

York Hills Centre for Children, Youth and Families

Financial Statements

March 31, 2020

INDEPENDENT AUDITORS' REPORT

To the Directors of York Hills Centre for Children, Youth and Families

Opinion

We have audited the financial statements of York Hills Centre for Children, Youth and Families ("York Hills"), which comprise the statement of financial position as at March 31, 2020, 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 York Hills Centre for Children, Youth and Families as at March 31, 2020, and its results of 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of York Hills 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.

Emphasis of Matter - Comparative Information

We draw attention to Note 1 to the financial statements which describes that York Hills adopted Canadian accounting standards for not-for-profit organizations on April 1, 2019 with a transition date of April 1, 2018. These standards were applied retrospectively by management to the comparative information in these financial statements, including the statement of financial position as at March 31, 2019 and April 1, 2018 and the statement of operations, changes in net assets and cash flows for the year ended March 31, 2019 and related disclosures. Our opinion is not modified in respect of this matter. We were not engaged to report on the comparative information, and as such, it is not audited.

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 York Hills' 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 York Hills or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing York Hills' financial reporting process.

INDEPENDENT AUDITORS' REPORT - continued

Auditors' 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 auditors' 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 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 York Hills' 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 York Hills' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause York Hills 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.

Williams & Partners

Chartered Professional Accountants LLP
Licensed Public Accountants

Markham, Ontario
September 16, 2020

York Hills Centre for Children, Youth and Families

Statement of Financial Position

	<i>March 31,</i> <i>2020</i> \$	<i>March 31,</i> <i>2019</i> \$ (unaudited)	<i>April 1,</i> <i>2018</i> \$ (unaudited)
Assets			
Current			
Cash and cash equivalents (note 6)	1,496,229	1,430,191	1,124,712
Short-term investment	-	512,747	507,236
Accounts receivable	99,591	72,314	189,601
Sales tax recoverable	55,623	64,352	89,621
Prepaid expenditures	120,921	82,879	106,407
	<u>1,772,364</u>	<u>2,162,483</u>	<u>2,017,577</u>
Long-term investment (note 7)	521,188	-	-
Capital assets (note 8)	4,161,347	4,206,684	4,478,591
	<u>6,454,899</u>	<u>6,369,167</u>	<u>6,496,168</u>
Liabilities			
Current			
Accounts payable and accrued liabilities	546,368	617,715	438,051
Accrued wages payable	917,301	679,107	714,951
Due to Ministry of Children, Community and Social Services (note 9)	457	457	2,130
Current portion of mortgage payable (note 10)	68,841	1,423,695	65,873
Deferred grant revenue (note 11)	268,926	303,787	302,352
	<u>1,801,893</u>	<u>3,024,761</u>	<u>1,523,357</u>
Deferred capital contributions (note 12)	1,917,059	2,068,677	2,246,757
Mortgage payable (note 10)	1,311,159	-	1,423,695
	<u>5,030,111</u>	<u>5,093,438</u>	<u>5,193,809</u>
<i>Commitments (note 19)</i>			
Net Assets			
Capital Asset Fund (note 13)	787,489	632,718	655,981
Other Funds	637,299	643,011	646,378
	<u>1,424,788</u>	<u>1,275,729</u>	<u>1,302,359</u>
	<u>6,454,899</u>	<u>6,369,167</u>	<u>6,496,168</u>

