

COMMUNITY LIVING OSHAWA/CLARINGTON

FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026



**Smith
Chappell
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INDEPENDENT AUDITOR'S REPORT

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

Qualified Opinion

We have audited the financial statements of Community Living Oshawa/Clarington (the Organization), which comprise the statement of financial position as at March 31, 2026, and the statements of operations, changes in net assets and cash flows for the years then ended, and notes to the financial statements including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2026, and the results of its operations and its cash flows for the years then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Organization 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 Organization. Therefore, we were not able to determine whether any adjustments might be necessary to donations and fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended March 31, 2026 and 2025, current assets as at March 31, 2026 and 2025, and net assets as at April 1 and March 31 for both the 2026 and 2025 years.

We conducted our audits 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 audits 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 qualified 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we 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 our independence, and where applicable, related safeguards.



June 23, 2026
Oshawa, Ontario

Chartered Professional Accountants
Licensed Public Accountants

COMMUNITY LIVING OSHAWA/CLARINGTON

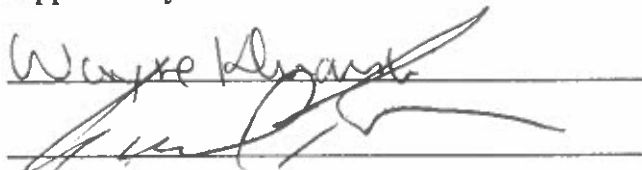
(INCORPORATED WITHOUT SHARE CAPITAL UNDER THE LAWS OF THE PROVINCE OF ONTARIO)

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2026

			<u>2026</u>	<u>2025</u>
<u>ASSETS</u>				
Current				
Cash and cash equivalents		\$	1,147,762	\$ 1,456,171
Accounts receivable			1,355,904	743,717
Subsidies receivable			17,512	45,064
Prepaid expenses			41,934	60,398
			<u>2,563,112</u>	<u>2,305,350</u>
Capital				
	<u>Cost</u>	<u>Accumulated Amortization</u>		
Land	\$ 1,885,855	\$ -	1,885,855	1,885,855
Buildings	6,370,388	4,459,902	1,910,486	2,017,130
Furniture, equipment and vehicles	1,772,665	1,596,546	176,119	204,625
	<u>\$ 10,028,908</u>	<u>\$ 6,056,448</u>	<u>3,972,460</u>	<u>4,107,610</u>
			\$ <u>6,535,572</u>	\$ <u>6,412,960</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, 2026

	<u>2026</u>	<u>2025</u>
<u>LIABILITIES</u>		
Current		
Bank indebtedness (Note 3)	\$ -	\$ -
Accounts payable and accrued liabilities	1,605,641	1,370,655
Due to Ministry of Children, Community and Social Services	12,107	-
Funds held in trust	28,708	23,758
Current portion of long term debt	<u>46,546</u>	<u>119,745</u>
	<u>1,693,002</u>	<u>1,514,158</u>
Long Term (Note 4)		
Mortgages payable	713,635	833,310
Less: current portion shown above	<u>(46,546)</u>	<u>(119,745)</u>
	<u>667,089</u>	<u>713,565</u>
Deferred contributions related to capital assets (Note 5)	<u>367,937</u>	<u>387,362</u>
Net Assets		
Investment in capital assets (Note 6)	2,890,888	2,886,938
Capital reserve allowance - Dedicated Supportive Housing (Note 9)	67,375	61,762
Internally Restricted (Note 14)	1,348,496	1,348,496
Unrestricted net assets (deficit)	<u>(499,215)</u>	<u>(499,321)</u>
	<u>3,807,544</u>	<u>3,797,875</u>
	<u>\$ 6,535,572</u>	<u>\$ 6,412,960</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED MARCH 31, 2026

