOCIATION

I have audited the accompanying financial statements of COMMUNITY VISIONS & NETWORKING (QUINTE) ASSOCIATION, which comprise the statement of financial position as at March 31, 2022, and the statements of operations, net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Qualified Opinion

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of COMMUNITY VISIONS & NETWORKING (QUINTE) ASSOCIATION as at March 31, 2022 and the results of its operations and its cash flows for the year then ended in accordance with Canadian standards for not-for-profit organizations.

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the entity in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Basis for Qualified Opinion

In common with many not-for-profit organizations, COMMUNITY VISIONS & NETWORKING (QUINTE) ASSOCIATION derives revenue from donations and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Association. Therefore, we were not able to determine whether any adjustments might be necessary to donation and fundraising activities revenue, excess revenue over expenditures, and cash flows from operations for the years ended March 31, 2022 and 2021, current assets as at March 31, 2022 and 2021 and net assets for the years then ended.

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 over-seeing the Organization's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

My 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 my 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.

Auditor's Responsibility for the Audit of the Financial Statements continued...

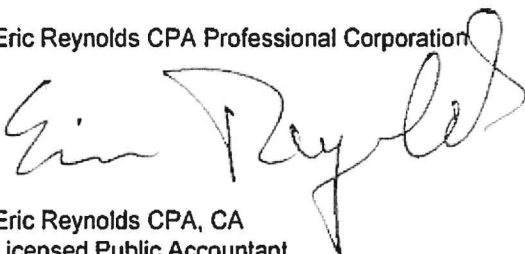
As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I will also:

- 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 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 Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, we are required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My 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.

I will 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 I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

Eric Reynolds CPA Professional Corporation



Eric Reynolds CPA, CA
Licensed Public Accountant

Belleville, Ontario
August 30, 2022


COMMUNITY VISIONS & NETWORKING (QUINTE) ASSOCIATION
STATEMENT OF FINANCIAL POSITION AS AT March 31, 2022

	Operating Fund	Capital Fund	Restricted Fund	Total 2022	Total 2021
Assets	\$	\$	\$	\$	\$
Current					
Cash	347,603	-	-	347,603	268,602
Term deposits (Note 4)	26,012	-	-	26,012	-
Accounts receivable, trade and other	62,952	-	-	62,952	67,677
Due from government	19,993	-	-	19,993	22,571
Due from (to) between funds	(202,015)	-	202,015	-	-
Prepaid expenses and other assets	32,434	-	1,750	34,184	32,015
	<u>286,979</u>	<u>-</u>	<u>203,765</u>	<u>490,744</u>	<u>390,865</u>
Long Term					
Funds held in trust (Note 14)	-	-	217,259	217,259	221,002
Long-term investments (Note 4)	36,354	-	-	36,354	60,630
Intangibles and goodwill	420	-	-	420	420
	<u>36,774</u>	<u>-</u>	<u>217,259</u>	<u>217,679</u>	<u>221,422</u>
Property, plant and equipment (Note 3)	-	156,359	-	156,359	182,740
	<u>323,753</u>	<u>156,359</u>	<u>421,024</u>	<u>901,136</u>	<u>855,657</u>
Liabilities					
Current liabilities					
Accounts payable and accrued liabilities	296,630	-	671	297,301	215,326
Due to government	-	-	-	-	9,959
Deferred Revenue (Note 6)	3,638	-	8,026	11,664	8,464
	<u>300,268</u>	<u>-</u>	<u>8,697</u>	<u>308,965</u>	<u>233,749</u>
Long Term					
Trust Accounts (Note 14)	-	-	217,259	217,259	221,002
Deferred contributions related to capital assets (Note 5)	-	44,463	-	44,463	52,257
	<u>-</u>	<u>44,463</u>	<u>217,259</u>	<u>261,722</u>	<u>273,259</u>
Net Assets					
Internally restricted - Invested in capital assets	-	111,896	-	111,896	130,480
- Other (Note 8)	-	-	195,068	195,068	186,105
Unrestricted net assets	23,485	-	-	23,485	32,064
	<u>23,485</u>	<u>111,896</u>	<u>195,068</u>	<u>330,449</u>	<u>348,649</u>
	<u>323,753</u>	<u>156,359</u>	<u>421,024</u>	<u>901,136</u>	<u>855,657</u>