On behalf of the Board

Steven Rebellato

Director

Michael Shulman

Director

York Hills Centre for Children, Youth and Families

Statement of Operations

year ended March 31, 2020

	2020 \$	2019 \$ (unaudited)
Revenues		
MOHLTC funding (note 21)	10,700,843	10,612,061
MCCSS funding (note 21)	1,024,897	930,841
Grants (note 14)	542,343	847,757
MAG funding (note 16)	269,456	275,803
Sales tax recoveries	167,761	191,786
Program recoveries	113,076	27,435
Program recoveries - user fees (MAG) (note 16)	27,774	30,337
Offsetting recoveries	60,815	32,842
Investment and other income	74,226	87,948
	<u>12,981,191</u>	<u>13,036,810</u>
Expenses		
Salaries	7,954,610	7,530,391
Benefits	1,459,239	1,297,749
Purchased services - clinical	1,244,139	2,074,556
Building occupancy	716,019	766,257
Office and general	241,998	272,389
Computer and information systems	210,989	228,112
Purchased services - non clinical	197,780	108,844
Program supplies	190,874	218,233
Staff training and conference fees	157,834	86,336
Travel	140,750	166,809
Insurance	81,027	79,340
Food costs	55,492	51,096
Memberships	47,355	45,456
	<u>12,698,106</u>	<u>12,925,568</u>
Excess of revenues over expenses before the undernoted	<u>283,085</u>	<u>111,242</u>
Amortization	(285,644)	(315,952)
Amortization of deferred capital contributions	<u>151,618</u>	<u>178,080</u>
	<u>(134,026)</u>	<u>(137,872)</u>
Net excess (deficiency) of revenues over expenses	<u>149,059</u>	<u>(26,630)</u>

York Hills Centre for Children, Youth and Families

Statement of Changes in Net Assets

year ended March 31, 2020

	<i>Capital Asset Fund</i>	<i>General Funds</i>	<i>Total</i>
	\$	\$	\$
Year ended March 31, 2019 (unaudited)			
Balance, beginning of year	655,981	883,368	1,539,349
Opening balance adjustment (note 1)	-	(236,990)	(236,990)
Adjusted opening balance, beginning of year	655,981	646,378	1,302,359
Excess (deficiency) of revenues over expenses	(101,053)	74,423	(26,630)
	554,928	720,801	1,275,729
Interfund transfers	77,790	(77,790)	-
Balance, end of year	632,718	643,011	1,275,729

	<i>Capital Asset Fund</i>	<i>General Funds</i>	<i>Total</i>
	\$	\$	\$
Year ended March 31, 2020			
Balance, beginning of year	632,718	643,011	1,275,729
Excess (deficiency) of revenues over expenses	(129,229)	278,288	149,059
	503,489	921,299	1,424,788
Interfund transfers (note 17)	284,000	(284,000)	-
Balance, end of year	787,489	637,299	1,424,788

York Hills Centre for Children, Youth and Families

Statement of Cash Flows

year ended March 31, 2020

	2020 \$	2019 \$ (unaudited)
Cash flows from operating activities		
Net excess of revenues over expenses	149,059	(26,630)
Items not affecting cash:		
Amortization of capital assets	285,644	315,952
Amortization of deferred capital contributions	(151,618)	(178,080)
	134,026	137,872
Changes in non-cash working capital items		
Accounts receivable	(27,277)	117,287
Sales tax recoverable	8,729	25,269
Prepaid expenditures	(38,042)	23,528
Accounts payable and accrued liabilities	(71,347)	179,661
Accrued wages payable	238,196	(35,844)
Due to Ministry of Children, Community and Social Services	-	(1,673)
Deferred grant revenue	(34,861)	1,435
	75,398	309,663
Net cash provided by operating activities	358,483	420,905
Cash flows from investing activities		
Short-term investment	512,747	(5,511)
Long-term investment	(521,188)	-
Acquisition of capital assets	(240,309)	(44,042)
	(248,750)	(49,553)
Cash flows from financing activity		
Mortgage payable	(43,695)	(65,873)
Increase in cash	66,038	305,479
Cash and cash equivalents, beginning	1,430,191	1,124,712
Cash and cash equivalents, ending	1,496,229	1,430,191
Cash and cash equivalents consist of the following:		
Cash	764,857	708,057
Interest-bearing deposit account (note 6)	731,372	722,134
	1,496,229	1,430,191

