

COMMUNITY LIVING OSHAWA/CLARINGTON

FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2013



*Smith
Chappell
Marsh
Vilander LLP Chartered Accountants*

*H. Howard Smith, FCA
Richard A. Chappell, BA, CA
Deborah L. Marsh, BMath, CA
Vesa K. Vilander, BA, CA*

July 16, 2013

**Community Living Oshawa/Clarington
39 Wellington Street East,
Oshawa, Ontario.
L1H 3Y1**

Attention: Terri Gray, B.S.W., Executive Director

Dear Terri:

It is usual that on completion of an audit, we provide you with our "management letter". It is not intended to be a criticism but rather to point out areas that you might want to consider for making changes for the benefit of the organization. Any comments and suggestions are a by-product of the audit. You should note that the audit would not usually identify all matters that may be of interest to management.

During the course of our audit of the financial statements of Community Living Oshawa/Clarington for the year ended March 31, 2013, we did not encounter any significant matters that we believe should be brought to your attention.

This letter is prepared solely for the information of management and the Board of Directors and is not intended for any other purpose. We accept no responsibility to a third party who uses this letter.

If you wish to discuss this letter further, please do not hesitate to contact me.

Sincerely,

**Deborah L. Marsh, BMath, CA
:dlm**



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July 17, 2013

**Community Living Oshawa/Clarington
39 Wellington Street East,
Oshawa, Ontario.
L1H 3Y1**

Attention: Craig Nighbor, Operations Manager, Financial/IT Services

Dear Craig:

We are pleased to enclose herewith The Accountant's Report on Applying Specified Auditing Procedures In Respect of the Annual Information Return and Appendix A which are to be attached to Annual Information Return for Dedicated Housing Support.

We trust you will find the foregoing in order.

Sincerely,

**Deborah L. Marsh, B.Math., C.A.
:dlm
Enclosures**



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**ACCOUNTANT'S REPORT ON APPLYING SPECIFIED AUDITING
PROCEDURES IN RESPECT OF THE ANNUAL INFORMATION
RETURN**

To the Ministry of Community and Social Services:

As specifically agreed, we have performed the auditing procedures described in Appendix A, to assist the Ministry in assessing Community Living Oshawa/Clarington's ("the Corporation") compliance with the Operating Agreement and Program Guidelines and the information in the Annual Information Return for the year ended March 31, 2013. This engagement to apply agreed-upon auditing procedures was performed in accordance with standards established by the Canadian Institute of Chartered Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described in Appendix A either for the purpose for which this report has been requested or for any other purpose.

The results of our procedures are documented in Appendix A. Our audit of the Corporation's financial statements for the year ended March 31, 2013 was not directed to the information in the Annual Information Return. The procedures in Appendix A do not constitute an audit of the Annual Information Return and, therefore, we express no opinion on the information in the Annual Information Return for the year ended March 31, 2013. Had we performed additional procedures, other matters might have come to our attention that we would have reported to you.

This letter is for use solely by the Ministry in assessing the Corporation's compliance with the Operating Agreement and Program Guidelines and the information in the Annual Information Return, and is not intended to be and should not be used by anyone else or for any other purpose.

Smith Chappell Marsh Vilander LLP
Chartered Accountants, Licensed Public Accountants

July 17, 2013

Oshawa, Ontario

APPENDIX A

SPECIFIED AUDITING PROCEDURES ON THE ANNUAL INFORMATION RETURN

RESULT OF SPECIFIED AUDITING PROCEDURES ON THE ANNUAL INFORMATION RETURN

1. Obtain the completed Annual Information return (AIR) from those delegated by the Board of Directors to complete the AIR for the year ending March 31, 2013.

I obtained the completed Annual Information Return (AIR) from those delegated by the Board of Directors to complete the AIR for the year ending March 31, 2013.

2. Read the management representations requested in the AIR Page 3 and the corresponding responses from the Corporation.

I read the management representations requested in the AIR Page 3 and the corresponding responses from the Corporation.

3. Ask the questions on the AIR Page 3 to those delegated by the Board of Directors to complete the AIR for the year ending March 31, 2013 and comment on any different responses.

I asked the questions on the AIR Page 3 to those delegated by the Board of Directors to complete the AIR for the year ending March 31, 2013 and found no differences in responses.

4. Ask the questions on the AIR Page 3 to a representative of the Board of Directors and comment on any different responses.

I asked the questions on the AIR Page 3 to a representative of the Board of Directors and found no differences in responses.

5. Agree the underlying financial records of the Corporation to the audited financial statements for the period ending March 31, 2013.

I found no exceptions.

6. Agree the description of the items and related amounts (Line 10 to Line 95) on Page 4 of the AIR to the underlying financial records of the Corporation.

I found no exceptions.

7. Agree the description of the items and related amounts (Line 105 to Line 235) on Pages 5 and 6 of the AIR to the underlying financial records of the Corporation.

I found no exceptions.

8. Agree the description of the items and related amounts (Line 301 to Line 340) on Page 8 of the AIR to the underlying financial records of the Corporation.

I found no exceptions.

Appendix A (continued)

SPECIFIED AUDITING PROCEDURES ON THE ANNUAL INFORMATION RETURN	RESULT OF SPECIFIED AUDITING PROCEDURES ON THE ANNUAL INFORMATION RETURN
9. Agree the description of the items and related amounts (Line 350 to Line 395) on Page 9 of the AIR to the underlying financial records of the Corporation.	I found no exceptions.
10. Agree the description of the items and related amounts (Line 250 to Line 299) on Page 6 and (Line 585 to Line 599) on Page 10 of the AIR to the underlying financial records of the Corporation.	I found no exceptions.



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INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF
COMMUNITY LIVING OSHAWA/CLARINGTON
OSHAWA, ONTARIO**

We have audited the accompanying statement of financial position of Community Living Oshawa/Clarington as at March 31, 2013 and the statements of changes in net assets and operations for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

As explained in Note 13, the organization has not accrued vacation salaries payable of \$608,871. Canadian Accounting Standards for Not-for-Profit Organizations require that all liabilities be recorded. If the vacation salaries payable had been accrued, excess of revenue over expenses and unrestricted net assets would decrease and accounts payable would increase by \$608,871. This policy is consistent with prior years' presentation.

In common with many non-profit organizations, the organization derives revenues from donations and fund-raising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to donations and fund-raising, excess (deficiency) of revenues over expenditures, and net assets.