See accompanying notes to the financial statements

Approved by:

Director: *Jenifer Parker*

Director: 

COMMUNITY VISIONS & NETWORKING (QUINTE) ASSOCIATION
STATEMENT OF OPERATIONS & CHANGES IN NET ASSETS
For the year ended March 31, 2022

	Operating Fund \$	Invested In capital assets \$	Internally restricted \$	Total 2022 \$	Total 2021 \$
Revenue					
Ministry of Children, Community & Social Services					
Operating subsidies	1,776,713	-	-	1,776,713	1,767,712
Passport revenue	236,220	-	-	236,220	229,044
Amortization of Deferred contributions					
On capital assets	-	7,797	-	7,797	7,895
Other Revenue	274,092	-	15,612	289,704	313,550
	<u>2,287,025</u>	<u>7,797</u>	<u>15,612</u>	<u>2,310,434</u>	<u>2,318,201</u>
Expenses:					
Salaries and wages	1,427,309	-	4,876	1,432,185	1,358,571
Employee benefits	232,457	-	-	232,457	194,383
Staff travel	23,634	-	-	23,634	24,513
Staff training	10,152	-	-	10,152	10,583
Purchased services - Client	43,382	-	1,773	45,155	19,042
Purchased services - Non- client	10,687	-	-	10,687	14,553
Building accomodation	70,216	-	-	70,216	60,833
Advertising and promotion	11,548	-	-	11,548	14,340
Office expenses	38,568	-	-	38,568	62,564
Insurance	16,090	-	-	16,090	14,341
Amortization of capital assets	-	26,381	-	26,381	30,534
Central administration (Note 7)	175,731	-	-	175,731	145,501
Passport expenses	235,830	-	-	235,830	224,599
	<u>2,295,604</u>	<u>26,381</u>	<u>6,649</u>	<u>2,328,634</u>	<u>2,174,357</u>
Excess of revenue over expenses					
(Deficiency of revenues over expenses)					
for the year	(8,579)	(18,584)	8,963	(18,200)	143,844
Net Assets - beginning of the year	32,064	130,480	186,105	348,649	204,806
Net Assets, end of the year	<u>23,485</u>	<u>111,896</u>	<u>195,068</u>	<u>330,449</u>	<u>348,650</u>

See accompanying notes to the financial statements

COMMUNITY VISIONS & NETWORKING (QUINTE) ASSOCIATION

Statement of Cash Flows for the year ended March 31, 2022

	2022	2021
	\$	\$
Cash flows from operating activities		
Excess (deficiency) of revenue over expenses	(18,200)	143,844
Items not affecting cash:		
Amortization of capital assets	26,381	30,534
Amortization of deferred contributions relating to capital assets	(7,797)	(7,895)
Interest earned on investments	(1,736)	(912)
Changes in non-cash working capital:		
Accounts receivable	4,725	(16,933)
Due from government	10,060	(4,057)
Prepaid expenses and other assets	(2,169)	6,442
Accounts payable and accrued liabilities	81,978	(9,946)
Due to government	(17,441)	(14,984)
Deferred contributions	3,200	952
Net cash provided by operating activities	79,001	127,045
Cash flows from investing activities		
Purchase of property, plant and equipment	-	(35,381)
Proceeds from GIC's maturing	37,455	8,314
Purchase of GIC's	(37,455)	(8,314)
Net cash provided by (used in) investing activities	-	(35,381)
Net increase in cash and cash equivalents	79,001	91,664
Cash and cash equivalents at the beginning of the year	268,602	176,938
Cash and cash equivalents at the end of the year	347,603	268,602
Cash and cash equivalents consists of:		
Cash	347,603	268,602
	347,603	268,602

See accompanying notes to the financial statements

COMMUNITY VISIONS & NETWORKING (QUINTE) ASSOCIATION
Notes to Financial Statements
Year Ended March 31, 2022

1. NATURE AND PURPOSE

Community Visions & Networking (Quinte) Association is a not-for-profit corporation and was initially incorporated under Letters Patent (Ontario) on August 2, 1978 and assumed its current name under supplementary Letters Patent (Ontario) on September 7, 1993. The Association is mandated to support people who are challenged, deaf, hard of hearing, or have a communication difficulty who require assistance to enhance their prospect to live inter-dependently and utilize their community.