	Investment in Capital Assets	Capital Reserve Allowance	Internally Restricted (Note 14)	Unrestricted	Total 2026	Total 2025
Opening balance	\$ 2,886,938	\$ 61,762	\$ 1,348,496	\$ (499,321)	\$ 3,797,875	\$ 3,481,881
Prior year adjustment due to Ministry review (Note 8)	-	-	-	-	-	-
Excess of revenue over expenses (expenses over revenue) (Note 6)	(107,336)	-	-	111,392	4,056	310,381
Net change in investment in capital assets (Note 6)	111,286	-	-	(111,286)	-	-
Dedicated Supportive Housing funding (Note 9)	-	5,613	-	-	5,613	5,613
Transfer between funds (Note 14)	-	-	-	-	-	-
Closing balance	\$ 2,890,888	\$ 67,375	\$ 1,348,496	\$ (499,215)	\$ 3,807,544	\$ 3,797,875

COMMUNITY LIVING OSHAWA/CLARINGTON

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2026

	<u>2026</u>	<u>2025</u>
Revenue		
Provincial subsidy	\$ 21,760,490	\$ 22,858,612
Other Provincial subsidy	3,197,278	2,321,692
Program fees	1,419,250	1,252,296
Donations	3,766	247,335
Other revenue	220,278	267,468
Amortization of deferred contributions (Note 5)	<u>19,425</u>	<u>20,467</u>
	26,620,487	26,967,870
Expenses (Schedule A)	<u>26,604,324</u>	<u>26,657,489</u>
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE)	\$ <u>16,163</u>	\$ <u>310,381</u>
Due to (from) Ministry	\$ 12,107	\$ -
Retained by organization	<u>4,056</u>	<u>310,381</u>
	\$ <u>16,163</u>	\$ <u>310,381</u>

COMMUNITY LIVING OSHAWA/CLARINGTON**SCHEDULE A****EXPENSES****FOR THE YEAR ENDED MARCH 31, 2026**

	<u>2026</u>	<u>2025</u>
Expenses		
Gross salary/benefits	\$ 18,875,113	\$ 18,604,906
Staff training	157,492	89,213
Building occupancy	982,495	944,748
Travel and communication	461,974	449,611
Supplies and equipment	498,113	477,542
Other program/service expenditure	5,422,975	5,911,560
DSH mortgage interest, audit and capital reserve	12,113	12,587
Allocated central administration	-	-
Loss on disposal of assets	-	(507)
Amortization	<u>126,761</u>	<u>143,754</u>
Total expenses before vacation accrual	26,537,036	26,633,414
Vacation accrual (Note 12)	<u>67,288</u>	<u>24,075</u>
TOTAL EXPENSES	\$ <u>26,604,324</u>	\$ <u>26,657,489</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

STATEMENT OF OPERATIONS - MINISTRY SERVICE CONTRACT TOTALS

FOR THE YEAR ENDED MARCH 31, 2026

	<u>2026</u>	<u>2025</u>
Revenue		
Provincial subsidy	\$ 21,760,490	\$ 22,858,612
Program fees	1,314,564	1,141,803
Donations	-	-
Other revenue	94,274	94,274
Amortization of deferred contributions (Note 5)	<u>19,425</u>	<u>20,467</u>
	<u>23,188,753</u>	<u>24,115,156</u>
Expenses		
Gross salary/benefits	18,617,392	18,360,822
Staff training	157,492	88,786
Building occupancy	908,630	844,397
Travel and communication	455,931	440,484
Supplies and equipment	498,113	476,825
Other program/service expenditure	2,592,441	3,984,717
Allocated central administration	(153,891)	(172,428)
Loss on disposal of assets	-	(507)
Amortization	<u>41,407</u>	<u>27,799</u>
	<u>23,117,515</u>	<u>24,050,895</u>
Excess of revenue over expenses (expenses over revenue) before vacation accrual	71,238	64,261
Vacation accrual (Note 12)	<u>67,288</u>	<u>39,274</u>
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE)	\$ <u>3,950</u>	\$ <u>24,987</u>
Due to (from) Ministry	\$ -	\$ -
Retained by organization	<u>3,950</u>	<u>24,987</u>
	\$ <u>3,950</u>	\$ <u>24,987</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

