

York Hills Centre for Children, Youth and Families

Financial Statements

March 31, 2023

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, 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 York Hills Centre for Children, Youth and Families as at March 31, 2023, 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.

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.

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.

INDEPENDENT AUDITORS' REPORT - continued

Auditors' Responsibilities for the Audit of the Financial Statements - 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 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
July 27, 2023

York Hills Centre for Children, Youth and Families

Statement of Financial Position

March 31, 2023

	<u>2023</u>	<u>2022</u>
	\$	\$
Assets		
Current		
Cash and cash equivalents (note 4)	1,316,754	1,636,056
Short-term investments (note 5)	747,185	-
Accounts receivable	133,173	321,159
Sales tax recoverable	76,700	66,022
Prepaid expenditures	362,421	166,141
	<u>2,636,233</u>	<u>2,189,378</u>
Investments (note 5)	77,822	-
Capital assets (note 6)	3,319,578	3,538,399
	<u>6,033,633</u>	<u>5,727,777</u>
Liabilities		
Current		
Accounts payable and accrued liabilities	365,332	462,974
Accrued wages payable	1,169,822	821,928
Due to Ministries (note 7)	151,101	66,673
Current portion of mortgage payable (note 8)	72,899	74,377
Deferred grant revenue (note 9)	540,087	293,223
	<u>2,299,241</u>	<u>1,719,175</u>
Deferred capital contributions (note 10)	1,458,661	1,604,127
Mortgage payable (note 8)	798,245	1,165,245
	<u>4,556,147</u>	<u>4,488,547</u>
<i>Commitments (note 18)</i>		
Net Assets		
Capital asset fund (note 11)	927,360	627,444
General fund	550,126	611,786
	<u>1,477,486</u>	<u>1,239,230</u>
	<u>6,033,633</u>	<u>5,727,777</u>

On behalf of the Board

Steven Rebellato

Chair (Steven Rebellato)

Rajiv Kutty

Treasurer (Rajiv Kutty)

York Hills Centre for Children, Youth and Families

Statement of Operations

year ended March 31, 2023

	<u>2023</u>	<u>2022</u>
	\$	\$
Revenues		
MOHLTC funding (note 20)	13,665,744	11,840,744
MCCSS funding (note 20)	1,024,900	1,024,897
Grants (note 12)	188,289	267,353
MAG funding (note 14)	272,485	262,603
Sales tax recoveries	242,230	213,590
Program recoveries	615,788	482,256
Program recoveries - user fees (MAG) (note 14)	43,696	39,851
Offsetting recoveries (note 15)	88,700	95,950
Investment and other income	77,507	49,061
	<u>16,219,339</u>	<u>14,276,305</u>
Expenses		
Salaries (note 15)	8,543,294	8,637,406
Benefits	1,580,465	1,606,971
Purchased services - clinical	3,317,771	1,480,328
Building occupancy (note 15)	843,492	1,074,037
Office and general (note 15)	231,524	229,749
Computer and information systems	256,709	248,389
Purchased services - non clinical	247,547	277,864
Program supplies (note 15)	219,365	182,554
Staff training and conference fees	255,145	205,184
Travel	58,213	13,887
Insurance	93,590	85,521
Food costs	70,468	50,428
Memberships	31,704	35,006
	<u>15,749,287</u>	<u>14,127,324</u>
Excess of revenues over expenses before undernoted	<u>470,052</u>	<u>148,981</u>
Amortization	(292,834)	(306,294)
Amortization of deferred capital contributions	145,466	156,466
	<u>(147,368)</u>	<u>(149,828)</u>
Excess (deficiency) of revenues over expenses before funding repayable	322,684	(847)
Current year's surplus repayable (notes 7 and 20)	84,428	66,216
Net excess (deficiency) of revenues over expenses	<u>238,256</u>	<u>(67,063)</u>

York Hills Centre for Children, Youth and Families

Statement of Changes in Net Assets

year ended March 31, 2023

	<i>Capital Asset Fund</i>	<i>General Fund</i>	<i>Total</i>
	\$	\$	\$
Year ended March 31, 2022			
Balance, beginning of year	700,941	605,352	1,306,293
Net excess (deficiency) of revenues over expenses	(145,034)	77,971	(67,063)
	555,907	683,323	1,239,230
Interfund transfers	71,537	(71,537)	-
Balance, end of year	627,444	611,786	1,239,230

