
**COLLEGE-MONTROSE
CHILDREN'S PLACE**

FINANCIAL STATEMENTS

DECEMBER 31, 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of College-Montrose Children's Place,

Opinion

We have audited the financial statements of College-Montrose Children's Place (the organization), which comprise the statement of financial position as at December 31, 2023, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of College-Montrose Children's Place as at December 31, 2023 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

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.

INDEPENDENT AUDITOR'S REPORT (continued)

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 your 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.

Pemylegion Chung LLP

Chartered Professional Accountants
Licensed Public Accountants

April 3, 2024
Toronto, Ontario

COLLEGE-MONTROSE CHILDREN'S PLACE

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2023

ASSETS

Current assets

Cash	\$ 313,511	\$ 265,379
Short-term investments (note 3)	418,817	452,454
Amounts receivable	40,647	42,439
HST rebate recoverable	13,254	9,032
Prepaid expenses	<u>21,412</u>	<u>21,283</u>

807,641 790,587

Long-term assets

Capital assets (note 4)	<u>2,678</u>	<u>-</u>
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Total assets \$ 810,319 \$ 790,587

LIABILITIES AND NET ASSETS

Current liabilities

Accounts payable and accrued liabilities	\$ 70,062	\$ 69,829
Payroll source deductions payable	20,515	25,548
Deferred contributions (note 5)	<u>223,516</u>	<u>173,500</u>

Total liabilities 314,093 268,877

Net assets

Unrestricted	132,226	157,710
Internally restricted (note 6)	<u>364,000</u>	<u>364,000</u>

Total net assets 496,226 521,710

\$ 810,319 \$ 790,587

Approved on behalf of the Board:

Robert Spafford, Director

Corina John, Director

see accompanying notes

COLLEGE-MONTROSE CHILDREN'S PLACE

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2023

	Internally Restricted	Unrestricted	Total	Total
Net assets, beginning of year	\$ 364,000	\$ 157,710	\$ 521,710	\$ 531,028
Excess of expenses over revenue for the year	<u>-</u>	<u>(25,484)</u>	<u>(25,484)</u>	<u>(9,318)</u>
NET ASSETS, END OF YEAR	<u>\$ 364,000</u>	<u>\$ 132,226</u>	<u>\$ 496,226</u>	<u>\$ 521,710</u>

see accompanying notes

COLLEGE-MONTROSE CHILDREN'S PLACE

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2023

REVENUE

Contributions		
Government funding (note 7)	\$ 741,467	\$ 724,124
United Way Greater Toronto (UWGT) (note 8)	115,145	157,448
Individual donations	111,118	83,281
Corporate and foundations	32,953	19,156
Fundraising and other	89,474	78,419
Interest	<u>20,780</u>	<u>4,896</u>
	<u>1,110,937</u>	<u>1,067,324</u>

EXPENSES

Personnel	739,381	731,708
Occupancy (note 9)	139,458	124,369
Payments to partners	85,989	93,886
Program	81,409	52,558
Professional fees	48,841	39,188
Administration	22,316	24,015
Fundraising	13,744	8,917
Staff travel and development	4,267	2,001
Amortization	<u>1,016</u>	<u>-</u>
	<u>1,136,421</u>	<u>1,076,642</u>

EXCESS OF EXPENSES OVER REVENUE FOR THE YEAR	\$ <u>(25,484)</u>	\$ <u>(9,318)</u>
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see accompanying notes

COLLEGE-MONTROSE CHILDREN'S PLACE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2023

OPERATING ACTIVITIES

Excess of expenses over revenue for the year	\$ (25,484)	\$ (9,318)
Add back non-cash items - Amortization of capital assets	1,016	-
Net change in non-cash working capital items (see below)	<u>42,657</u>	<u>127,913</u>
Net cash generated from operating activities	<u>18,189</u>	<u>118,595</u>

INVESTING ACTIVITIES

Short-term investments redeemed (purchased)	33,637	(203,653)
Capital assets purchased	<u>(3,694)</u>	<u>-</u>
Net cash generated from (used for) investing activities	<u>29,943</u>	<u>(203,653)</u>
NET INCREASE (DECREASE) IN CASH FOR THE YEAR	48,132	(85,058)

Cash, beginning of year	<u>265,379</u>	<u>350,437</u>
CASH, END OF YEAR	<u>\$ 313,511</u>	<u>\$ 265,379</u>

Net change in non-cash working capital items:

Decrease (increase) in current assets		
Amounts receivable	\$ 1,792	\$ 5,612
HST rebate recoverable	(4,222)	(374)
Prepaid expenses	(129)	2,894
Increase (decrease) in current liabilities		
Accounts payable and accrued liabilities	233	(34,806)
Payroll source deductions payable	(5,033)	10,228
Deferred contributions	<u>50,016</u>	<u>144,359</u>
	<u>\$ 42,657</u>	<u>\$ 127,913</u>

see accompanying notes

COLLEGE-MONTROSE CHILDREN'S PLACE

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2023

College-Montrose Children's Place (the organization) is incorporated without share capital in the Province of Ontario. The organization is exempt from income tax in Canada as a registered charitable organization under the Income Tax Act (Canada).

College-Montrose Children's Place is a family support program that addresses the changing needs of diverse families. The organization creates connections between children, parents, grandparents and other caregivers in local neighbourhoods with focus on:

- Supporting healthy child development
- Promoting healthy families
- Breaking down isolation
- Fostering mutual aid and peer support
- Strengthening parenting knowledge and skills
- Valuing inclusion and harmony

In partnership with families and the community the organization provides safe, stimulating learning environments and opportunities for children, parents and caregivers. College-Montrose Children's Place is an open collaborative organization that values and respects the unique needs and strengths of all families.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Management is responsible for the preparation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations. Outlined below are those policies considered significant:

Revenue recognition

The principal sources of revenue and recognition of these revenues for financial statement purposes are as follows:

Contributions

The organization follows the deferral method of revenue recognition for contributions.