York Hills Centre for Children, Youth and Families

Notes to Financial Statements

March 31, 2020

1. ADOPTION OF CANADIAN ACCOUNTING STANDARDS FOR NOT-FOR-PROFIT ORGANIZATION

Effective April 1, 2019, York Hills Centre for Children, Youth and Families ("York Hills") adopted the requirements of the Chartered Professional Accountants ("CPA") Canada Handbook - Accounting, electing to adopt the accounting framework: Canadian accounting standards for not-for-profit organizations ("ASNFP"). These are York Hills' first financial statements prepared in accordance with ASNFP and the transitional provisions of Section 1501, First-time Adoption have been applied. Section 1501 requires retrospective application of the accounting standards with certain elective exemptions and limited retrospective exemptions. The accounting policies set out in the significant accounting policies note have been applied in preparing the financial statements for the year ended March 31, 2020, the comparative information for the year ended March 31, 2019, and the opening statement of financial position as at April 1, 2018.

York Hills issued internal financial statements for the year ended March 31, 2019. On adoption, York Hills recognized \$236,990 in accrued wages payable not previously recognized. As a result, previously reported liabilities and net assets of York Hill have been adjusted with changes to the comparative statement of financial position, statement of changes in net assets, operations and cash flows. Certain of York Hills' disclosures included in these financial statements reflect the disclosure requirements of ASNFP.

York Hills has not taken any elective exemptions permissible under Section 1501, First-time Adoption.

2. BASIS OF PRESENTATION

On January 1, 2019, The York Centre for Children, Youth & Families ("The York Centre") amalgamated with Blue Hills Child & Family Centre ("Blue Hills"). The combined organization then changed its name to York Hills Centre for Children, Youth and Families. All comparative figures have been combined and inter-organizational balances eliminated. York Hills is a not-for-profit organization incorporated under the laws of the Province of Ontario as a corporation without share capital. York Hills is a registered charity and is exempt from income tax under the Income Tax Act of Canada.

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

3. PURPOSE OF THE ORGANIZATION

York Hills was established to address the mental health needs of children, youth and families of York Region, and provides a range of preventative, therapeutic and educational interventions developed in partnership with families and community resources.

4. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have, in management's opinion, been prepared within reasonable limits of materiality in accordance with the basis of presentation as described in note 2. Applied within this framework are significant accounting policies which are summarized below:

York Hills Centre for Children, Youth and Families

Notes to Financial Statements

March 31, 2020

4. SIGNIFICANT ACCOUNTING POLICIES - continued

Use of estimates

The preparation of financial statements in conformity with ASNFPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from these estimates. These estimates are reviewed periodically, and as adjustments become necessary, they are reported as revenue or expenditures in the statement of operations in the year in which they become known. Significant estimates are comprised of accruals for liabilities.

Fund accounting

As a not-for-profit organization, York Hills uses the fund accounting system. In this system, each fund is a self-balancing set of accounts which are segregated for specific purposes in accordance with the objectives and by-laws. York Hills has the following funds: (i) the Capital Asset Fund which accounts for the Organization's capital assets; (ii) the General Funds which include contributions from Ontario Ministry of Health and Long-Term Care ("MOHLTC") and Ontario Ministry of Children, Community and Social Services ("MCCSS") that are used to deliver programs that are contracted by the Ministry, charitable donations and grants for related program activities, and general funds for general operations and administration.

Revenue recognition

York Hills follows the deferral method of accounting for revenue. Unrestricted donations and contributions are recorded as revenue when received or when receipt is reasonably assured. Donations and contributions restricted for a specific purpose that have not been spent at the end of the period are recorded as deferred revenue on the statement of financial position. Such donations are recognized as revenue when expended. Grant revenue reported in these financial statements represents funds received from a variety of sources and is recognized when earned. Pledged donations are recognized when ultimate collection is reasonably assured, over the term specified by the donor. Capital grants are treated as deferred capital contributions and amortized on a straight line basis between 10 to 25 years, being the amortization period of the capital assets that were acquired with these funds. Fundraising and interest income is recognized as earned.

Cash and cash equivalents

Cash and cash equivalents is defined as cash on hand, and cash on deposit, net of cheques issued and outstanding at the reporting date.