	<i>Capital Asset Fund</i>	<i>General Fund</i>	<i>Total</i>
	\$	\$	\$
Year ended March 31, 2023			
Balance, beginning of year	627,444	611,786	1,239,230
Net excess (deficiency) of revenues over expenses	(142,574)	380,830	238,256
	484,870	992,616	1,477,486
Interfund transfers (note 16)	442,490	(442,490)	-
Balance, end of year	927,360	550,126	1,477,486

York Hills Centre for Children, Youth and Families

Statement of Cash Flows

year ended March 31, 2023

	<u>2023</u>	<u>2022</u>
	\$	\$
Cash flows from operating activities		
Net excess (deficiency) of revenues over expenses	238,256	(67,063)
Items not affecting cash:		
Amortization of capital assets	292,834	306,294
Amortization of deferred capital contributions	(145,466)	(156,466)
	<u>147,368</u>	<u>149,828</u>
Changes in non-cash working capital items		
Accounts receivable	187,986	(249,250)
Sales tax recoverable	(10,678)	(3,424)
Prepaid expenditures	(196,280)	112,562
Accounts payable and accrued liabilities	(97,643)	(150,229)
Accrued wages payable	347,894	41,851
Due to Ministries	84,428	66,216
Deferred grant revenue	246,864	(68,995)
	<u>562,571</u>	<u>(251,269)</u>
Net cash provided by operating activities	<u>948,195</u>	<u>(168,504)</u>
Cash flows from investing activity		
Investments	(825,007)	531,786
Cash flows from financing activities		
Mortgage payable	(368,477)	(71,537)
Acquisition of capital assets	(74,013)	-
	<u>(442,490)</u>	<u>(71,537)</u>
Increase (decrease) in cash and cash equivalents	(319,302)	291,745
Cash and cash equivalents, beginning	1,636,056	1,344,311
Cash and cash equivalents, ending	<u>1,316,754</u>	<u>1,636,056</u>
Cash and cash equivalents consist of the following:		
Cash	1,316,754	821,466
Interest-bearing deposit account (note 4)	-	814,590
	<u>1,316,754</u>	<u>1,636,056</u>

York Hills Centre for Children, Youth and Families

Notes to Financial Statements

March 31, 2023

1. PURPOSE OF THE ORGANIZATION

York Hills Centre for Children, Youth and Families ("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.

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.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations, are in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

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 Fund 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.

York Hills Centre for Children, Youth and Families

Notes to Financial Statements

March 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES - continued

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.

Short-term investment

Short-term investment includes deposits held for the purpose of meeting short-term cash commitments.

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
Leasehold improvements	Straight line over 10 years
Playground	Straight line over 10 years
Land improvements	Straight line over 10 years
Furniture and fixtures	Straight line over 5 years
Computer hardware	Straight line over 3 years

Capital assets subject to amortization are tested for recoverability whenever events or changes in circumstances indicate that their 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 their use and eventual disposition. The impairment loss is measured by the amount by which the carrying amount of the long-lived asset exceeds their fair value.

York Hills Centre for Children, Youth and Families

Notes to Financial Statements

March 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES - continued

Basis of charging expenses to programs

York Hills charges expenditures to programs funded by MOHLTC and MCCSS (see note 20) 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.

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations 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 expenses 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 expenses in the statement of operations in the year in which they become known. Significant estimates are comprised of accruals for liabilities.

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, investments and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, accrued wages payable, due to Ministries and mortgage payable.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of any write-down is recognized as a charge to excess of revenues over expenses.

York Hills Centre for Children, Youth and Families

Notes to Financial Statements

March 31, 2023

3. 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 investments and debts bearing interest at a fixed rate as described in notes 4,5 and 8.

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

During the year, York Hills had a decrease in accounts receivable from \$321,159 in the prior year to \$133,173 in the current year. This has resulted in an decrease in York Hills' credit risk exposure. There have been no other significant changes to York Hills' risk exposures from the prior year.