Qualified Opinion

In our opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Community Living Oshawa/Clarington as at March 31, 2013, and the results of its operations for the year then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

Comparative Information

Without modifying our opinion, we draw attention to Note 3 to the financial statements which describes that Community Living Oshawa/Clarington adopted Canadian Accounting Standards for Not-for-Profit Organizations on April 1, 2012 with a transition date of April 1, 2011. These standards were applied retrospectively by management to the comparative information in these financial statements, including the statements of financial position as at March 31, 2012 and April 1, 2011, and the statements of operations, changes in net assets and cash flows for the year ended March 31, 2012 and related disclosures.

Smith Chappell Manor Villander LLP

Chartered Accountants, Licensed Public Accountants

June 18, 2013
Oshawa, Ontario

COMMUNITY LIVING OSHAWA/CLARINGTON

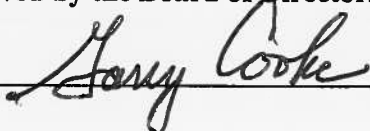
(INCORPORATED WITHOUT SHARE CAPITAL UNDER THE LAWS OF THE PROVINCE OF ONTARIO)

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2013

			<u>2013</u>	<u>2012</u>
<u>ASSETS</u>				
Current				
Cash and cash equivalents		\$	30,608	\$ 250,959
Accounts receivable			275,008	203,860
Subsidies receivable			38,997	225,096
Prepaid expenses			107,209	35,726
			<u>451,822</u>	<u>715,641</u>
Capital				
	<u>Cost</u>	<u>Accumulated Amortization</u>		
Land	\$ 1,762,786	\$ -	1,762,786	1,503,424
Buildings	4,921,461	2,868,308	2,053,153	1,750,053
Furniture, equipment and vehicles	2,091,143	1,807,401	283,742	341,278
	<u>\$ 8,775,390</u>	<u>\$ 4,675,709</u>	<u>4,099,681</u>	<u>3,594,755</u>
			\$ <u>4,551,503</u>	\$ <u>4,310,396</u>

Approved by the Board of Directors:



COMMUNITY LIVING OSHAWA/CLARINGTON**(INCORPORATED WITHOUT SHARE CAPITAL UNDER THE LAWS OF THE PROVINCE OF ONTARIO)****STATEMENT OF FINANCIAL POSITION****AS AT MARCH 31, 2013**

	<u>2013</u>	<u>2012</u>
<u>LIABILITIES</u>		
Current		
Bank indebtedness (Note 4)	\$ 480,000	\$ -
Accounts payable and accrued liabilities	1,032,302	1,201,944
Due to Ministry of Community and Social Services	-	529
Funds held in trust	15,860	10,774
Current portion of long term debt	226,500	168,920
	<u>1,754,662</u>	<u>1,382,167</u>
Long Term (Note 5)		
Loans payable	241,597	322,362
Mortgages payable	1,489,958	1,578,012
Less: current portion shown above	(226,500)	(168,920)
	<u>1,505,055</u>	<u>1,731,454</u>
Deferred contributions related to capital assets (Note 6)	<u>725,288</u>	<u>765,974</u>
Net Assets		
Investment in capital assets (Note 7)	1,162,838	928,407
Capital reserve allowance - Dedicated Supportive Housing (Note 10)	12,066	6,478
Unrestricted net assets (deficit)	(608,406)	(504,084)
	<u>566,498</u>	<u>430,801</u>
	<u>\$ 4,551,503</u>	<u>\$ 4,310,396</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED MARCH 31, 2013

	<u>Investment in Capital Assets</u>	<u>Capital Reserve Allowance</u>	<u>Unrestricted</u>	<u>Total 2013</u>	<u>Total 2012</u>
Opening balance	\$ 928,407	\$ 6,478	\$ (504,084)	\$ 430,801	\$ 435,556
Prior year adjustment due to Ministry review (Note 9)			-	-	(5,214)
Excess of revenue over expenses (expenses over revenue) (Note 7)	(142,356)	-	272,465	130,109	(3,465)
Net change in investment in capital assets (Note 7)	376,787	-	(376,787)	-	-
Dedicated Supportive Housing funding (Note 10)	-	5,588	-	5,588	3,924
Closing balance	\$ 1,162,838	\$ 12,066	\$ (608,406)	\$ 566,498	\$ 430,801

COMMUNITY LIVING OSHAWA/CLARINGTON

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
Revenue		
Provincial subsidy	\$ 14,289,192	\$ 14,288,559
Other Ministry revenue	505,068	536,789
Sales	55,854	70,416
Fees for programs	1,005,776	1,002,745
Fundraising	63,272	107,662
Donations	34,770	50,026
Other revenue	135,487	237,246
Amortization of deferred contributions (Note 6)	40,687	43,666
	<u>16,130,106</u>	<u>16,337,109</u>
Expenses (Schedule A)	<u>15,999,997</u>	<u>16,340,045</u>
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE)	\$ <u>130,109</u>	\$ <u>(2,936)</u>
Due to (from) Ministry	\$ -	\$ 529
Retained by organization	<u>130,109</u>	<u>(3,465)</u>
	\$ <u>130,109</u>	\$ <u>(2,936)</u>

COMMUNITY LIVING OSHAWA/CLARINGTON**SCHEDULE A****EXPENSES****FOR THE YEAR ENDED MARCH 31, 2013**

	<u>2013</u>	<u>2012</u>
Expenses		
Salaries	\$ 10,226,214	\$ 10,482,575
Staff benefits	1,984,584	2,071,101
Travel	232,208	281,135
Training and conferences	88,245	93,928
Purchased services - non-client	139,788	55,730
Program costs	89,284	114,318
Building/Accommodation	1,000,820	872,149
Advertising and promotion	3,568	1,802
Office	160,302	164,741
Miscellaneous	38,743	64,148
Individualized funding	1,484,992	1,590,430
Client related	368,206	347,910
Amortization	182,083	197,492
Loss on disposal of capital assets	960	2,586
TOTAL EXPENSES	\$ 15,999,997	\$ 16,340,045

COMMUNITY LIVING OSHAWA/CLARINGTON**STATEMENT OF OPERATIONS - MINISTRY SERVICE CONTRACT TOTALS (TPAR)****FOR THE YEAR ENDED MARCH 31, 2013**