STATEMENT OF OPERATIONS - NON-SERVICE CONTRACT TOTALS

FOR THE YEAR ENDED MARCH 31, 2026

	<u>2026</u>	<u>2025</u>
Revenue		
Other Provincial subsidy	\$ 3,197,278	\$ 2,321,692
Program fees	104,686	110,493
Donations	3,766	247,335
Other revenue	<u>126,004</u>	<u>173,194</u>
	<u>3,431,734</u>	<u>2,852,714</u>
Expenses		
Gross salary/benefits	257,721	244,084
Staff training	-	427
Building occupancy	73,865	100,351
Travel and communication	6,043	9,127
Supplies and equipment	-	717
Other program/service expenditure	2,830,534	1,926,843
DSH mortgage interest, audit and capital reserve	12,113	12,587
Amortization	85,354	115,955
Allocated central administration	<u>153,891</u>	<u>172,428</u>
	<u>3,419,521</u>	<u>2,582,519</u>
Excess of revenue over expenses (expenses over revenue)		
before vacation accrual	12,213	270,195
Vacation accrual (Note 12)	<u>-</u>	<u>(15,199)</u>
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE)	\$ <u>12,213</u>	\$ <u>285,394</u>
Due to (from) Ministry	\$ 12,107	\$ -
Retained by organization	<u>106</u>	<u>285,394</u>
	\$ <u>12,213</u>	\$ <u>285,394</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

CENTRAL ADMINISTRATION

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2026

	<u>2026</u>	<u>2025</u>
Revenue		
Program fees	\$ -	\$ -
Expenses		
Gross salary/benefits	1,206,805	1,137,421
Staff training	29,128	31,197
Building occupancy	42,261	48,968
Travel and communication	6,365	5,344
Supplies and equipment	57,462	85,650
Other program/service expenditure	146,482	126,893
Allocated central administration	<u>(1,488,503)</u>	<u>(1,435,473)</u>
	-	-
EXCESS OF REVENUE OVER EXPENSES	\$ -	\$ -

COMMUNITY LIVING OSHAWA/CLARINGTON

PROPERTY MAINTENANCE

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2026

	<u>2026</u>	<u>2025</u>
Revenue		
Other	\$ <u>-</u>	\$ <u>-</u>
Expenses		
Gross salary/benefits	18,495	48,908
Staff training	500	500
Building occupancy	15,275	-
Travel and communication	21,380	6,242
Allocated to programs	<u>(55,650)</u>	<u>(55,650)</u>
	<u>-</u>	<u>-</u>
EXCESS OF REVENUE OVER EXPENSES	\$ <u>-</u>	\$ <u>-</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

DSRS ADULTS' COMMUNITY ACCOMMODATION

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2026

	<u>2026</u>	<u>2025</u>
Revenue		
Provincial subsidy	\$ 16,471,203	\$ 16,446,723
Program Fees	1,314,564	1,141,803
Other	94,274	94,274
Amortization of deferred contributions (Note 5)	<u>19,425</u>	<u>20,467</u>
	<u>17,899,466</u>	<u>17,703,267</u>
Expenses		
Gross salary/benefits	14,298,652	14,006,330
Staff training	114,884	43,992
Building occupancy	719,437	646,182
Travel and communication	381,148	383,300
Supplies and equipment	419,722	369,475
Other program/service expenditure	636,789	1,031,795
Allocated central administration	1,216,580	1,145,047
Loss (gain) on disposal of capital assets	-	(507)
Amortization	<u>41,407</u>	<u>27,799</u>
	<u>17,828,619</u>	<u>17,653,413</u>
Excess of revenue over expenses (expenses over revenue)		
before vacation accrual	70,847	49,854
Vacation accrual (Note 12)	<u>66,897</u>	<u>24,867</u>
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE)	\$ <u>3,950</u>	\$ <u>24,987</u>
Due to (from) Ministry	\$ -	\$ -
Retained by organization	<u>3,950</u>	<u>24,987</u>
	\$ <u>3,950</u>	\$ <u>24,987</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