York Hills Centre for Children, Youth and Families

Notes to Financial Statements

March 31, 2020

4. SIGNIFICANT ACCOUNTING POLICIES - continued

Capital assets

Purchased capital assets are stated at acquisition cost and are amortized over their estimated useful lives. Amortization is provided as follows:

Building	Straight line over 25 years
Building improvements	Straight line over 15 years
Playground	Straight line over 10 years
Land improvements	Straight line over 10 years
Leasehold improvements	Straight line over 10 years
Furniture and fixtures	Straight line over 5 years
Computer software	Straight line over 3 years

Capital assets are assessed for impairment when events or changes in circumstances indicate that York Hills may not be able to recover their carrying value. York Hills calculates impairment by deducting the fair value, based on discounted cash flows expected from their use and disposition from their carrying value. Any excess is a charge against excess of revenues over expenditures.

Basis of charging expenses to programs

York Hills charges expenditures to programs funded by MOHLTC and MCCSS (see note 21) based on specific expenditures where they can be so identified (e.g. the cost of staff members exclusively devoted to particular programs). Central administrative expenditures are allocated based on management estimates.

Donated materials and services

York Hills records as revenues and expenditures donated goods and services when the fair market value of such materials and services can be reasonably estimated. Services provided by volunteers that are not normally purchased are not recognized due to the difficulty in determining their fair market value.

Financial instruments

York Hills initially measures its financial assets and financial liabilities at fair value. York Hills subsequently measures its financial assets and financial liabilities at amortized cost. Financial assets measured at amortized cost include cash and cash equivalents, accounts receivable and long-term investment. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, accrued wages payable, due to Ministry of Children, Community and Social Services and mortgage payable.

York Hills Centre for Children, Youth and Families

Notes to Financial Statements

March 31, 2020

5. FINANCIAL INSTRUMENTS RISK EXPOSURES

York Hills is exposed to various risks through its financial instruments. The following analysis provides a measure of York Hills' risk exposures and concentrations at the balance sheet date:

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

York Hills is exposed to liquidity risk on its accounts payable, accrued liabilities and mortgage payable. York Hills expects to meet these obligations as they come due to generating sufficient cash flow from operations.

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.

York Hills is exposed to interest rate price risk on certain debts bearing interest at a fixed rate as described in note 10.

York Hills manages its exposure to interest rate risk by restricting the types of investments it holds, currently primarily an interest-bearing deposit account and term deposit. These are fully-cashable, penalty-free basis investments bearing a guaranteed rate of interest.

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.

York Hills has a deposit account and term deposit with major Canadian financial institutions, thereby mitigating the risk of creditworthiness. York Hills' main credit risks relate to accounts receivable, and there have been no issues collecting funds in the past. The accounts receivable are primarily due from government organizations that have a long-standing relationship with York Hills. Accounts receivable risk is also mitigated by the pre-approval process in place before any costs are incurred in the related programs and activities.

Changes in risk

There have been no significant changes in risks from the prior year other than a significant decrease in exposure to liquidity risk as the mortgage was renewed on a long-term basis.

York Hills Centre for Children, Youth and Families

Notes to Financial Statements

March 31, 2020

6. CASH AND CASH EQUIVALENTS

- (a) Cash and cash equivalents include an interest-bearing deposit account with a major Canadian financial institution with a balance of \$731,372 as at March 31, 2020 (March 31, 2019 - \$722,134; April 1, 2018 - \$763,353). This account is fully cashable without penalty, and bears interest at a rate of 1.3% per annum.
- (b) Included in cash and cash equivalents is \$17,686 (March 31, 2019 - \$17,686; April 1, 2018 - \$17,686) restricted for the Capital Asset Fund.

7. LONG-TERM INVESTMENT

Long-term investment represents a term deposit maturing May 8, 2021, bearing interest at rate of 2.05% per annum, with interest paid in arrears.