	<u>2013</u>	<u>2012</u>
Revenue		
Provincial subsidy	\$ 14,289,192	\$ 14,288,559
Fees for programs	948,378	943,997
Donations	-	250
Other revenue	96,824	106,002
Amortization of deferred contributions (Note 6)	40,687	43,666
	<u>15,375,081</u>	<u>15,382,474</u>
Expenses		
Salaries	10,098,537	10,331,719
Staff benefits	1,959,944	2,040,261
Travel	225,626	274,558
Training and conferences	84,077	84,230
Purchased services - non-client	139,788	55,730
Program costs	47,654	32,000
Building/Accommodation	739,441	504,603
Advertising and promotion	3,568	1,802
Office	156,245	155,862
Miscellaneous	32,868	29,268
Individualized funding	1,329,250	1,445,447
Client related	368,206	347,910
Expenditure recovery	(45,055)	(42,405)
Amortization	103,863	122,368
Loss on disposal of capital assets	960	2,586
	<u>15,244,972</u>	<u>15,385,939</u>
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE)	\$ <u>130,109</u>	\$ <u>(3,465)</u>
Due to (from) Ministry	\$ -	\$ -
Retained by organization	<u>130,109</u>	<u>(3,465)</u>
	<u>\$ 130,109</u>	<u>\$ (3,465)</u>

COMMUNITY LIVING OSHAWA/CLARINGTON**STATEMENT OF OPERATIONS - NON-SERVICE CONTRACT TOTALS****FOR THE YEAR ENDED MARCH 31, 2013**

	<u>2013</u>	<u>2012</u>
Revenue		
Other Ministry revenue	\$ 505,068	\$ 536,789
Sales	55,854	70,416
Fees for programs	57,398	58,748
Fundraising	63,272	107,662
Donations	34,770	49,776
Other revenue	38,663	131,244
	<u>755,025</u>	<u>954,635</u>
Expenses		
Salaries	127,677	150,856
Staff benefits	24,640	30,840
Travel	6,582	6,577
Training and conferences	4,168	9,698
Program costs	41,630	82,318
Building/Accommodation	265,279	368,796
Office	4,057	8,879
Miscellaneous	5,875	34,880
Individualized funding	155,742	144,983
Expenditure recovery	41,155	41,155
Amortization	78,220	75,124
	<u>755,025</u>	<u>954,106</u>
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE)	\$ <u>-</u>	\$ <u>529</u>
Due to (from) Ministry	\$ -	\$ 529
Retained by organization	<u>-</u>	<u>-</u>
	\$ <u>-</u>	\$ <u>529</u>

COMMUNITY LIVING OSHAWA/CLARINGTON**STATEMENT OF OPERATING SURPLUS (DEFICIT)****FOR THE YEAR ENDED MARCH 31, 2013**

	<u>2013</u>	<u>2012</u>
Central Administration	\$ -	\$ -
Property Maintenance	-	-
DS Host Family Residences	46,194	62,772
DS Supported Independent Living	90,763	254
DS Supported Group Living Residences	(30,786)	(66,491)
DS Intensive Support Residences	23,938	-
DS Caregiver Respite Services	13,209	(4,209)
DS Community Participation	(12,747)	6,844
DS Self Managed Support - Indirect	(462)	(2,635)
Community Living - Children's Group Living	(14,213)	(1,180)
Children Associate Living	14,213	1,180
Children In-Home Respite	1,225	5,647
Children Out-of-Home Respite	(1,518)	(7,372)
Support Services - Children	293	1,725
Partner Facility Renewal	-	-
Repairs and Maintenance	-	-
Children Out-of-Home Respite Initiative	-	-
Dedicated Supportive Housing	-	529
ODSP Employment Supports	-	-
Special Projects	-	-
Association Accounts	-	-
Clarington Project	-	-
Net Surplus (Deficit)	\$ 130,109	\$ (2,936)
Due to (from) Ministry	\$ -	\$ 529
Retained by organization	130,109	(3,465)
	\$ 130,109	\$ (2,936)

COMMUNITY LIVING OSHAWA/CLARINGTON

CENTRAL ADMINISTRATION

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
Revenue		
Memberships and miscellaneous	\$ 1,650	\$ 1,310
Donations	-	150
	<u>1,650</u>	<u>1,460</u>
Expenses		
Salaries	625,389	644,676
Staff benefits	129,217	128,067
Travel	15,542	20,875
Training and conferences	8,274	14,909
Purchased services - non-client	73,356	55,730
Program costs	8,454	5,596
Building/Accommodation	59,942	32,213
Advertising and promotion	3,568	1,802
Office	43,585	34,833
Miscellaneous	32,868	29,268
Allocated administration	(973,545)	(935,582)
Expenditure transfer	(25,000)	(30,927)
	<u>1,650</u>	<u>1,460</u>
EXCESS OF REVENUE OVER EXPENSES	\$ <u>-</u>	\$ <u>-</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

PROPERTY MAINTENANCE

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
Revenue		
Memberships and miscellaneous	\$ -	\$ -
	<hr/>	<hr/>
Expenses		
Salaries	313,545	320,763
Salaries allocated	(320,741)	(336,444)
Staff benefits	59,364	67,654
Travel	30,416	29,456
Training and conferences	500	504
Building/Accommodation	14,123	14,673
Office	3,017	2,624
Allocated to programs	(100,224)	(99,230)
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>
EXCESS OF REVENUE OVER EXPENSES	\$ -	\$ -
	<hr/> <hr/>	<hr/> <hr/>

COMMUNITY LIVING OSHAWA/CLARINGTON

DS HOST FAMILY RESIDENCES (9111)

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
Revenue		
Provincial subsidy	\$ 447,909	\$ 565,368
Other revenue	900	-
	<u>448,809</u>	<u>565,368</u>
Expenses		
Salaries	66,597	67,299
Staff benefits	13,305	14,098
Travel	2,255	1,039
Training and Conferences	750	756
Building/Accommodation	5,035	4,541
Office	2,851	2,856
Individualized funding	274,591	373,046
Allocated administration	37,231	30,384
Expenditure transfer	-	8,577
	<u>402,615</u>	<u>502,596</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 46,194</u>	<u>\$ 62,772</u>
Due to Ministry	<u>\$ 46,194</u>	<u>\$ 62,772</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

DS SUPPORTED INDEPENDENT LIVING (9112)