York Hills Centre for Children, Youth and Families

Notes to Financial Statements

March 31, 2023

4. CASH AND CASH EQUIVALENTS

- (a) Cash and cash equivalents include interest-bearing deposit accounts with major Canadian financial institutions with a balance of \$NIL (2022 - \$814,590). These accounts are fully cashable without penalty, and bear interest at a rate of 0.5% per annum.
- (b) Included in cash and cash equivalents is \$17,686 (2022 - \$17,686) restricted for the Capital Asset Fund.

5. INVESTMENTS

Investments include guaranteed investment certificates ("GIC") bearing interest at rates ranging from 4.35% to 5.06% and maturing between September 2023 and November 2024, and various mutual funds.

	<u>2023</u>	<u>2022</u>
	\$	\$
Short-term investments		
GICs	151,663	-
Mutual funds	595,522	-
	<u>747,185</u>	-
Long-term investments		
GICs	77,822	-
	<u>825,007</u>	-

6. CAPITAL ASSETS

			<u>2023</u>	<u>2022</u>
			\$	\$
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Buildings	5,806,423	3,084,301	2,722,122	2,946,193
Building improvement	85,387	30,834	54,553	60,245
Leasehold improvements	124,352	99,806	24,546	36,981
Playground	161,676	99,358	62,318	68,757
Land	323,970	-	323,970	323,970
Land improvements	191,837	154,623	37,214	46,881
Furniture and fixtures	342,548	321,706	20,842	33,901
Motor vehicles	96,673	22,660	74,013	-
Computer hardware	352,132	352,132	-	21,471
	<u>7,484,998</u>	<u>4,165,420</u>	<u>3,319,578</u>	<u>3,538,399</u>

Though the COVID-19 pandemic has had an impact on York Hills, there were no significant changes in use for any of the major assets, and as such, there were no impairment indicators affecting capital assets noted for the year ended March 31, 2023.

York Hills Centre for Children, Youth and Families

Notes to Financial Statements

March 31, 2023

7. DUE TO MINISTRIES

	<u>2023</u>	<u>2022</u>
	\$	\$
Excess (deficiency) of revenues over expenses before items below:	322,684	(847)
Less: amortization of deferred capital contributions	(145,466)	(156,466)
surplus from other contracts and programs (note 20)	(17,148)	(11,228)
mortgage principal payments on MCCSS		
shared property as described below	(368,476)	(71,537)
Add: amortization	<u>292,834</u>	<u>306,294</u>
Net increase (decrease) in amounts due to Ministries	84,428	66,216
Due to MOHLTC, beginning	<u>66,673</u>	457
Due to Ministries (MOHLTC & MCCSS), ending	<u>151,101</u>	<u>66,673</u>

York Hills has real estate property as described in note 13, which is shared with the MCCSS with a corresponding shared mortgage funding agreement. The agreement provides for the sharing of mortgage principal payments. As a result, mortgage principal payments of \$368,477 (2022 - \$71,537) have been included in building occupancy expenses of \$1,211,969 (2022 - \$1,145,574) for MOHLTC funding purposes as described in note 20. As a result, the surplus for program funding purposes as described in note 20 of \$23,240 (2022 - \$77,444) is presented net of mortgage principal payments of \$368,477 (2022 - \$71,537).

York Hills Centre for Children, Youth and Families

Notes to Financial Statements

March 31, 2023

8. MORTGAGE PAYABLE

The TD bank has provided a mortgage, bearing interest at 3.90% per annum, monthly payments of \$10,118 and is due August 27, 2031. The mortgage is subject to a debt service coverage ratio which York Hills complied with at March 31, 2023. Future repayments are as follows:

	<i>Total</i>	<i>Interest</i>	<i>Principal</i>
	<i>\$</i>	<i>\$</i>	<i>\$</i>
2024	121,416	48,517	72,899
2025	121,416	28,540	92,876
2026	121,416	24,853	96,563
2027	121,416	21,019	100,397
Thereafter	527,177	18,768	508,409
	<u>1,012,841</u>	<u>141,697</u>	<u>871,144</u>

In addition, the TD Bank has provided a \$400,000 operating loan facility, repayable on demand, bearing interest at the bank's prime rate plus 1% per annum. This operating loan facility was not drawn as at March 31, 2023.