8. CAPITAL ASSETS

		<i>March 31, 2020</i>	<i>March 31, 2019</i>	<i>April 1, 2018</i>	
		\$	\$	\$	
			(unaudited)	(unaudited)	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value	Net Book Value
Buildings	5,806,423	2,410,027	3,396,396	3,548,926	3,772,729
Building improvement	85,387	13,757	71,630	77,323	83,015
Playground	161,676	70,171	91,505	81,494	86,288
Land	323,970	-	323,970	323,970	323,970
Land improvements	191,837	121,703	70,134	56,252	70,195
Leasehold improvements	124,352	62,500	61,852	47,500	57,500
Furniture and fixtures	342,548	281,136	61,412	30,156	32,185
Motor vehicles	22,660	22,660	-	-	-
Computer hardware	352,132	267,684	84,448	41,063	52,709
	<u>7,410,985</u>	<u>3,249,638</u>	<u>4,161,347</u>	<u>4,206,684</u>	<u>4,478,591</u>

There were no impairment factors affecting capital assets noted for the year ended March 31, 2020.

York Hills Centre for Children, Youth and Families

Notes to Financial Statements

March 31, 2020

9. DUE TO MINISTRY OF CHILDREN, COMMUNITY AND SOCIAL SERVICES

	<u>\$</u>
Net excess (deficiency) of revenues over expenses	149,059
Less: amortization of deferred capital contributions	(151,618)
surplus from other contracts and programs (note 21)	(42,776)
acquisition of capital assets	(240,309)
Add: amortization	<u>285,644</u>
Net increase (decrease) in amounts due to MCCSS	-
Due to MCCSS - March 31, 2019 (unaudited)	<u>457</u>
Due to MCCSS- March 31, 2020	<u><u>457</u></u>

10. MORTGAGE PAYABLE

The TD bank has provided a mortgage, bearing interest at 3.90% per annum, monthly payments of \$10,118 and is due March 27, 2025. The mortgage is subject to several covenants which York Hills complied with at March 31, 2020. Future repayments are as follows:

	<i>Total</i> \$	<i>Interest</i> \$	<i>Principal</i> \$
2021	121,416	52,575	68,841
2022	121,416	49,879	71,537
2023	121,416	47,039	74,377
2024	121,416	44,202	77,214
2025	<u>1,129,051</u>	<u>41,020</u>	<u>1,088,031</u>
	<u>1,614,715</u>	<u>234,715</u>	<u>1,380,000</u>

In addition, the TD Bank has provided a \$400,000 operating loan, repayable on demand, bearing interest at the bank's prime rate plus 1% per annum.

The credit facilities, as detailed above, are secured by the following:

- a) General Security Agreement representing a first charge on all present and after acquired personal property;
- b) Continuing collateral mortgage, representing a first charge, on real property located at 11225 Leslie St., Richmond Hill, Ontario, in the principal amount of \$1,780,000;
- c) Postponement agreement; and
- d) Assignment of fire insurance in the amount of \$1,780,000.

York Hills Centre for Children, Youth and Families

Notes to Financial Statements

March 31, 2020

11. DEFERRED GRANT REVENUE

	<i>March 31,</i> <i>2020</i>	<i>March 31,</i> <i>2019</i>	<i>April 1,</i> <i>2018</i>
	\$	\$	\$
		(unaudited)	(unaudited)
Deferred grant revenue, beginning of year	303,787	302,352	284,671
Add: amounts received during the year	507,482	849,192	506,079
Less: amounts recognized as revenue during the year (note 14)	(542,343)	(847,757)	(488,398)
Deferred grant revenue, end of year	<u>268,926</u>	<u>303,787</u>	<u>302,352</u>

12. DEFERRED CAPITAL CONTRIBUTIONS

	<i>March 31,</i> <i>2020</i>	<i>March 31,</i> <i>2019</i>	<i>April 1,</i> <i>2018</i>
	\$	\$	\$
		(unaudited)	(unaudited)
Deferred capital contributions, beginning of year	2,068,677	2,246,757	2,338,459
Add: amounts received during the year	-	-	85,387
Less: amounts amortized	(151,618)	(178,080)	(177,089)
Deferred capital contributions, end of year	<u>1,917,059</u>	<u>2,068,677</u>	<u>2,246,757</u>