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
Revenue		
Provincial subsidy	\$ 931,280	\$ 777,960
Expenses		
Salaries	262,875	250,874
Staff benefits	51,972	49,806
Maintenance salaries and benefits	8,339	8,746
Travel	17,478	15,253
Training and conferences	3,000	3,988
Building/Accommodation	7,111	5,586
Office	11,249	12,404
Individualized funding	421,479	384,936
Allocated administration	57,014	46,113
	<u>840,517</u>	<u>777,706</u>
EXCESS OF REVENUE OVER EXPENSES	\$ 90,763	\$ 254
Due to (from) Ministry	\$ 90,763	\$ 254

COMMUNITY LIVING OSHAWA/CLARINGTON**DS SUPPORTED GROUP LIVING RESIDENCES (8847)****STATEMENT OF REVENUE AND EXPENSES****FOR THE YEAR ENDED MARCH 31, 2013**

	<u>2013</u>	<u>2012</u>
Revenue		
Provincial subsidy	\$ 7,153,527	\$ 7,540,582
Fees for programs	770,817	798,363
Donations	-	100
Other	94,274	85,628
Amortization of deferred contributions (Note 7)	40,687	43,666
	<u>8,059,305</u>	<u>8,468,339</u>
Expenses		
Salaries	5,436,373	5,781,570
Staff benefits	1,042,423	1,136,614
Maintenance salaries and benefits	123,485	145,896
Travel	88,325	151,604
Training and conferences	51,352	43,240
Purchased services - non - client	51,233	-
Program costs	22,108	12,291
Building/Accommodation	330,427	281,975
Office	45,985	48,815
Client related	270,534	283,100
Allocated administration	523,023	524,771
Amortization	103,863	122,368
Loss on disposal of capital assets	960	2,586
	<u>8,090,091</u>	<u>8,534,830</u>
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE)	\$ <u>(30,786)</u>	\$ <u>(66,491)</u>
Due to (from) Ministry	\$ (160,895)	\$ (63,026)
Retained by organization	<u>130,109</u>	<u>(3,465)</u>
	<u>\$ (30,786)</u>	<u>\$ (66,491)</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

DS INTENSIVE SUPPORT RESIDENCES (9110)

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
Revenue		
Provincial subsidy	\$ 323,886	\$ -
Fees for programs	24,000	-
	<hr/>	<hr/>
	347,886	-
	<hr/>	<hr/>
Expenses		
Salaries	198,478	-
Staff benefits	40,593	-
Maintenance salaries and benefits	16,294	-
Travel	15,384	-
Training and conferences	2,400	-
Building/Accommodation	8,850	-
Office	3,369	-
Client related	13,763	-
Allocated administration	24,817	-
	<hr/>	<hr/>
	323,948	-
	<hr/>	<hr/>
EXCESS OF REVENUE OVER EXPENSES	\$ 23,938	\$ -
	<hr/>	<hr/>
Due to (from) Ministry	\$ 23,938	\$ -
	<hr/>	<hr/>

COMMUNITY LIVING OSHAWA/CLARINGTON

DS CAREGIVER RESPITE SERVICES (9130)

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
Revenue		
Provincial subsidy	\$ 170,925	\$ 148,128
Other revenue	-	16,791
	<u>170,925</u>	<u>164,919</u>
Expenses		
Adult out-of-home respite	31,863	51,480
Durham Special Needs Allocation Program funding	125,853	117,648
	<u>157,716</u>	<u>169,128</u>
EXCESS OF REVENUE OVER EXPENSES	\$ <u>13,209</u>	\$ <u>(4,209)</u>
Due to Ministry	\$ <u>13,209</u>	\$ <u>(4,209)</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

DS COMMUNITY PARTICIPATION (9131)

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
Revenue		
Provincial subsidy	\$ 2,294,208	\$ 2,296,399
Other revenue	<u>-</u>	<u>140</u>
	<u>2,294,208</u>	<u>2,296,539</u>
Expenses		
Salaries	1,320,674	1,325,208
Staff benefits	257,408	259,796
Maintenance salaries and benefits	121,625	139,762
Travel	14,099	19,327
Training and conferences	10,359	10,381
Program costs	16,842	13,844
Building/Accommodation	178,438	114,346
Office	30,250	37,746
Individualized funding	232,510	247,524
Client related	3,150	2,933
Expenditure transfer	(20,055)	(20,055)
Allocated administration	141,655	138,883
	<u>2,306,955</u>	<u>2,289,695</u>
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE)	\$ <u>(12,747)</u>	\$ <u>6,844</u>
Due to (from) Ministry	\$ <u>(12,747)</u>	\$ <u>6,844</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

DS SELF MANAGED SUPPORT - INDIRECT (9136)

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
Revenue		
Provincial subsidy	\$ 161,990	\$ 159,825
Other	-	2,133
	<u>161,990</u>	<u>161,958</u>
Expenses		
Salaries	64,149	46,612
Staff benefits	12,457	9,776
Travel	1,243	1,726
Office	250	-
Individualized funding	72,714	92,993
Allocated administration	11,639	13,486
	<u>162,452</u>	<u>164,593</u>
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE)	\$ <u>(462)</u>	\$ <u>(2,635)</u>
Due to (from) Ministry	\$ <u>(462)</u>	\$ <u>(2,635)</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

COMMUNITY LIVING - CHILDREN'S GROUP LIVING (9250)

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
Revenue		
Provincial subsidy	\$ 1,947,061	\$ 1,998,905
Fees for programs	145,392	137,330
	<u>2,092,453</u>	<u>2,136,235</u>
Expenses		
Salaries	1,434,558	1,512,849
Staff benefits	284,037	288,589
Maintenance salaries and benefits	47,726	50,559
Travel	34,373	29,182
Training and conferences	4,812	6,303
Purchased services - non - client	15,199	-
Building/Accomodation	72,298	48,109
Office	9,487	10,939
Client related	72,282	55,280
Allocated administration	131,894	135,605
	<u>2,106,666</u>	<u>2,137,415</u>
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE)	\$ <u>(14,213)</u>	\$ <u>(1,180)</u>
Due to (from) Ministry	\$ <u>(14,213)</u>	\$ <u>(1,180)</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

CHILDREN'S ASSOCIATE LIVING - INDIVIDUALIZED RESIDENTIAL CARE (9251)

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
Revenue		
Provincial subsidy	\$ 247,487	\$ 247,097
Expenses		
Salaries	59,938	60,584
Staff benefits	11,982	11,513
Travel	-	569
Training and conferences	1,100	1,104
Building/Accommodation	604	573
Office	1,625	1,525
Individualized funding	141,980	154,024
Allocated administration	16,045	16,025
	<u>233,274</u>	<u>245,917</u>
EXCESS OF REVENUE OVER EXPENSES	\$ 14,213	\$ 1,180
Due to Ministry	\$ 14,213	\$ 1,180