ADULTS' DS COMMUNITY SUPPORT SERVICES

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2026

	<u>2026</u>	<u>2025</u>
Revenue		
Provincial subsidy	\$ <u>4,542,684</u>	\$ <u>5,665,286</u>
Expenses		
Gross salary/benefits	2,506,701	2,596,467
Staff training	10,359	10,359
Building occupancy	122,677	139,664
Travel and communication	36,360	33,846
Supplies and equipment	13,056	13,630
Other program/service expenditure	1,725,532	2,741,699
Allocated central administration	<u>125,989</u>	<u>120,885</u>
	<u>4,540,674</u>	<u>5,656,550</u>
Excess of revenue over expenses (expenses over revenue) before vacation accrual	2,010	8,736
Vacation accrual (Note 12)	<u>2,010</u>	<u>8,736</u>
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE)	\$ <u>-</u>	\$ <u>-</u>
Due to (from) Ministry	\$ <u>-</u>	\$ <u>-</u>
Retained by organization	<u>-</u>	<u>-</u>
	\$ <u>-</u>	\$ <u>-</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

DSRS CHILDREN'S COMMUNITY ACCOMODATION

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2026

	<u>2026</u>	<u>2025</u>
Revenue		
Provincial subsidy	\$ <u>-</u>	\$ <u>243,100</u>
Expenses		
Gross salary/benefits	-	138,023
Staff training	-	1,100
Building occupancy	-	606
Travel and communication	-	1,008
Supplies and equipment	-	500
Other program/service expenditure	-	73,558
Allocated central administration	<u>-</u>	<u>22,676</u>
	<u>-</u>	<u>237,471</u>
Excess of revenue over expenses (expenses over revenue)		
before vacation accrual	-	5,629
Vacation accrual (Note 12)	<u>-</u>	<u>5,629</u>
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE)	\$ <u>-</u>	\$ <u>-</u>
Due to (from) Ministry	\$ <u>-</u>	\$ <u>-</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

CHILDREN'S DS COMMUNITY SUPPORT SERVICES

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2026

	<u>2026</u>	<u>2025</u>
Revenue		
Provincial subsidy	\$ <u>556,048</u>	\$ <u>312,948</u>
Expenses		
Gross salary/benefits	410,067	257,604
Staff training	2,048	1,065
Building occupancy	4,865	4,259
Travel and communication	6,118	6,184
Supplies and equipment	3,871	3,568
Other program/service expenditure	83,005	10,139
Allocated central administration	<u>47,693</u>	<u>30,087</u>
	<u>557,667</u>	<u>312,906</u>
Excess of revenue over expenses (expenses over revenue) before vacation accrual	(1,619)	42
Vacation accrual (Note 12)	<u>(1,619)</u>	<u>42</u>
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE)	\$ <u>-</u>	\$ <u>-</u>
Due to (from) Ministry	\$ <u>-</u>	\$ <u>-</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

RESPITE SERVICES

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2026

	<u>2026</u>	<u>2025</u>
Revenue		
Provincial subsidy	\$ <u>190,555</u>	\$ <u>190,555</u>
Expenses		
Gross salary/benefits	176,672	176,069
Staff training	573	573
Building occupancy	4,115	4,718
Travel and communication	4,560	4,560
Supplies and equipment	4,002	4,002
Other program/service expenditure	<u>633</u>	<u>633</u>
	<u>190,555</u>	<u>190,555</u>
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE)	\$ <u>-</u>	\$ <u>-</u>
Due to (from) Ministry	\$ <u>-</u>	\$ <u>-</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

PARTNER FACILITY RENEWAL CAPITAL

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2026

	<u>2026</u>	<u>2025</u>
Revenue		
Provincial subsidy	\$ <u>36,500</u>	\$ <u>54,202</u>
Expenses		
Building occupancy	<u>36,500</u>	<u>54,202</u>
EXCESS OF REVENUE OVER EXPENSES	\$ <u>-</u>	\$ <u>-</u>
Due to (from) Ministry	\$ -	\$ -
Retained by organization	<u>-</u>	<u>-</u>
	\$ <u>-</u>	\$ <u>-</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