13. CAPITAL ASSET FUND BALANCE

The Capital Asset Fund, a restricted fund, is comprised of the following:

	<i>March 31,</i> <i>2020</i>	<i>March 31,</i> <i>2019</i>	<i>April 1,</i> <i>2018</i>
	\$	\$	\$
		(unaudited)	(unaudited)
Cash and cash equivalents	17,686	17,686	17,686
Capital assets	4,161,347	4,206,684	4,478,591
Current portion of mortgage payable	(68,841)	(1,423,695)	(65,873)
Long-term portion - mortgage payable	(1,311,159)	-	(1,423,695)
Deferred capital contributions	(1,917,059)	(2,068,677)	(2,246,757)
Deferred grant revenue	(94,485)	(99,280)	(103,971)
	<u>787,489</u>	<u>632,718</u>	<u>655,981</u>

York Hills Centre for Children, Youth and Families

Notes to Financial Statements

March 31, 2020

14. GRANTS

	2020	2019
	\$	\$
		(unaudited)
United Way	220,638	221,391
Community Inclusivity Equity Council of York region	121,594	33,119
RBC Foundation	85,271	66,665
Compass - Kinark Child and Family Services	-	102,105
Children' Treatment network	45,072	90,144
The Trillium Foundation Grant	27,504	52,049
All Our Kids Early Development	25,914	18,200
Mayor's Golf Tournament	6,489	11,937
Playground	4,797	4,695
Compass - school boards	3,497	33,263
Breakfast Club	1,567	2,481
Blue Hills transition funding	-	17,248
Triple P - Kinark Child and Family Services	-	15,566
Youth support network	-	8,960
Ontario Human Resources Development	-	7,594
Others	-	1,585
Total from other funds	542,343	687,002
MCCSS funds	-	160,755
Total grants	542,343	847,757

15. MCCSS MORTGAGE FUNDING AGREEMENT

On May 6, 2008, The York Centre (currently "York Hills", as described in note 2) entered into a mortgage funding agreement with MCCSS. Under the agreement, MCCSS agreed to provide certain funding towards the cost of the renovation of York Hills' building on Leslie Street ("building") and ongoing mortgage payments. An initial payment of \$1,500,000 was received by York Hills that was used to offset a portion of the cost of the building renovation. In addition, an amount of \$95,000 is scheduled to be received from MCCSS each year to apply to mortgage interest and principal payments, adjusted for interest rate changes arising from each five year mortgage renewal; if the MCCSS share of interest and principal repayments is less than \$95,000 per year, York Hills may retain the balance in MCCSS base operational fund towards the costs of the building repairs and maintenance. In the current year, \$41,495 (2019 - \$9,747) was retained in MCCSS fund towards the costs of the building occupancy. York Hills is responsible for the remaining share of the mortgage payments.

York Hills Centre for Children, Youth and Families

Notes to Financial Statements

March 31, 2020

15. MCCSS MORTGAGE FUNDING AGREEMENT - continued

The agreement provides that MCCSS can at any time direct York Hills to transfer the building to a designated party or to sell the building, in which case York Hills will be compensated for its proportionate interest in the market value of the property (44.4%). If the service contract with York Hills is terminated; or the building becomes unsuitable for the program; or York Hills wishes to sell the building, MCCSS has the option to: a) determine the use of the building for whatever purpose it determines; or b) transfer the building to a designated party; or c) cause the building to be sold and have the right to prior approval of the purchaser's offer. If any of these conditions occur, York Hills will be compensated based on its proportionate interest in the building (44.4%) with the MCCSS interest being 55.6%.