Externally restricted contributions, including restricted grants and restricted donations, related to current expenses are recognized as revenue in the current year. Externally restricted contributions received in the year for expenses to be incurred in the following year are recorded as deferred contributions. Externally restricted contributions related to the purchase of capital assets are recorded as revenue in the same period, and on the same basis, as the related capital assets are amortized. Unrestricted contributions including donations are recorded as revenue when received.

Contributed materials and services

Contributed materials and services which are normally purchased by the organization are not recorded in the accounts.

Fundraising

Fundraising revenue includes event ticket sales and sponsorships. Event ticket sales and sponsorship revenue are recorded in the same period as the related event takes place.

Interest

Interest income from cash, guaranteed investment certificates and high interest savings accounts is recognized as revenue when earned.

COLLEGE-MONTROSE CHILDREN'S PLACE

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital assets

Capital asset purchases are recorded at cost. Amortization is provided annually at rates calculated to write-off the assets over their estimated useful lives as follows:

Computers - 5 years, straight-line

2. FINANCIAL INSTRUMENTS

The organization's financial instruments include cash, short-term investments, amounts receivable, accounts payable and accrued liabilities. Short-term investments comprise guaranteed investment certificates and a high interest savings account, both of which are recorded at fair value. Amounts receivable, accounts payable and accrued liabilities are initially recorded at fair value and are subsequently recorded net of any provisions for impairment in value.

3. SHORT-TERM INVESTMENTS

Short-term investments comprise the following:

	2023	2022
Guaranteed investment certificates	\$ 318,103	\$ 257,448
Money market mutual funds	100,715	-
High interest savings account	<u>-</u>	<u>195,006</u>
	<u>\$ 418,818</u>	<u>\$ 452,454</u>

Guaranteed investment certificates, which are issued and held by a major Canadian credit union, bear interest at rates ranging from 0.75% to 5.11% and mature between January 2024 and March 2027.

4. CAPITAL ASSETS

Capital assets are as follows:

	Cost	Accumulated Amortization	2023 Net	2022 Net
Computers	<u>\$ 3,694</u>	<u>\$ (1,016)</u>	<u>\$ 2,678</u>	<u>\$ -</u>

COLLEGE-MONTROSE CHILDREN'S PLACE

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2023

5. DEFERRED CONTRIBUTIONS

Deferred contributions at year end are as follows:

	2023	2022
City of Toronto - Toronto Children's Services (TCS)		
EarlyON	\$ 173,284	\$ 160,679
Professional learning strategy	10,320	-
Other	<u>39,912</u>	<u>12,821</u>
	<u>\$ 223,516</u>	<u>\$ 173,500</u>

Continuity of deferred contributions for the year is as follows:

	2023	2022
Deferred contributions, beginning of year	\$ 173,500	\$ 29,140
Amounts received from TCS	771,955	826,330
City of Toronto funding recognized as revenue (note 7)	<u>(721,939)</u>	<u>(681,970)</u>
Deferred contributions, end of year	<u>\$ 223,516</u>	<u>\$ 173,500</u>

6. INTERNALLY RESTRICTED NET ASSETS

The Board of Directors established internally restricted net assets for contingency purposes. The Board has set a goal of a minimum of three months of operating expenses for these net assets.

7. GOVERNMENT FUNDING

Government funding recognized in the year is as follows:

	2023	2022
City of Toronto - TCS		
EarlyOn (see schedule)	\$ 693,136	\$ 642,716
Professional learning strategy	4,060	-
Safe Restart Funding (note 5)	-	12,659
One-time grant	-	5,000
Investing in Neighbourhoods Subsidies	24,743	21,595
Employment and Social Development Canada	<u>19,528</u>	<u>42,154</u>
	<u>\$ 741,467</u>	<u>\$ 724,124</u>

COLLEGE-MONTROSE CHILDREN'S PLACE

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2023

8. UNITED WAY GREATER TORONTO FUNDING

United Way Greater Toronto funding for the year is as follows:

	2023	2022
Community Services Sector Program	\$ 115,145	\$ 152,448
Resilient Community Fund	<u>-</u>	<u>5,000</u>
	<u>\$ 115,145</u>	<u>\$ 157,448</u>

9. OCCUPANCY COSTS

Occupancy costs for the year are as follows:

	2023	2022
Rent	\$ 131,143	\$ 124,369
Repairs and maintenance	<u>8,315</u>	<u>-</u>
	<u>\$ 139,458</u>	<u>\$ 124,369</u>

10. OFFICE LEASE

On a month-to-month basis, the organization leases program and office space in Toronto, Ontario.

COLLEGE-MONTROSE CHILDREN'S PLACE
SCHEDULE OF EARLYON PROGRAM REVENUE AND EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

Revenue

Toronto Children's Services - EarlyON \$ 693,136

Expenses

Salaries and wages	296,468
Payments to subcontracted agencies	85,989
Rent	78,653
Benefits	74,117
Administration salaries	69,314
Program related	33,597
Property tax	13,880
Insurance	7,628
Professional fees	7,005
Food	5,630
Business costs	8,957
Office related	4,766
Professional development	3,841
Utilities and maintenance	<u>3,291</u>

693,136

Excess of revenue over expenses for the year

\$ -