DEDICATED SUPPORTIVE HOUSING

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2026

	<u>2026</u>	<u>2025</u>
Revenue		
Other provincial subsidy	\$ 191,183	\$ 210,151
Program fees	<u>32,448</u>	<u>32,448</u>
	<u>223,631</u>	<u>242,599</u>
Expenses		
Operating		
Maintenance, salaries, wages and benefits	55,692	55,692
Maintenance materials and services	9,068	9,068
Utilities	26,136	26,136
Administration	22,260	22,260
Insurance	<u>2,100</u>	<u>2,100</u>
Total Operating	<u>115,256</u>	<u>115,256</u>
Other		
Mortgage interest	5,301	5,775
Transfer to capital reserve	5,613	5,613
Amortization	<u>85,354</u>	<u>115,955</u>
Total Other	<u>96,268</u>	<u>127,343</u>
EXCESS OF REVENUE OVER EXPENSES	\$ <u>12,107</u>	\$ <u>-</u>
Due to Ministry	\$ <u>12,107</u>	\$ <u>-</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

EMPLOYMENT SUPPORTS

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2026

	<u>2026</u>	<u>2025</u>
Revenue		
Other Provincial subsidy	\$ <u>-</u>	\$ <u>53,675</u>
Expenses		
Gross salary/benefits	-	63,164
Staff training	-	427
Travel and communication	-	3,954
Supplies and equipment	-	717
Other program/service expenditures	<u>-</u>	<u>612</u>
	<u>-</u>	<u>68,874</u>
Excess of revenue over expenses (expenses over revenue)		
before vacation accrual	-	(15,199)
Vacation accrual (Note 12)	<u>-</u>	<u>(15,199)</u>
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE)	\$ <u>-</u>	\$ <u>-</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

SPECIAL PROJECTS

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2026

	<u>2026</u>	<u>2025</u>
Revenue		
Donations	\$ -	\$ -
Other provincial subsidy	21,061	-
Other	<u>12,485</u>	<u>13,158</u>
	<u>33,546</u>	<u>13,158</u>
Expenses		
Gross salary/benefits	11,205	13,158
Building occupancy	-	-
Other program/service expenditure	<u>22,341</u>	<u>7,952</u>
	<u>33,546</u>	<u>21,110</u>
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE)	\$ <u>-</u>	\$ <u>(7,952)</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

ASSOCIATION ACCOUNTS

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2026

	<u>2026</u>	<u>2025</u>
Revenue		
Other Provincial subsidy	\$ 2,948,534	\$ 2,003,664
Donations	3,766	247,335
Other	<u>111,219</u>	<u>158,036</u>
	<u>3,063,519</u>	<u>2,409,035</u>
Expenses		
Gross salary/benefits	202,310	115,785
Building occupancy	-	8,830
Travel and communication	201	684
Allocated central administration	77,141	95,678
Other program/service expenditure	<u>2,783,761</u>	<u>1,894,712</u>
	<u>3,063,413</u>	<u>2,115,689</u>
EXCESS OF REVENUE OVER EXPENSES	\$ <u>106</u>	\$ <u>293,346</u>
Retained by organization	\$ <u>106</u>	\$ <u>293,346</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

CLARINGTON PROJECT

STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2026

	<u>2026</u>	<u>2025</u>
Revenue		
Donations	\$ -	\$ -
Program fees	72,238	78,045
Other	<u>2,300</u>	<u>2,000</u>
	<u>74,538</u>	<u>80,045</u>
Expenses		
Gross salary/benefits	44,206	51,977
Building occupancy	58	12
Travel and communication	5,842	4,489
Other program/service expenditure	<u>24,432</u>	<u>23,567</u>
	<u>74,538</u>	<u>80,045</u>
EXCESS OF REVENUE OVER EXPENSES	\$ <u>-</u>	\$ <u>-</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2026