16. PROVINCE OF ONTARIO - MINISTRY OF ATTORNEY GENERAL

The Ministry of the Attorney General ("MAG") contracts with York Hills to provide comprehensive family mediation and information services at the Family Court in Newmarket and in its area of jurisdiction. York Hills provides MAG, on a monthly basis, detailed information on service expenditures and delivery in the form of a fee-for-service invoice. The current contract expires on March 31, 2022 with an option for renewal of an additional year at MAG's discretion. The details of the services provided are summarized below:

	2020	2019
	\$	\$
		(unaudited)
Mediation intake	28,025	26,600
Mediation	47,160	50,340
Onsite Mediation Services	121,338	125,843
Information and Referral Coordinator	65,133	64,620
Mandatory Information Program	7,800	8,400
Total invoiced	<u>269,456</u>	<u>275,803</u>
Promotion	6,119	12,217
Mediators & IRC Training	11,002	1,655
Bi-Annual Meetings	280	280
Service Enhancement (Software/laptop)	7,122	12,560
Available for re-investment into the program	3,251	3,625
Total user fees collected	<u>27,774</u>	<u>30,337</u>

These user fees have been recorded as revenues and expenses in the year incurred.

17. INTERFUND TRANSFERS

During the year, approval was granted for the General Fund to transfer funds to the Capital Asset Fund for the purposes of mortgage payments and capital expenditures.

York Hills Centre for Children, Youth and Families

Notes to Financial Statements

March 31, 2020

18. ECONOMIC DEPENDENCE

York Hills generates the majority of its revenues from MOHLTC and MCCSS.

19. COMMITMENTS

York Hills entered into a premise lease as well as various operating leases for equipment and services through to October 2024. Minimum annual payments for the next five years are as follows:

	<u>\$</u>
2021	196,803
2022	148,190
2023	104,729
2024	78,068
2025	<u>4,969</u>
	<u>532,759</u>

20. SUBSEQUENT EVENT

Subsequent to year end, COVID-19 has had a significant impact on the Canadian and global economy. This is an evolving situation which has limited economic activity in certain industries. Due to uncertainty surrounding the length and extent of the COVID-19 impact on York Hills, the government agencies and suppliers, there could be a significant effect on York Hills' financial position and ability to realize on its assets. Management is continuing to monitor the situation, but is unable to quantify the potential impact on York Hills' operations as at the date of these financial statements.

York Hills Centre for Children, Youth and Families

Notes to Financial Statements

March 31, 2020

21. PROGRAM FUNDING

	<i>Central Administration</i>	<i>Small Water Works</i>	<i>Specialized Consultation</i>	<i>Access Intake Main</i>	<i>Brief Services</i>	<i>Counselling/ Therapy</i>	<i>Intensive Services</i>	<i>Family capacity Building</i>
	<i>ACA</i>	<i>A516</i>	<i>A355</i>	<i>A352</i>	<i>A348</i>	<i>A349</i>	<i>A353</i>	<i>A351</i>
	\$	\$	\$	\$	\$	\$	\$	\$
MOHLTC funding	-	33,111	1,639,250	487,626	261,236	1,854,287	5,141,417	228,406
MCCSS funding	-	-	-	-	-	-	-	-
MAG funding	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-
Sales tax recoveries	167,761	-	-	-	-	-	-	-
Program recoveries	-	-	(82,701)	-	-	-	195,777	-
Offsetting revenues	-	-	-	-	-	-	-	26,195
Investment and other income	23,082	-	-	6,750	-	11,305	-	18,810
	<u>190,843</u>	<u>33,111</u>	<u>1,556,549</u>	<u>494,376</u>	<u>261,236</u>	<u>1,865,592</u>	<u>5,337,194</u>	<u>273,411</u>
Salaries	665,557	-	742,455	339,561	180,944	1,064,836	3,506,112	132,143
Benefits	92,887	-	158,257	48,421	38,163	197,094	649,017	33,880
Travel	9,940	-	9,321	1,972	1,331	30,325	74,456	-
Staff training and conference fees	17,459	-	3,015	-	2,374	6,158	34,829	-
Building occupancy	76,684	33,111	78,333	35,968	3,240	244,216	306,422	22,039
Purchased services- non clinical	157,279	-	70	-	-	16,055	180	-
Program supplies	353	-	32,441	1,878	1,988	12,172	51,275	39,627
Purchased services- clinical	-	-	288,470	-	1,080	24,764	105,707	-
Food costs	1,061	-	-	-	-	-	53,531	900
Office and general	51,562	-	55,686	5,029	4,173	45,240	39,252	11,000
Computer and information systems	94,884	-	16,831	13,221	-	31,189	61,346	11,542
Memberships	29,598	-	-	-	-	14,845	2,912	-
Insurance	37,094	-	12,000	-	-	-	31,933	-
	<u>1,234,358</u>	<u>33,111</u>	<u>1,396,879</u>	<u>446,050</u>	<u>233,293</u>	<u>1,686,894</u>	<u>4,916,972</u>	<u>251,131</u>
Surplus (deficit)	(1,043,515)	-	159,670	48,326	27,943	178,698	420,222	22,280
Allocated central administration	<u>1,043,515</u>	<u>-</u>	<u>(159,670)</u>	<u>(48,326)</u>	<u>(27,943)</u>	<u>(178,698)</u>	<u>(420,222)</u>	<u>(22,280)</u>
Surplus (deficit)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