COMMUNITY LIVING OSHAWA/CLARINGTON

CHILDREN IN-HOME RESPITE (9254)

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
Revenue		
Provincial subsidy	\$ <u>31,529</u>	\$ <u>31,479</u>
Expenses		
Individualized support funding	28,260	23,796
Allocated administration	<u>2,044</u>	<u>2,036</u>
	<u>30,304</u>	<u>25,832</u>
EXCESS OF REVENUE OVER EXPENSES	\$ <u>1,225</u>	\$ <u>5,647</u>
Due to Ministry	\$ <u>1,225</u>	\$ <u>5,647</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

CHILDREN OUT-OF-HOME RESPITE (9255)

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
Revenue		
Provincial subsidy	\$ 130,892	\$ 134,097
Fees for programs	8,169	8,304
	<u>139,061</u>	<u>142,401</u>
Expenses		
Salaries	98,799	104,663
Staff benefits	15,220	19,784
Training and conferences	-	783
Building/Accommodation	1,102	932
Office	104	-
Client related	4,060	2,219
Allocated administration	21,294	21,392
	<u>140,579</u>	<u>149,773</u>
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE)	\$ <u>(1,518)</u>	\$ <u>(7,372)</u>
Due to (from) Ministry	\$ <u>(1,518)</u>	\$ <u>(7,372)</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

SUPPORT SERVICES - CHILDREN (9259)

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
Revenue		
Provincial subsidy	\$ <u>106,263</u>	\$ <u>106,184</u>
Expenses		
Salaries	72,030	72,954
Staff benefits	14,391	15,276
Maintenance salaries and benefits	3,272	2,789
Travel	3,395	1,405
Training and conferences	342	348
Building/Accommodation	2,164	1,313
Office	3,487	3,487
Allocated administration	6,889	6,887
	<u>105,970</u>	<u>104,459</u>
EXCESS OF REVENUE OVER EXPENSES	\$ <u>293</u>	\$ <u>1,725</u>
Due to (from) Ministry	\$ <u>293</u>	\$ <u>1,725</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

PARTNER FACILITY RENEWAL (8915)

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
Revenue		
Provincial subsidy	\$ <u>105,500</u>	\$ <u>-</u>
Disbursements		
Repairs and maintenance	<u>105,500</u>	<u>-</u>
	\$ <u>-</u>	\$ <u>-</u>
EXCESS OF REVENUE OVER EXPENSES	<u><u>-</u></u>	<u><u>-</u></u>
Due to Ministry	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

COMMUNITY LIVING OSHAWA/CLARINGTON

REPAIRS AND MAINTENANCE (8852)

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
Revenue		
Provincial grants	\$ <u>50,200</u>	\$ <u>96,000</u>
Disbursements		
Repairs and maintenance	<u>50,200</u>	<u>96,000</u>
	\$ <u>-</u>	\$ <u>-</u>
EXCESS OF REVENUE OVER EXPENSES		
Due to Ministry	\$ <u>-</u>	\$ <u>-</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

CHILDREN OUT-OF-HOME RESPITE INITIATIVE (A510)

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
Revenue		
Provincial subsidy	\$ 186,535	\$ 186,535
Expenses		
Salaries	145,132	143,667
Staff benefits	27,575	27,981
Travel	3,116	4,122
Training and conferences	1,188	1,914
Program costs	250	269
Building/Accommodation	3,871	3,571
Office	986	633
Client related	4,417	4,378
	<u>186,535</u>	<u>186,535</u>
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE)	\$ -	\$ -
Due to (from) Ministry	\$ -	\$ -

COMMUNITY LIVING OSHAWA/CLARINGTON

DEDICATED SUPPORTIVE HOUSING

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
Revenue		
Other Ministry revenue	\$ 215,308	\$ 256,381
Fees for programs	32,448	32,448
	<u>247,756</u>	<u>288,829</u>
Expenses		
Operating		
Maintenance, salaries, wages and benefits	55,650	55,650
Maintenance materials and services	9,081	49,082
Utilities	26,140	26,140
Administration	22,299	22,299
Insurance	2,100	2,100
	<u>115,270</u>	<u>155,271</u>
Total Operating	<u>115,270</u>	<u>155,271</u>
Other		
Mortgage interest	48,679	52,318
Transfer to capital reserve	5,587	5,587
Amortization	78,220	75,124
	<u>132,486</u>	<u>133,029</u>
Total Other	<u>132,486</u>	<u>133,029</u>
EXCESS OF REVENUE OVER EXPENSES	\$ <u>-</u>	\$ <u>529</u>
Due to Ministry	\$ <u>-</u>	\$ <u>529</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

ODSP EMPLOYMENT SUPPORTS

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
Revenue		
Other Ministry revenue	\$ 127,300	\$ 129,184
	<hr/>	<hr/>
Expenses		
Salaries	98,803	99,666
Staff benefits	19,781	20,821
Travel	3,597	3,456
Training and conferences	711	2,593
Program costs	2,434	646
Office	1,974	2,002
	<hr/>	<hr/>
	127,300	129,184
	<hr/>	<hr/>
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE)	\$ -	\$ -
	<hr/>	<hr/>
Due to Ministry	\$ -	\$ -
	<hr/>	<hr/>

COMMUNITY LIVING OSHAWA/CLARINGTON

SPECIAL PROJECTS

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
Revenue		
Other	\$ <u>34,341</u>	\$ <u>74,832</u>
Expenses		
Salaries	12,737	28,607
Benefits	383	5,265
Program costs	1,138	26,466
Building/Accommodation	26,801	20,594
Office	-	2,800
Individualized funding	(6,718)	(8,900)
	<u>34,341</u>	<u>74,832</u>
EXCESS OF REVENUE OVER EXPENSES		
(EXPENSES OVER REVENUE)	\$ <u>-</u>	\$ <u>-</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

