

*One Care Home and Community  
Support Services*

Financial Statements  
Year Ended March 31, 2023

- audited -

# *One Care Home and Community Support Services*

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of One Care Home and Community Support Services:

### Opinion

We have audited the financial statements of One Care Home and Community Support Services, which comprise the balance sheet as at March 31, 2023 and the statements of income and retained earnings, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of One Care Home and Community Support Services as at March 31, 2023, and its results of its operations and its cash flows for the year then ended March 31, 2023 in accordance with Canadian accounting standards for not-for-profit organizations.

### Basis for Opinion

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

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 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:

*Independent Auditor's Report continued on next page...*

*Independent Auditor's Report continued...*

- 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.

*Ward & Uptigrove*

Listowel, Ontario

June 14, 2023

**Ward & Uptigrove**  
**Chartered Professional Accountants**  
**Licensed Public Accountants**



# One Care Home and Community Support Services

## Statement of Financial Position

as at March 31, 2023

*in dollars*

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*The Accompanying Notes are an Integral Part of the Financial Statements*

2023

2022

### ASSETS

#### Current Assets

Cash	2,270,403	2,235,487
Accounts receivable	823,280	1,325,836
HST receivable	126,118	332,746
Guaranteed investment certificates - Note 4	750,000	750,000
Prepaid expenses	104,559	175,892

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	<b>4,074,360</b>	<b>4,819,961</b>
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#### Capital Assets - Note 5

Cost	5,721,804	5,853,676
Less accumulated amortization	4,265,221	4,402,291

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	<b>1,456,583</b>	<b>1,451,385</b>
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### **TOTAL ASSETS**

	<b>5,530,943</b>	<b>6,271,346</b>
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### LIABILITIES AND NET ASSETS

#### LIABILITIES

##### Current Liabilities

Accounts payable and accruals	681,555	1,045,512
Wages payable	660,470	713,530
Government remittances payable	106,640	155,645
Deferred contributions - Note 7	673,912	906,283

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	<b>2,122,577</b>	<b>2,820,970</b>
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##### Long Term Liabilities

Deferred capital contributions - Note 8	544,980	537,075
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### **TOTAL LIABILITIES**

	<b>2,667,557</b>	<b>3,358,045</b>
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#### NET ASSETS

Unrestricted net assets	2,863,386	2,913,301
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### **TOTAL NET ASSETS**

	<b>2,863,386</b>	<b>2,913,301</b>
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### **TOTAL LIABILITIES AND NET ASSETS**

	<b>5,530,943</b>	<b>6,271,346</b>
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# One Care Home and Community Support Services

## Statement of Operations and Net Assets

year ended March 31, 2023

in dollars

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The Accompanying Notes are an Integral Part of the Financial Statements

2023

2022

### REVENUES

Home and Community Care Support Services	3,350,643	3,498,323
Ontario Health West Community Support Services	6,909,468	6,722,317
Client fees and other revenue - Note 6	1,814,191	1,400,904
Amortization of deferred contributions - Note 7	129,534	346,645

**12,203,836**

**11,968,189**

### EXPENDITURES

Salaries and benefits	9,348,177	9,180,105
Supplies and sundry	2,314,432	2,199,137
Buildings, equipment and grounds	588,435	593,693

**12,251,044**

**11,972,935**

### Operating loss

**(47,208)**

**(4,746)**

### Other income (expense)

Amortization of deferred capital contributions - Note 8	186,761	311,918
Amortization of capital assets	(217,762)	(344,468)
Net gain from insurance proceeds	28,294	248,358

### EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES

**(49,915)**

**211,062**

Unrestricted net assets, beginning of year

2,913,301

2,702,239

### UNRESTRICTED NET ASSETS, END OF YEAR

**2,863,386**

**2,913,301**

# One Care Home and Community Support Services

## Statement of Cash Flows year ended March 31, 2023

*in dollars*

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*The Accompanying Notes are an Integral Part of the Financial Statements*