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

- General Security Agreement representing a first charge on all present and after acquired personal property;
- 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 with the property having a net book value of \$2,793,420 (2022 - \$3,004,667);
- Postponement agreement; and
- Assignment of fire insurance in the amount of \$1,780,000.

9. DEFERRED GRANT REVENUE

	<i>2023</i>	<i>2022</i>
	<i>\$</i>	<i>\$</i>
Deferred grant revenue, beginning of year	293,223	362,218
Add: amounts received during the year	436,952	199,933
Less: amounts recognized as revenue during the year	<u>(190,088)</u>	<u>(268,928)</u>
Deferred grant revenue, end of year	<u>540,087</u>	<u>293,223</u>

10. DEFERRED CAPITAL CONTRIBUTION

	<i>2023</i>	<i>2022</i>
	<i>\$</i>	<i>\$</i>
Deferred capital contributions, beginning of year	1,604,127	1,760,593
Less: amounts amortized	<u>(145,466)</u>	<u>(156,466)</u>
Deferred capital contribution, end of year	<u>1,458,661</u>	<u>1,604,127</u>

York Hills Centre for Children, Youth and Families

Notes to Financial Statements

March 31, 2023

11. CAPITAL ASSET FUND BALANCE

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

	<u>2023</u>	<u>2022</u>
	\$	\$
Cash and cash equivalents	17,686	17,686
Capital assets	3,319,578	3,538,399
Current portion of mortgage payable	(72,899)	(74,377)
Long-term portion - mortgage payable	(798,245)	(1,165,245)
Deferred capital contributions	(1,458,661)	(1,604,127)
Deferred grant revenue	(80,099)	(84,892)
	<u>927,360</u>	<u>627,444</u>

12. GRANTS

	<u>2023</u>	<u>2022</u>
	\$	\$
United Way	135,408	181,630
RBC Foundation	42,581	73,821
Breakfast Club	5,506	7,109
Playground	4,794	4,793
	<u>188,289</u>	<u>267,353</u>

13. MCCSS MORTGAGE FUNDING AGREEMENT

On May 6, 2008, The York Centre (a predecessor Organization to "York Hills") 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, \$40,584 (2022 - \$45,121) 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, 2023

13. 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%.

14. 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 is in the final two one-year contracts which will expire on March 31, 2024 with an option for renewal of an additional year at MAG's discretion. The details of the services provided are summarized below:

	<i>2023</i>	<i>2022</i>
	<u>\$</u>	<u>\$</u>
Mediation intake	17,800	17,350
Mediation	39,450	31,830
Onsite Mediation Services	128,817	142,800
Information and Referral Coordinator	79,218	63,423
Mandatory Information Program	7,200	7,200
Total invoiced	<u>272,485</u>	<u>262,603</u>
Promotion	38,046	14,566
Mediators & IRC Training	10,500	12,203
Bi-Annual Meetings	280	280
Service Enhancement (Software/laptop)	11,216	10,640
Available for re-investment into the program	<u>(16,346)</u>	<u>2,162</u>
Total user fees collected	<u>43,696</u>	<u>39,851</u>

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

York Hills Centre for Children, Youth and Families

Notes to Financial Statements

March 31, 2023

15. OFFSETTING RECOVERIES

Included in offsetting recoveries is \$NIL (2022 - \$70,000) of funding received from Kinark Children and Family Services to offset COVID-19 related expenses. During the year, the Organization has incurred an amount of \$NIL (2022 - \$70,000) in expenses which management has attributed to this COVID-19 funding. These expenses have been included in building occupancy in the amount of \$NIL (2022 - \$54,703) and office and general in the amount of \$NIL (2022 - \$15,297).

16. 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.

17. ECONOMIC DEPENDENCE

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

18. COMMITMENTS

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

	<u>\$</u>
2023	78,068
2024	<u>4,969</u>
	<u>83,037</u>

19. COVID-19

COVID-19 continues to have a significant impact on the Canadian and global economy. This is an evolving situation which has limited economic activity in certain industries. Due to the 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 further 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, 2023