York Hills Centre for Children, Youth and Families

Notes to Financial Statements

March 31, 2020

21. PROGRAM FUNDING - continued

	<i>Targeted Prevention</i>	<i>Case Mgt/ Service Coordination</i>	<i>Alternative Dispute Resolution</i>	<i>Community Capacity Bridging</i>	<i>Total Ministry Funding</i>	<i>Total Contracts and Other Programs</i>	<i>Total Agency</i>
	<i>A356</i>	<i>A354</i>	<i>E754</i>	<i>E753</i>			
	\$	\$	\$	\$	\$	\$	\$
MOHLTC funding	317,380	738,130	-	-	10,700,843	-	10,700,843
MCCSS funding	-	-	954,597	70,300	1,024,897	-	1,024,897
MAG funding	-	-	-	-	-	269,456	269,456
Grants	-	-	-	-	-	542,343	542,343
Sales tax recoveries	-	-	-	-	167,761	-	167,761
Program recoveries	-	-	-	-	113,076	27,774	140,850
Offsetting revenues	-	-	-	-	26,195	34,620	60,815
Investment and other income	11,250	4,500	-	-	75,697	(1,471)	74,226
	<u>328,630</u>	<u>742,630</u>	<u>954,597</u>	<u>70,300</u>	<u>12,108,469</u>	<u>872,722</u>	<u>12,981,191</u>
Salaries	237,799	461,487	97,568	54,496	7,482,958	471,652	7,954,610
Benefits	44,233	96,777	16,590	10,691	1,386,010	73,229	1,459,239
Travel	1,798	3,531	694	-	133,368	7,382	140,750
Staff training and conference fees	67	1,301	1,955	-	67,158	90,676	157,834
Building occupancy	12,197	25,106	6,616	-	843,932	9,060	852,992
Purchased services- non clinical	-	-	5,924	-	179,508	18,272	197,780
Program supplies	614	56,023	2,105	4,873	203,349	26,446	229,795
Purchased services- clinical	-	-	711,171	-	1,131,192	112,947	1,244,139
Food costs	-	-	-	-	55,492	-	55,492
Office and general	5,184	7,707	5,003	240	230,076	11,922	241,998
Computer and information systems	1,461	25,056	11,514	-	267,044	8,360	275,404
Memberships	-	-	-	-	47,355	-	47,355
Insurance	-	-	-	-	81,027	-	81,027
	<u>303,353</u>	<u>676,988</u>	<u>859,140</u>	<u>70,300</u>	<u>12,108,469</u>	<u>829,946</u>	<u>12,938,415</u>
Surplus (deficit)	25,277	65,642	95,457	-	-	42,776	42,776
Allocated central administration	(25,277)	(65,642)	(95,457)	-	-	-	-
Surplus (deficit)	-	-	-	-	-	42,776	42,776