2023

2022

### CASH PROVIDED BY (USED IN):

#### OPERATING ACTIVITIES

Excess (deficiency) of revenue over expenditures for the year	(49,915)	211,062
Items not affecting cash		
Amortization of capital assets	217,762	344,468
Amortization of deferred contributions - Note 7	(129,534)	(346,645)
Amortization of deferred capital contributions - Note 8	(186,761)	(311,918)
Loss on impairment	-	351,840
<hr/>		
Changes in non-cash working capital	(148,448)	248,807
related to operations - Note 9	314,495	(681,160)
<hr/>		
	<b>166,047</b>	<b>(432,353)</b>

#### FINANCING ACTIVITIES

Increase (decrease) in deferred contributions - Note 7	(102,837)	464,384
Increase (decrease) in deferred capital contributions - Note 8	194,666	-
<hr/>		
	<b>91,829</b>	<b>464,384</b>

#### INVESTING ACTIVITIES

Purchase of capital assets	(222,960)	(600,198)
Proceeds from guaranteed investment certificates	-	250,000
<hr/>		
	<b>(222,960)</b>	<b>(350,198)</b>

#### CHANGE IN CASH AND CASH EQUIVALENTS

	<b>34,916</b>	<b>(318,167)</b>
<hr/>		
Cash and cash equivalents, beginning of year	2,235,487	2,553,654
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<b>Cash and cash equivalents, end of year</b>	<b>2,270,403</b>	<b>2,235,487</b>

#### Represented by:

<b>Cash</b>	<b>2,270,403</b>	<b>2,235,487</b>
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# One Care Home and Community Support Services

## Notes to the Financial Statements

year ended March 31, 2023

in dollars

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The Accompanying Notes are an Integral Part of the Financial Statements

### 1 PURPOSE OF THE ORGANIZATION

One Care Home and Community Support Services ("the organization"), is incorporated without share capital under the laws of the Province of Ontario and is a registered charity under the Income Tax Act. The purpose of the organization is to provide in-home and community support services, as well as adult day programs, for seniors and persons with disabilities.

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations and include the following significant accounting policies:

#### 2.1 Capital assets

Capital assets are stated at cost and are amortized monthly on a straight-line basis utilizing annual rates, as indicated below.

Buildings	4% straight line
Yard	8% straight line
Leasehold improvements	5-20% straight line
Equipment and furniture	20% straight line
Vehicles	20% straight line
Computer hardware and software	33% straight line

In the year of acquisition and until assets are available for use, no amortization is applied.

#### 2.2 Impairment of long-lived assets

A long-lived asset is tested for recoverability whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

#### 2.3 Contributed Services

The organization is dependant upon the many hours contributed by volunteers during the year. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

#### 2.4 Revenue recognition

Revenue is recognized when there is persuasive evidence that an arrangement exists, the price is fixed or determinable, and collection is reasonably assured. Revenues from Ministry of Health and other service revenue are recognized as services are provided. Restricted contributions are recognized under the deferral method, where 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.

All donations and fundraising revenue received by the organization are restricted for client subsidies, or the purchase and maintenance of essential program equipment and facilities.

#### 2.5 Deferred Capital Contributions

Deferred capital contributions arise from contributions used to purchase capital assets. These contributions are recognized in revenue over the same amortization period as their related asset.



# One Care Home and Community Support Services

## Notes to the Financial Statements

year ended March 31, 2023

*in dollars*

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*The Accompanying Notes are an Integral Part of the Financial Statements*

### 2.6 Use of estimates

The preparation of these financial statements in conformity with Canadian generally accepted accounting principles for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the current period. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known.

### 2.7 Financial instruments

The organization initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for any 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 accounts receivable.

## 3 FINANCIAL INSTRUMENTS

The organization is exposed to various financial risks through transactions in financial instruments.

### (a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The organization's main credit risk relates to its trade accounts receivable.