20. 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	1,554,250	372,626	596,748	2,332,261	7,351,417	228,406
MCCSS funding	-	-	-	-	-	-	-	-
MAG funding	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-
Sales tax recoveries	242,230	-	-	-	-	-	-	-
Program recoveries	-	-	-	-	-	-	577,788	-
Offsetting revenues	-	-	-	-	-	-	-	60,000
Investment and other income	59,187	-	-	-	-	-	-	18,320
	<u>301,417</u>	<u>33,111</u>	<u>1,554,250</u>	<u>372,626</u>	<u>596,748</u>	<u>2,332,261</u>	<u>7,929,205</u>	<u>306,726</u>
Salaries	1,047,204	-	833,830	208,386	312,971	1,249,348	3,545,657	118,829
Benefits	308,249	-	228,003	55,348	107,750	268,978	326,830	46,559
Travel	4,728	-	921	273	2,283	2,646	47,094	-
Staff training and conference fees	122,810	-	4,777	-	417	12,160	105,892	-
Building occupancy (note 7)	31,002	33,111	120,235	42,756	90,824	208,000	497,086	80,138
Purchased services- non clinical	156,094	-	-	-	-	90,575	756	-
Program supplies	4,738	-	1,630	1,554	1,992	18,175	143,360	-
Purchased services- clinical	-	-	137,530	-	-	52,908	2,402,491	-
Food costs	7,244	-	-	-	-	-	62,258	966
Office and general	48,835	-	25,572	2,514	14,698	61,317	20,564	17,666
Computer and information systems	12,720	-	37,326	24,533	6,137	66,224	40,421	12,788
Memberships	19,512	-	-	-	-	5,252	-	6,940
Insurance	5,687	-	9,000	-	-	63,453	-	-
	<u>1,768,823</u>	<u>33,111</u>	<u>1,398,824</u>	<u>335,364</u>	<u>537,072</u>	<u>2,099,036</u>	<u>7,192,409</u>	<u>283,886</u>
Surplus	(1,467,406)	-	155,426	37,262	59,676	233,225	736,796	22,840
Allocated central administration	1,467,406	-	(155,426)	(37,262)	(59,676)	(233,225)	(736,796)	(22,840)
Surplus	-	-	-	-	-	-	-	-

York Hills Centre for Children, Youth and Families

Notes to Financial Statements

March 31, 2023

20. 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	382,648	814,277	-	-	13,665,744	-	13,665,744
MCCSS funding	-	-	954,600	70,300	1,024,900	-	1,024,900
MAG funding	-	-	-	-	-	272,485	272,485
Grants	-	-	-	-	-	188,289	188,289
Sales tax recoveries	-	-	-	-	242,230	-	242,230
Program recoveries	-	-	-	-	577,788	81,696	659,484
Offsetting revenues	-	-	-	-	60,000	28,700	88,700
Investment and other income	-	-	-	-	77,507	-	77,507
	<u>382,648</u>	<u>814,277</u>	<u>954,600</u>	<u>70,300</u>	<u>15,648,169</u>	<u>571,170</u>	<u>16,219,339</u>
Salaries	183,251	517,489	137,142	51,628	8,205,735	337,559	8,543,294
Benefits	83,342	84,605	6,435	11,078	1,527,177	53,288	1,580,465
Travel	144	-	-	-	58,089	124	58,213
Staff training and conference fees	2,133	6,516	-	-	254,705	440	255,145
Building occupancy (note 7)	39,959	50,623	18,235	-	1,211,969	-	1,211,969
Purchased services- non clinical	-	-	-	-	247,425	121	247,547
Program supplies	26	7,576	13,043	-	192,094	27,271	219,365
Purchased services- clinical	-	-	597,216	-	3,190,145	127,626	3,317,771
Food costs	-	-	-	-	70,468	-	70,468
Office and general	4,457	28,168	1,225	565	225,581	5,943	231,524
Computer and information systems	31,071	22,423	1,416	-	255,059	1,650	256,709
Memberships	-	-	-	-	31,704	-	31,704
Insurance	-	15,450	-	-	93,590	-	93,590
	<u>344,383</u>	<u>732,850</u>	<u>774,712</u>	<u>63,271</u>	<u>15,563,741</u>	<u>554,022</u>	<u>16,117,764</u>
Surplus	38,265	81,427	179,888	7,029	84,428	17,148	101,575
Allocated central administration	(38,265)	(81,427)	(95,460)	(7,029)	-	-	-
Surplus	-	-	84,428	-	84,428	17,148	101,575