ASSOCIATION ACCOUNTS

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
Revenue		
Other Ministry revenue	\$ 162,460	\$ 151,224
Program fees	-	-
Donations	33,662	23,691
Fund-raising (net)	51,179	79,234
Other	4,322	56,412
Sales	55,854	70,416
	<u>307,477</u>	<u>380,977</u>
Expenses		
Salaries	16,137	22,583
Benefits	4,476	4,754
Travel	313	434
Training and conferences	3,457	7,105
Program costs	30,889	34,069
Building Accomodation	89,745	156,771
Office	-	1,378
Individualized funding	162,460	153,883
Expenditure transfer	-	-
	<u>307,477</u>	<u>380,977</u>
EXCESS OF REVENUE OVER EXPENSES	\$ <u>-</u>	\$ <u>-</u>
Retained by organization	\$ <u>-</u>	\$ <u>-</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

CLARINGTON PROJECT

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
Revenue		
Donations	\$ 1,108	\$ 26,085
Program fees	24,950	26,300
Fund-raising	12,093	28,428
	<hr/>	<hr/>
	38,151	80,813
	<hr/>	<hr/>
Expenses		
Travel	2,672	2,687
Program costs	7,169	21,137
Building/Accommodation	1,496	554
Office	884	1,500
Miscellaneous	5,875	34,880
Expenditure transfer	20,055	20,055
	<hr/>	<hr/>
	38,151	80,813
	<hr/>	<hr/>
EXCESS OF REVENUE OVER EXPENSES	\$ -	\$ -
	<hr/>	<hr/>

COMMUNITY LIVING OSHAWA/CLARINGTON

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
Operating activities		
Excess of revenue over expenses (expenses over revenue)	\$ 130,109	\$ (3,465)
Charges to income not involving cash:		
Amortization	182,083	197,492
Adjustment due to MCSS review	-	(5,214)
Loss on disposal of capital assets	960	2,586
Change in capital reserve allowance	5,588	3,924
Net change in non-cash working capital balances related to operations:		
Accounts receivable	(71,148)	42,065
Subsidies receivable	186,099	(121,975)
Prepaid expenses	(71,483)	(7,702)
Accounts payable and accrued liabilities	(169,642)	299,654
Due to Ministry of Community and Social Services	(529)	(1,877)
Funds held in trust	5,086	599
	<u>197,123</u>	<u>406,087</u>
Investing activities		
Additions to capital assets	<u>(687,968)</u>	<u>(211,308)</u>
Financing activities		
Increase (decrease) in loans payable	(80,765)	119,400
Increase (decrease) in mortgages payable	(88,054)	(84,531)
Increase (decrease) in deferred contributions related to capital assets	<u>(40,687)</u>	<u>(43,666)</u>
	<u>(209,506)</u>	<u>(8,797)</u>
Change in cash during the year	(700,351)	185,982
Cash at the beginning of the year	<u>250,959</u>	<u>64,977</u>
Cash at the end of the year	\$ <u>(449,392)</u>	\$ <u>250,959</u>
Cash is comprised of:		
Cash	\$ 30,608	\$ 250,959
Bank indebtedness	<u>(480,000)</u>	<u>-</u>
	\$ <u>(449,392)</u>	\$ <u>250,959</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

NOTES TO FINANCIAL STATEMENTS

AS AT MARCH 31, 2013

1. Purpose of the Organization

Community Living Oshawa/Clarington is a non-profit organization, which provides care and accommodation for the benefit of individuals with an intellectual disability. The organization was incorporated in Ontario on February 15, 1957 without share capital and is a registered charity, which is exempt from tax under the provisions of the Income Tax Act. On May 22, 2003, the organization changed its name from The Oshawa/Clarington Association for Community Living to Community Living Oshawa/Clarington.

2. Significant Accounting Policies

The financial statements were prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations and include the following significant accounting policies:

(a) Capital Assets

Capital assets are stated at cost. Amortization charges are calculated on a declining balance basis at the following rates:

Buildings	5%
Furniture, equipment and vehicles	25%

(b) Donated Services

The organization does not record the value of donated materials and services as it is felt to be impracticable from a record keeping and valuation point of view.

(c) Pledges

The organization does not account for the value of pledges. Accordingly, donations are recorded on a cash basis.

COMMUNITY LIVING OSHAWA/CLARINGTON

NOTES TO FINANCIAL STATEMENTS

AS AT MARCH 31, 2013

2. Significant Accounting Policies - continued

(d) Revenue Recognition

Community Living Oshawa/Clarington follows the deferral method of accounting for contributions. 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.

Government funding is recognized according to the contract. Fundraising revenue is recorded when the event is held. Sales are recognized when the product is shipped to the customer. Fees for programs are recognized on a monthly basis.

Certain revenues are received during the year for events to be held or programs to be completed in the next fiscal year. These revenues are deferred to the next year's operations.

(e) Basis of Presentation

These statements have been departmentalized in accordance with the funding and budgeting requirements prescribed by the Ministry of Community and Social Services.

(f) Allocation of Expenses

The organization provides various programs on behalf of the Ontario Ministry of Community and Social Services (OMCSS). The costs of each program include the costs of personnel, premises and other expenses that are directly related to providing the program. The organization also incurs a number of general support expenses that are common to the administration of the organization and each of its programs.

The organization allocates certain of its general support expenses by identifying the appropriate basis of allocating each component. The organization allocates these expenses to the departments in accordance with the approved budgets.

COMMUNITY LIVING OSHAWA/CLARINGTON

NOTES TO FINANCIAL STATEMENTS

AS AT MARCH 31, 2013

2. Significant Accounting Policies - continued

(g) Use of Estimates

The preparation of financial statements in accordance with Canadian Accounting Standards for Not-for-Profit Organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results may differ from those estimates.

(h) Financial Instruments

Measurement of financial instruments

The organization initially measures its financial assets at fair value.

The organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash and cash equivalents, accounts receivable and subsidies receivable.

Financial liabilities measured at amortized cost include bank indebtedness, accounts payable and accrued liabilities and Due to Ministry of Community and Social Services.

The organization has no financial assets measured at fair value.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

COMMUNITY LIVING OSHAWA/CLARINGTON

NOTES TO FINANCIAL STATEMENTS

AS AT MARCH 31, 2013

2. Significant Accounting Policies - continued

(h) Financial Instruments (continued)

Transaction costs

The organization recognizes its transaction costs in net income in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

(i) Cash and Cash Equivalents

Cash and cash equivalents include cash on deposit and short-term guaranteed investment certificates.

3. Impact of the Change in the Basis of Accounting

The organization has elected to apply the Canadian Accounting Standards for Not-for-Profit Organizations of Part III of the CICA Accounting Handbook.