2. SUMMARY OF SIGNICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit Associations. Outlined below are those policies considered particularly significant for the Company.

Use of Estimates

The preparation of financial statements, in conformity with Canadian accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Differences in actual results from prior estimates are taken into account at the time the differences are determined. Significant financial statement items that require the use of estimates are useful life of property plant and equipment, subsidy repayable and accrued

Revenue Recognition

The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures 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

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and short term cash deposits.

Property, plant and equipment

Property, plant and equipment are stated at acquisition cost. Gains or losses on disposal of individual assets are recognized in the year of disposal. Amortization of property, plant and equipment, which is based on estimated useful life, is calculated on the following basis and rates set out below.

<u>Asset</u>	<u>Rate</u>	<u>Basis</u>
Building	5%	declining balance method
Computer hardware	30%	declining balance method
Computer software	50%	declining balance method
Furniture and Equipment	20%	declining balance method
Leasehold improvements	5	years straight-line
Paving	5%	declining balance method

Employee Future Benefits

The Association is an employer member of the Nursing Homes & Related Industries Pension Plan (NHRIPP), which is a multi-employer, defined benefit pension plan. The Corporation has adopted defined contribution plan accounting principles for this plan as sufficient information is not available to apply defined benefit plan accounting principles.

COMMUNITY VISIONS & NETWORKING (QUINTE) ASSOCIATION
Notes to Financial Statements
Year Ended March 31, 2022

2. SUMMARY OF SIGNICANT ACCOUNTING POLICIES Continued...

Income Taxes

The Association is a not-for profit corporation incorporated without share capital and as such, is exempt from income taxes.

Financial Instruments

The Association initially measures its financial assets and financial liabilities at fair value adjusted by transaction costs in the case where a financial asset or liability is subsequently measured at amortized cost

The Association subsequently measures all its financial assets and liabilities at amortized cost.

Financial assets measured at amortized cost include cash, accounts receivable, prepaid expenses and property, plant and equipment.

Financial liabilities measured at amortized cost include accounts payable, deferred revenue, subsidy repayable and due to government.

3. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated Amortization	2022 Net Book Value	2021 Net Book Value
	\$	\$	\$	\$
Land	21,273	-	21,273	21,273
Buildings	251,800	170,140	81,660	85,958
Furniture and Equipment	223,218	213,592	9,626	12,032
Computer equipment	73,286	62,785	10,501	15,002
Computer software	33,494	31,032	2,462	4,924
Paving	17,990	4,364	13,626	15,140
Leasehold improvements	122,722	105,511	17,211	28,411
	<u>743,783</u>	<u>587,424</u>	<u>156,359</u>	<u>182,740</u>

4. INVESTMENTS

	2022		2021	
	Cost	Market Value	Cost	Market Value
	\$	\$	\$	\$
<u>Short-term investments</u>				
Guaranteed Investment Certificate - 0.57% non-redeemable - Aug 30, 2021 - Sept 30, 2022	25,926	26,012	-	-
Guaranteed Investment Certificate - 1.25% August 13, 2020 - February 14, 2022	-	-	8,314	8,380
			<u>8,314</u>	<u>8,380</u>
<u>Long-term investments</u>				
Guaranteed Investment Certificate - 3% Non-redeemable - Mar 8, 2022 - Mar 8, 2027	8,471	8,488	-	-
Guaranteed Investment Certificate - 3% August 1, 2018 - August 1, 2023	25,000	27,866	25,000	27,054

COMMUNITY VISIONS & NETWORKING (QUINTE) ASSOCIATION
Notes to Financial Statements
Year Ended March 31, 2022

4. INVESTMENTS CONTINUED...

Guaranteed Investment Certificate - Market linked - min.%1.15, max % 4.95 August 14, 2018 - August 14, 2021

	-	-	25,014	25,196
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Total long-term investments

	33,471	36,354	50,014	52,250
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5. DEFERRED CONTRIBUTIONS

Deferred contributions related to capital assets represent the restricted contributions related to building investments that occurred in the past. Deferred contributions are recognized as revenue on the same basis that the related capital assets are amortized. The changes in the deferred contributions balance are as follows:

	2022	2021
	\$	\$
Balance, beginning of the year	52,258	60,153
Add: Contributions received	-	-
Deduct: amount amortized as revenue in year	(7,797)	(7,895)
Balance, end of the year	<u>44,461</u>	<u>52,258</u>

6. DEFERRED CONTRIBUTIONS

Deferred revenue related to passport funding

	<u>3,638</u>	<u>3,638</u>
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Deferred revenue related to funds held for clients and prepaid rent

	<u>8,026</u>	<u>4,826</u>
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7. Central Administration

The breakdown of Central Admin is:

	2022	2021
	\$	\$
Wages and benefits	155,087	126,510
Purchased services - Non- client	9,340	7,922
Office expenses	5,784	6,534
Staff training	1,806	1,203
Building accomodation	1,709	1,814
Travel	218	(76)
Insurance	1,788	1,593
	<u>175,732</u>	<u>145,500</u>

8. RESTRICTIONS ON NET ASSETS

The Board of Directors has restricted \$8,963 (2021 - \$128,361) of current year received non-ministry funding. This internally restricted amount is not available for other purposes without approval by the Board of Directors. An additional \$0 from prior year non-ministry funding has been internally restricted as well.

COMMUNITY VISIONS & NETWORKING (QUINTE) ASSOCIATION
Notes to Financial Statements
Year Ended March 31, 2022

9. PENSION AGREEMENTS

The Association makes contributions to the NHRIPP, which is a multi-employer plan, on behalf of its staff. The plan is a target-benefit plan which specifies the amount of the retirement benefit to be received by the employees based on their length of service and rates of pay. Employees and employers contribute jointly to the plan.

9. PENSION AGREEMENTS Continued...

Contributions for employees with a normal retirement age of 65 are being made at a rate of 4% (2021 - 4%) The amount contributed to NHRIPP for 2022 was approximately \$32,985 (2021 - \$30,917) for current service and is included as an expense on the " Statement of Operations". Because NHRIPP is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of the Association and their employees. As a result, the Association does not recognize any share of the NHRIPP pension surplus or

10. CONTINGENCY

Government subsidies are provided by the Ontario Ministry of Children, Community and Social Services and the Association is required to report as specified in the relevant agreement. The Association has not yet reported regarding the current year. Any adjustments required to revenue on final Ministry approval will be recorded in the then current fiscal year.

11. COMMITMENTS

Future minimum payments required under an vehicle operating lease are as follows:

	\$
2023	1,902
2024	1,902
2025	1,743

12. FINANCIAL RISKS

The Association is exposed to various risks through its financial instruments. The following analysis provides a measure of the risks at March 31, 2022.

Credit Risk

The Association does not provide credit to its customers in the normal course of operations and there is not subject to credit risk

Liquidity Risk

Liquidity risk is the risk that the Association will encounter difficulty in meeting obligations associated with financial liabilities. The Association manages this risk by reviewing its expected future cash flow requirements

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 is comprised of currency risk, interest rate risk and other price risk. The Association is not subject to this credit risk due to the nature of its investments.

COMMUNITY VISIONS & NETWORKING (QUINTE) ASSOCIATION
Notes to Financial Statements
Year Ended March 31, 2022

12. FINANCIAL RISKS Continued...

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows associated with the financial instruments will fluctuate due to changes in market interest rates.

The Association's exposure to interest rate risk arises from its interest bearing assets.

Interest rate risk continued...

The Association manages interest rate risk exposure by purchasing Guaranteed Investment Certificates with varying terms to maturity. The varying of maturities helps to enhance the average portfolio yield while reducing the sensitivity of the portfolio to the impact of interest rate fluctuations.

Other Price Risk

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

The Association is not exposed to other price risk.

Change in Risk

There were no changes to the Association's risk exposure during the year.

13. ECONOMIC DEPENDENCE

The Association's revenue is primarily derived from subsidies provided from the Ontario Ministry of Children, Community and Social Services. Accordingly, it is economically dependent on this source of revenue for its existence and the continuation of its operations

14. TRUST ACCOUNTS

Internally restricted accounts specifically for the use of the person they are in trust for only and under no certain terms are these accounts for any other use. Upon death, the organization will honor the person's wishes for their estate.