



Financial Statements

Oasis Dufferin Community Centre

December 31, 2021

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Independent Auditor's Report

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To the Members of
Oasis Dufferin Community Centre

Qualified opinion

We have audited the financial statements of Oasis Dufferin Community Centre, which comprise the statement of financial position as at December 31, 2021, and the statements of operations and 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, except for the effects of the matter described in the Basis for qualified opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Centre as at December 31, 2021, 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 qualified opinion

In common with many not-for-profit organizations, the Centre derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Centre. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended December 31, 2021 and 2020, current assets as at December 31, 2021 and 2020, and net assets as at January 1 and December 31 for both the 2021 and 2020 years. Our audit opinion on the financial statements for the year ended December 31, 2020 was modified accordingly because of the possible effects of this limitation in scope.

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 Centre 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 qualified opinion.

Responsibilities of management and those charged with governance for the financial statements

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

In preparing the financial statements, management is responsible for assessing the Centre'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 Centre or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Centre'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 Centre'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 Centre 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.

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script font.

Markham, Canada
May 9, 2022

Chartered Professional Accountants
Licensed Public Accountants

Oasis Dufferin Community Centre

Statement of Financial Position

December 31

2021

2020

Assets

Current

Cash	\$ 156,995	\$ 149,371
Accounts receivable	12,629	11,879
Sales taxes recoverable	<u>7,012</u>	<u>5,164</u>
	<u>\$ 176,636</u>	<u>\$ 166,414</u>

Liabilities

Current

Accounts payable and accrued liabilities	\$ 7,950	\$ 6,863
Deferred grant revenue (Note 4)	<u>35,815</u>	<u>27,312</u>
	<u>43,765</u>	<u>34,175</u>

Net assets - unrestricted

	<u>132,871</u>	<u>132,239</u>
	<u>\$ 176,636</u>	<u>\$ 166,414</u>

Lease commitments (Note 6)

On behalf of the Board of Directors

_____ Director

_____ Director

Oasis Dufferin Community Centre

Statements of Operations and Changes in Net Assets

Year ended December 31	2021	2020
Revenue		
Donations - individuals	\$ 69,247	\$ 83,204
Foundation grants	62,008	209,714
Government grants (Note 5)	60,088	52,589
Events and sales	48,348	16,832
Corporate grants	42,629	37,883
Donations - churches and groups	19,169	33,939
Interest and miscellaneous	1	3
	301,490	434,164
Expenses		
Salaries	215,277	222,651
Rent and utilities	24,978	24,614
Employee benefits	19,651	24,371
Food bank	14,884	56,664
Communications	11,094	10,196
Professional fees	5,150	5,145
Office supplies	3,999	3,561
General supplies	3,355	8,065
Insurance	1,808	1,867
Fundraising	662	409
	300,858	357,543
Excess of revenue over expenses	\$ 632	\$ 76,621
Net assets, beginning of year	\$ 132,239	\$ 55,618
Excess of revenue over expenses	632	76,621
Net assets, end of year	\$ 132,871	\$ 132,239

Oasis Dufferin Community Centre

Statement of Cash Flows

Year ended December 31	2021	2020
Increase (decrease) in cash		
Operating		
Excess of revenue over expenses	\$ 632	\$ 76,621
Item not affecting cash		
Deferred grant revenue recognized	<u>(30,261)</u>	<u>(90,532)</u>
	(29,629)	(13,911)
Change in non-cash working capital items		
Accounts receivable	(750)	1,457
Sales taxes recoverable	(1,848)	(3,715)
Accounts payable and accrued liabilities	1,087	1,352
Deferred grant revenue	<u>38,764</u>	<u>82,000</u>
Increase in cash	7,624	67,183
Cash		
Beginning of year	<u>149,371</u>	<u>82,188</u>
End of year	<u>\$ 156,995</u>	<u>\$ 149,371</u>

Oasis Dufferin Community Centre

Notes to the Financial Statements

December 31, 2021

1. Nature of operations

Oasis Dufferin Community Centre (the "Centre") operates a community centre to provide services for the general benefit of the community, operating a food bank, providing life skill programs and counselling services.

The Centre was incorporated on August 5, 1994 by letters patent under the laws of Ontario. The Centre is exempt from income taxes as it is a registered charity under the Income Tax Act (Canada).

2. Significant accounting policies

The financial statements are prepared by management in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). The significant policies are detailed as follows:

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 at the date of the financial statements and the reported amounts of revenue and expenses during the year. The most significant estimates include the allowance for doubtful accounts receivable and the accrual of liabilities. Actual results could differ from these estimates.

Property and equipment

Property and equipment are expensed in the year of acquisition unless the balances are significant. During the year, the Centre expensed \$701 (2020 - \$62) of equipment and book purchases.

Revenue recognition

The Centre follows the deferral method of accounting for contributions. Restricted grants and donations are recognized as revenue in the year in which the related expenses are incurred. All other revenue is recognized when earned and received or receivable, if collectability is reasonably assured. Interest, events and sales are recognized as earned.

Contributed services

Volunteers contributed time to assist the Centre in carrying out its mission. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Financial instruments

The Centre's financial instruments consist of cash, accounts receivable, sales taxes recoverable and accounts payable. The Centre's financial instruments are initially measured at fair value and subsequently measured at amortized cost.

Oasis Dufferin Community Centre

Notes to the Financial Statements

December 31, 2021

3. Financial instruments

The Centre's main financial instrument risk exposure is detailed as follows:

(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 meet its obligation. This risk is mitigated by the Centre through ensuring revenue is derived from qualified sources. Allowance for doubtful accounts for accounts receivable is \$Nil (2020 - \$Nil).

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities. The Centre reduces its exposure to liquidity risk related to accounts payable by ensuring that it documents when authorized payments are due and maintaining adequate cash reserves to meet obligations. At year end, accounts payable and accrued liabilities include government remittances owing of \$Nil (2020 - \$Nil).

4. Deferred grant revenue

	<u>2021</u>	<u>2020</u>
Deferred grant revenue, beginning of year	\$ 27,312	\$ 35,844
Grants received	38,764	82,000
Grants recognized	<u>(30,261)</u>	<u>(90,532)</u>
Deferred grant revenue, end of year	<u>\$ 35,815</u>	<u>\$ 27,312</u>

5. Government grants

	<u>2021</u>	<u>2020</u>
Government of Canada - Summer Students	\$ 27,648	\$ 20,163
Government of Canada - Ontario Seniors Community	19,753	8,530
City of Toronto - Ontario Works Program	<u>12,687</u>	<u>23,896</u>
	<u>\$ 60,088</u>	<u>\$ 52,589</u>

Oasis Dufferin Community Centre

Notes to the Financial Statements

December 31, 2021

6. Lease commitments

The Centre is committed under leases for premises equipment to 2025. Annual commitments are as follows:

2022	\$	1,800
2023		1,800
2024		1,800
2025		<u>400</u>
	\$	<u>5,800</u>