These financial statements are the first financial statements for which the organization has applied Canadian Accounting Standards for Not-for-Profit Organizations.

The financial statements for the year ended March 31, 2013 were prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations and provisions set out in First-Time Adoption, Section 1501, for first-time adopters in this basis of accounting.

There was no impact or changes to the statements of financial position, operations, changes in net assets or cash flows as a result of adopting these standards at the date of transition, April 1, 2011 to financial statements previously issued by the organization for the period ending March 31, 2012 or the statement of financial position as at April 1, 2011.

4. Bank Credit Facility

The bank credit facility represents a line of credit with the Royal Bank of Canada to a maximum of \$1,000,000. The interest rate is Royal Bank prime. Security pledged for the line of credit consists of a mortgage on 1200 Simcoe Street South and a general security agreement. There was \$480,000 outstanding at March 31, 2013 (no balance outstanding at March 31, 2012). The bank credit facility was utilized to purchase a new property at 6758 Enfield Road while awaiting the payment of funds from the Ministry of Transportation from the expropriation of the property at 1034 Winchester Road East.

COMMUNITY LIVING OSHAWA/CLARINGTON

NOTES TO FINANCIAL STATEMENTS

AS AT MARCH 31, 2013

5. Long Term

Mortgages Payable

Property:	630 Annapolis	\$ 136,803
Mortgagor:	Canada Mortgage and Housing Corporation	
Monthly Payment:	\$1,109.57	
Interest Rate:	2.76%	
Maturity Date:	June 1, 2015	
Property:	821 Central Park	149,439
Mortgagor:	Canada Mortgage and Housing Corporation	
Monthly Payment:	\$1,212.05	
Interest Rate:	2.76%	
Maturity Date:	June 1, 2015	
Property:	380 Holcan	225,981
Mortgagor:	Royal Bank of Canada	
Monthly Payment:	\$1,801.91	
Interest Rate:	3.258%	
Maturity Date:	March 1, 2016	
Property:	425 Adelaide	164,886
Mortgagor:	Royal Bank of Canada	
Monthly Payment:	\$1,314.75	
Interest Rate:	3.258%	
Maturity Date:	March 1, 2016	
Property:	488 Rossland	220,114
Mortgagor:	TD Canada Trust	
Monthly Payment:	\$2,092.35	
Interest Rate:	6.51%	
Maturity Date:	March 1, 2026	

COMMUNITY LIVING OSHAWA/CLARINGTON

NOTES TO FINANCIAL STATEMENTS

AS AT MARCH 31, 2013

5. Long Term - continued

Property:	844 Bessborough	227,829
Mortgagor:	Scotiabank	
Monthly Payment:	\$1,768.77	
Interest Rate:	3.153%	
Maturity Date:	June 1, 2016	
Property:	209 Killdeer	168,845
Mortgagor:	Royal Bank	
Monthly Payment:	\$1,275.47	
Interest Rate:	3.182%	
Maturity Date:	November 1, 2014	
Property:	1034 Winchester	140,180
Mortgagor:	Royal Bank	
Monthly Payment:	\$1,000.00	
Interest Rate:	4.34%	
Maturity Date:	July 1, 2014	
Property:	1200 Simcoe Street	55,881
Mortgagor:	Royal Bank	
Monthly Payment:	\$559.56	
Interest Rate:	4.58%	
Maturity Date:	September 2, 2013	
		<hr/>
		1,489,958
Less: Current portion		<hr/>
		143,024
		<hr/>
		<u>\$ 1,346,934</u>

All mortgages are secured by the respective properties. The Ministry of Community and Social Services has guaranteed payment of all the above mortgages, except 1034 Winchester and 1200 Simcoe Street, and funds all capital expenditures and mortgage payments. Principal repayments in the next five years are as follows: \$143,024 in 2014, \$366,460 in 2015, \$612,923 in 2016, \$197,205 in 2017 and \$14,595 in 2018. All mortgages are to be refinanced when they mature.

COMMUNITY LIVING OSHAWA/CLARINGTON

NOTES TO FINANCIAL STATEMENTS

AS AT MARCH 31, 2013

5. Long Term - continued

Loans payable

The loans payable below were utilized to purchase various vehicles

Loan payable to:	Royal Bank	39,490
Monthly Payment:	\$2,036.00	
Interest Rate:	3.50%	
Maturity Date:	November 6, 2014	
Loan payable to:	Royal Bank	13,190
Monthly Payment:	\$460.47	
Interest Rate:	3.60%	
Maturity Date:	September 10, 2015	
Loan payable to:	Royal Bank	20,920
Monthly Payment:	\$648.31	
Interest Rate:	3.61%	
Maturity Date:	January 10, 2016	
Loan payable to:	Royal Bank	12,976
Monthly Payment:	\$411.84	
Interest Rate:	3.29%	
Maturity Date:	December 21, 2015	
Loan payable to:	Royal Bank	13,340
Monthly Payment:	\$400.00	
Interest Rate:	3.95%	
Maturity Date:	March 3, 2016	
Loan payable to:	Royal Bank	15,705
Monthly Payment:	\$457.38	
Interest Rate:	4.79%	
Maturity Date:	April 5, 2016	
Loan payable to:	Royal Bank	16,277
Monthly Payment:	\$441.56	
Interest Rate:	3.42%	
Maturity Date:	June 24, 2016	

COMMUNITY LIVING OSHAWA/CLARINGTON

NOTES TO FINANCIAL STATEMENTS

AS AT MARCH 31, 2013

5. Long Term - continued

Loan payable to:	Royal Bank	16,277
Monthly Payment:	\$441.56	
Interest Rate:	3.42%	
Maturity Date:	June 24, 2016	
Loan payable to:	Royal Bank	18,934
Monthly Payment:	\$436.20	
Interest Rate:	2.99%	
Maturity Date:	January 6, 2017	
Loan payable to:	Royal Bank	44,768
Monthly Payment:	\$1,031.35	
Interest Rate:	2.99%	
Maturity Date:	January 6, 2017	
Loan payable to:	Royal Bank	18,813
Monthly Payment:	\$433.40	
Interest Rate:	2.99%	
Maturity Date:	January 6, 2017	
Loan payable to:	Ford credit	10,907
Monthly Payment:	\$311.64	
Interest Rate:	0%	
Maturity Date:	February 7, 2016	
		<hr/>
		241,597
Less: Current portion		<hr/>
		83,476
		<hr/>
		<u>\$ 158,121</u>

All loans are secured by the respective vehicles. Principal repayments in the next five years are as follows: \$83,476 in 2014, \$78,095 in 2015 and \$58,189 in 2016 and \$21,837 in 2017.