### (b) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The organization is not exposed to currency risk.

### (c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The organization is not exposed to interest rate risk.

### (d) Liquidity risk

Liquidity risk is the risk that the organization will encounter difficulty in meeting obligations associated with financial liabilities. The organization is not exposed to significant liquidity risk.

### (e) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The organization is not exposed to other price risk.

## 4 GUARANTEED INVESTMENT CERTIFICATES

At year end the organization owned three guaranteed investment certificates bearing interest between 4.25 - 4.75% (2022 - three bearing interest between 0.35 - 1.70%) with maturity dates ranging from August 16, 2023 to March 14, 2024. During the year, the organization earned \$17,569 (2022 - \$4,942) in interest revenue from these investments.

# One Care Home and Community Support Services

## Notes to the Financial Statements

year ended March 31, 2023

in dollars

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The Accompanying Notes are an Integral Part of the Financial Statements

### 5 CAPITAL ASSETS

	Cost	Accumulated Amortization	2023 Net book value	2022 Net book value
Land	80,000	-	80,000	80,000
Buildings	1,346,307	420,440	925,867	940,461
Yard	140,531	140,531	-	-
Leasehold improvements	440,741	383,183	57,558	70,970
Equipment and furniture	50,499	50,499	-	-
Vehicles	1,449,728	1,056,570	393,158	359,954
Computer hardware and software	2,213,998	2,213,998	-	-
	5,721,804	4,265,221	1,456,583	1,451,385

### 6 CLIENT FEES AND OTHER REVENUE

Other revenues include fees for services of \$1,388,459 (2022 - \$1,199,952), with the balance comprised of grants, interest income, and other recoveries and revenues.

### 7 DEFERRED CONTRIBUTIONS

	Net increase / (decrease)	Contributions amortized	March 31 2023	March 31 2022
Donations and bequests	(75,328)	12,637	371,033	458,998
Prepaid services	(502)	-	26,002	26,504
Grants and other funding	(27,007)	116,897	276,877	420,781
	(102,837)	129,534	673,912	906,283

During the period, the organization's deferred contribution balance decreased by \$102,837 prior to amortization. The decrease consisted of \$121,339 current year contributions received, less \$29,510 of unspent funds that were repaid and \$194,666 of funds transferred to deferred capital contributions for capital asset purchases. Amortization for funds used for operating activities was \$129,534.

### 8 DEFERRED CAPITAL CONTRIBUTIONS

	Increase / (decrease)	Contributions amortized	March 31 2023	March 31 2022
Buildings	-	8,375	125,309	133,684
Leasehold improvements	-	6,628	26,515	33,143
Equipment and vehicles	194,666	171,758	393,156	370,248
	194,666	186,761	544,980	537,075

During the period, the organization utilized \$194,666 of deferred contributions for the purchase of capital assets and amortized \$186,761 of contributions.

# One Care Home and Community Support Services

## Notes to the Financial Statements

year ended March 31, 2023

in dollars

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The Accompanying Notes are an Integral Part of the Financial Statements

### 9 STATEMENT OF CASH FLOWS

The net change in non-cash working capital consists of:

	2023	2022
Accounts receivable	502,556	(1,041,542)
HST receivable	206,628	(5,883)
Prepaid expenses	71,333	(16,700)
Accounts payable and accruals	(363,957)	489,874
Wages payable	(53,060)	(70,146)
Government remittances payable	(49,005)	(36,763)
	314,495	(681,160)

### 10 ECONOMIC DEPENDENCE

The organization derived 83% of its revenue from the Ministry of Health through two different funding contracts. The contract with Ontario Health for Home and Community Care accounted for 27% (2022 - 28%), and the contract with Ontario Health for Community Support Services accounted for 56% (2022 - 55%) of total revenue.

### 11 COMMITMENTS

The organization has various property lease commitments for its different locations.

The total minimum annual lease payments for the next five years are as follows:

2024	197,993
2025	127,471
2026	5,075
2027	3,820