	<u>2026</u>	<u>2025</u>
Operating activities		
Excess of revenue over expenses (expenses over revenue)	\$ 4,056	\$ 310,381
Charges to income not involving cash:		
Amortization	126,761	143,754
Adjustment due to MCSS review	-	-
Loss (gain) on disposal of capital assets	-	(507)
Change in capital reserve allowance	5,613	5,613
Net change in non-cash working capital balances related to operations:		
Accounts receivable	(612,187)	1,691,372
Subsidies receivable	27,552	(8,006)
Prepaid expenses	18,464	15,285
Accounts payable and accrued liabilities	234,986	(262,302)
Due to Ministry of Community and Social Services	12,107	-
Funds held in trust	4,950	925
	<u>(177,698)</u>	<u>1,896,515</u>
Investing activities		
Proceeds on disposal of capital assets	8,389	1,000
Additions to capital assets	-	-
	<u>8,389</u>	<u>1,000</u>
Financing activities		
Increase (decrease) in mortgages payable	(119,675)	(148,767)
Increase (decrease) in deferred contributions related to capital assets	(19,425)	(20,467)
	<u>(139,100)</u>	<u>(169,234)</u>
Change in cash during the year	(308,409)	1,728,281
Cash at the beginning of the year	<u>1,456,171</u>	<u>(272,110)</u>
Cash at the end of the year	\$ <u><u>1,147,762</u></u>	\$ <u><u>1,456,171</u></u>
Cash is comprised of:		
Cash	\$ 1,147,762	\$ 1,456,171
Bank indebtedness	<u>-</u>	<u>-</u>
	\$ <u><u>1,147,762</u></u>	\$ <u><u>1,456,171</u></u>

COMMUNITY LIVING OSHAWA/CLARINGTON

NOTES TO FINANCIAL STATEMENTS

AS AT MARCH 31, 2026

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, 2026

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 Children, Community and Social Services.

(f) Allocation of Expenses

The organization provides various programs on behalf of the Ministry of Children, Community and Social Services (MCCSS). 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, 2026

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 annually. 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, 2026

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. 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 \$nil outstanding at March 31, 2026 (\$nil at March 31, 2025).

COMMUNITY LIVING OSHAWA/CLARINGTON

NOTES TO FINANCIAL STATEMENTS

AS AT MARCH 31, 2026

4. Long Term

Mortgages Payable

Property:	844 Bessborough	1,845
Mortgagor:	Peoples Trust Company	
Monthly Payment:	\$1,753.48	
Interest Rate:	4.05%	
Maturity Date:	May 1, 2026	
Property:	209 Killdeer	8,730
Mortgagor:	Scotia Mortgage Corporation	
Monthly Payment:	\$1,261.83	
Interest Rate:	6.466%	
Maturity Date:	November 1, 2026	
Property:	6758 Enfield	237,747
Mortgagor:	Royal Bank	
Monthly Payment:	\$2368.00	
Interest Rate:	7.08%	
Maturity Date:	December 23, 2028	
Property:	1186 King Street	465,313
Mortgagor:	Royal Bank	
Monthly Payment:	\$3,329.20	
Interest Rate:	3.51%	
Maturity Date:	November 3, 2030	
		713,635
Less: Current portion		<u>46,546</u>
		<u>\$ 667,089</u>

All mortgages are secured by the respective properties. The Ministry of Children, Community and Social Services has guaranteed payment of all the above mortgages, except 6758 Enfield and 1186 King Street, and funds all capital expenditures and mortgage payments. Principal repayments in the next five years are as follows: \$46,546 in 2027, 37,703 in 2028, \$238,687 in 2029, \$26,666 in 2030 and \$364,033 in 2031. All mortgages are to be refinanced when they mature.