COMMUNITY LIVING OSHAWA/CLARINGTON

NOTES TO FINANCIAL STATEMENTS

AS AT MARCH 31, 2013

6. Deferred Contributions - Capital Assets

Deferred capital contributions related to capital assets represent the unamortized amount of grants received for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the statement of operations.

	<u>2013</u>	<u>2012</u>
Opening balance	\$ 765,974	\$ 809,640
Less: Amounts amortized to revenue	<u>40,686</u>	<u>43,666</u>
Closing balance	<u>\$ 725,288</u>	<u>\$ 765,974</u>

7. Investment in Capital Assets

(a) Investment in capital assets is calculated as follows:

	<u>2013</u>	<u>2012</u>
Capital assets	\$4,099,681	\$ 3,594,755
Less: Amount financed by deferred contributions	(725,288)	(765,974)
Bank credit facility	(480,000)	-
Loans payable	(241,597)	(322,362)
Mortgages payable	<u>(1,489,958)</u>	<u>(1,578,012)</u>
	<u>\$ 1,162,838</u>	<u>\$ 928,407</u>

(b) Change in net assets invested in capital assets is calculated as follows:

	<u>2013</u>	<u>2012</u>
Excess of revenue over expenses (expenses over revenue)		
Amortization of deferred contributions	\$ 40,687	\$ 43,666
Loss on sale of assets	(960)	(2,586)
Less: Amortization of capital assets	<u>(182,083)</u>	<u>(197,492)</u>
	<u>\$ (142,356)</u>	<u>\$ (156,412)</u>
Net change in investment in capital assets		
Purchase of capital assets	\$ 687,968	\$ 211,308
Addition of new mortgage and loans	(480,000)	(178,816)
Repayment of mortgage and loan principal	<u>168,819</u>	<u>143,947</u>
	<u>\$ 376,787</u>	<u>\$ 171,439</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

NOTES TO FINANCIAL STATEMENTS

AS AT MARCH 31, 2013

8. Contingent Liabilities

In the normal course of operations, the organization becomes involved in various legal actions, including claims relating to injuries and damage to property. The organization maintains provisions (including but not limited to insurance) it considers to be adequate for such actions. While the final outcome with respect to actions outstanding or pending at March 31, 2013 cannot be predicted with certainty, it is the opinion of management that their resolution will not have a material adverse effect on the organization's financial position or results of its operations.

9. Prior year adjustment

Each fiscal year, the organization is required to perform a year-end reconciliation to determine any amounts repayable to, or recoverable from, Ministry of Community and Social Services (MCSS) in accordance with the corporation's operating agreements. As at the Auditors' Report date, the fiscal year ending March 31, 2013 has not been reviewed by MCSS, and as a result, future adjustments may be required as a result of this review. Due to the particular requirements of MCSS, comparative figures are not restated when these adjustments are made.

10. Capital Reserve Allowance - Dedicated Supportive Housing

The capital reserve allowance represents funding received from the Dedicated Supportive Housing, which can be used for future approved capital expenditures. Reduction in this reserve occurs when allowable capital expenditures are made. During the year, funding and interest of \$5,588 was received and no expenditures were incurred.

COMMUNITY LIVING OSHAWA/CLARINGTON

NOTES TO FINANCIAL STATEMENTS

AS AT MARCH 31, 2013

11. Community Living - Residences

The following are under the operations of Community Living - Adult Residences:

630 Annapolis Avenue
38-40 Wayne Street
425 Adelaide Avenue
821 Central Park Boulevard
380 Holcan Avenue
488 Rossland Road
1034 Winchester Road East
1200 Simcoe Street
209 Killdeer Street
843 Grandview Avenue
706 Holt Road
4794 Old Scugog Road
580 Wilson Road
844 Bessborough Drive
321 Marland Street

The following are under the operations of Community Living - Children's' Residences:

1035 Olive Avenue
88 Wyndfield Crescent
23 Inglewood Place
881 Pinecrest Road

12. Commitments

The organization is committed to annual amounts under lease agreements with respect to vehicles, equipment and properties as follows:

2014	\$27,040
2015	\$12,184
2016	\$12,184
2017	\$ 6,082

These leases expire at various dates between March 2014 and October 2016.

COMMUNITY LIVING OSHAWA/CLARINGTON

NOTES TO FINANCIAL STATEMENTS

AS AT MARCH 31, 2013

13. Qualification Regarding Vacation Salaries Payable

Vacation salaries payable in the amount of \$608,871 have not been accrued in these financial statements in accordance with the Ministry of Community and Social Services guidelines. This is consistent with prior years' presentation.

14. Financial Instruments

Risks and concentrations

The organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the organization's risk exposure and concentrations at March 31, 2013.

Credit risk

Credit risk arises from the potential that counterparties will fail to perform their obligations. The organization is subject to credit risk through its accounts receivables. Account monitoring procedures are utilized to minimize risk of loss.

Interest rate risk

Interest rate risk arises because of the fluctuation in interest rates. The organization is subject to interest rate risk through some of their mortgages. The organization is not subject to interest rate risk with certain mortgages payable as the mortgages are guaranteed by the funding authority. For the other mortgages payable, the organization monitors the current interest rate to ensure that their interest rates do not vary much from the market rate.

Liquidity Risk

Liquidity risk is defined as the risk that the organization may not be able to meet or settle its obligations as they become due. The organization has taken steps to ensure that it will have sufficient working capital to meet its obligations.

COMMUNITY LIVING OSHAWA/CLARINGTON

NOTES TO FINANCIAL STATEMENTS

AS AT MARCH 31, 2013

15. Economic Dependence

In common with other publicly funded agencies, the organization derives the majority of its revenue from the Province of Ontario. Further, the Province of Ontario through the Ministry of Community and Social Services has an encumbrance on specific real properties held in the name of the Association.

16. Comparative Figures

Certain comparative figures have been reclassified to conform to the current year's presentation.

17. Subsequent Event

Community Living Oshawa/Clarington is in negotiations with the Ministry of Transportation with respect to the expropriation of the property at 1034 Winchester Road East. The expropriation is expected to occur in the next fiscal year. The organization has purchased the property at 6758 Enfield Road to replace the Winchester home.