COMMUNITY LIVING OSHAWA/CLARINGTON

NOTES TO FINANCIAL STATEMENTS

AS AT MARCH 31, 2026

5. 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>2026</u>	<u>2025</u>
Opening balance	\$ 387,362	\$ 407,829
Less: Amounts amortized to revenue	<u>19,425</u>	<u>20,467</u>
Closing balance	<u>\$ 367,937</u>	<u>\$ 387,362</u>

6. Investment in Capital Assets

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

	<u>2026</u>	<u>2025</u>
Capital assets	\$3,972,460	\$ 4,107,610
Less: Amount financed by deferred contributions	(367,937)	(387,362)
Mortgages payable	<u>(713,635)</u>	<u>(833,210)</u>
	<u>\$ 2,890,888</u>	<u>\$ 2,886,938</u>

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

	<u>2026</u>	<u>2025</u>
Excess of revenue over expenses (expenses over revenue)		
Amortization of deferred contributions	\$ 19,425	\$ 20,467
Gain on Disposal of assets	-	507
Less: Amortization of capital assets	<u>(126,761)</u>	<u>(143,754)</u>
	<u>\$ (107,336)</u>	<u>\$ (122,780)</u>
Net change in investment in capital assets		
Purchase of capital assets	\$ -	\$ -
Proceeds on sale of assets	(8,389)	(1,000)
Repayment of mortgage and loan principal	<u>119,675</u>	<u>148,767</u>
	<u>\$ 111,286</u>	<u>\$ 147,767</u>

COMMUNITY LIVING OSHAWA/CLARINGTON

NOTES TO FINANCIAL STATEMENTS

AS AT MARCH 31, 2026

7. 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, 2026 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.

8. 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 Children, Community and Social Services (MCCSS) in accordance with the corporation's operating agreements. As at the Auditors' Report date, the fiscal year ending March 31, 2026 has not been reviewed by MCCSS, and as a result, future adjustments may be required as a result of this review. Due to the particular requirements of MCCSS, comparative figures are not restated when these adjustments are made.

9. 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 of \$5,613 was received and \$nil of expenditures were incurred.

COMMUNITY LIVING OSHAWA/CLARINGTON

NOTES TO FINANCIAL STATEMENTS

AS AT MARCH 31, 2026

10. Commitments

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

2027	\$227,198
2028	\$158,318
2029	\$158,318
2030	\$ 95,299
2031	\$ 22,422

These leases expire at various dates between July 2026 and September 2030.

11. 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, 2026.

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, 2026

12. Vacation Accrual

Vacation salaries payable in the amount of \$608,375 were accrued in the March 31, 2015 financial statements in accordance with the Ministry of Children, Community and Social Services guidelines. Prior to 2015, per the Ministry of Children, Community and Social Services guidelines, this payable was not accrued. The entire amount was recognized in the March 31, 2015 fiscal year to be consistent with reporting to the Ministry of Children, Community and Social Services for fiscal 2014/15. Vacation is being accrued on an annual basis starting in 2016.

13. 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 Children, Community and Social Services has an encumbrance on specific real properties held in the name of the Association.

COMMUNITY LIVING OSHAWA/CLARINGTON

NOTES TO FINANCIAL STATEMENTS

AS AT MARCH 31, 2026

14. Internally Restricted

The organization has two internally restricted funds as follows:

Internally Restricted Board of Directors:

The Board of Directors created an internally restricted fund from the funds received through the expropriation of a property by the Ontario Ministry of Transportation to be used for housing related expenses or new business ventures. Amounts from this fund can only be expended with approval from the Board of Directors.

	<u>2026</u>	<u>2025</u>
Opening balance	\$ 1,055,150	\$ 1,063,102
Less: Amounts approved by Board out of these funds	<u>-</u>	<u>(7,952)</u>
Closing balance	<u>\$ 1,055,150</u>	<u>\$ 1,055,150</u>

Internally Restricted Senior Management:

During the year Senior Management created an internally restricted fund from the funds received through a bequest and the amounts earned through the brokering of passport funding to be used for future operations of the organization. Amounts from this fund can only be expended with approval from the Senior Management.

	<u>2026</u>	<u>2025</u>
Opening balance	\$ 293,346	\$ -
Transferred from operating	-	293,346
Less: Amounts approved by Senior Management out of these funds	<u>-</u>	<u>-</u>
Closing balance	<u>\$ 293,346</u>	<u>\$ 293,346</u>

Total Internally Restricted Funds	<u>\$ 1,348,496</u>	<u>\$ 1,348,496</u>
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