

**E3 (EDUCATE, ENABLE, EMPOWER)
COMMUNITY SERVICES INC.**

o/a E3 COMMUNITY SERVICES INC.

FINANCIAL STATEMENTS

MARCH 31, 2022

E3 COMMUNITY SERVICES INC.

MARCH 31, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of E3 Community Services Inc.:

Opinion

We have audited the financial statements of E3 Community Services Inc. ("the organization"), which comprise the statement of financial position as at March 31, 2022, and the statements of changes in fund balances, operations and cash flow 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 E3 Community Services Inc. as at March 31, 2022 and its results of operations and cash flows for the year then ended in accordance with the financial reporting provisions as defined by the Ministry of Children, Community and Social Services.

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.

Emphasis of Matter

Without modifying our opinion, we draw attention to the summary of significant accounting policies attached to the financial statements, which describes the basis of accounting used in the preparation of these financial statements and the significant differences between such basis of accounting and Canadian accounting standards for not-for-profit organizations.

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 the financial reporting provisions as defined by the Ministry of Children, Community and Social Services as described in Note 1, 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 relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Baker Tilly SGB LLP

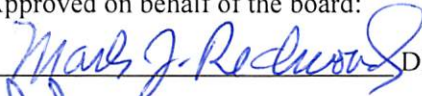
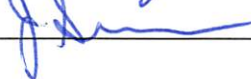
Baker Tilly SGB LLP
Chartered Professional Accountants
Licensed Public Accountants
Collingwood, Ontario
June 22, 2022

E3 COMMUNITY SERVICES INC.

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31

	Operating Fund	Capital Asset Fund	Association Fund	Total 2022	Total 2021
	\$	\$	\$	\$	\$
Assets					
Current					
Cash (Note 3)	958,794	-	286,547	1,245,341	1,559,143
Investments (Note 4)	-	-	200,000	200,000	200,000
Accounts receivable	180,971	-	15,689	196,660	204,853
Operating subsidies receivable (Note 5)	6,935	-	-	6,935	6,935
Prepaid expenses	11,657	-	5,324	16,981	8,230
Due from (to) other funds	(315,130)	68,654	246,476	-	-
	843,227	68,654	754,036	1,665,917	1,979,161
Capital assets (Note 6)	-	9,280,517	-	9,280,517	9,470,892
	843,227	9,349,171	754,036	10,946,434	11,450,053

Approved on behalf of the board:

 Director
 Director

See accompanying notes to the financial statements

E3 COMMUNITY SERVICES INC.

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31

	Operating Fund	Capital Asset Fund	Association Fund	Total 2022	Total 2021
	\$	\$	\$	\$	\$
Liabilities					
Current					
Accounts payable (Note 3)	732,005	-	228,077	960,082	1,196,659
Deferred revenue (Note 12)	7,857	-	-	7,857	7,857
Current portion of long-term (Note 8)	-	38,817	-	38,817	369,115
	739,862	38,817	228,077	1,006,756	1,573,631
Long-term (Note 8)	-	193,520	-	193,520	233,417
Total liabilities	739,862	232,337	228,077	1,200,276	1,807,048
Deferred capital contributions (Note 9)	-	4,227,345	-	4,227,345	4,301,950
Fund balances					
Invested in capital assets	-	4,889,489	-	4,889,489	4,635,066
Unrestricted	58,290	-	525,959	584,249	661,085
Externally restricted (Note 1(e))	45,075	-	-	45,075	44,904
	103,365	4,889,489	525,959	5,518,813	5,341,055
	843,227	9,349,171	754,036	10,946,434	11,450,053

See accompanying notes to the financial statements

E3 COMMUNITY SERVICES INC.

STATEMENT OF CHANGES IN FUND BALANCES FOR THE YEAR ENDED MARCH 31

	Operating Fund	Capital Asset Fund	Association Fund	Total 2022	Total 2021
	\$	\$	\$	\$	\$
Fund balances, beginning of the year	49,568	4,635,066	656,421	5,341,055	5,355,985
Excess (deficiency) of revenue over expense	89,057	(115,772)	204,473	177,758	(14,930)
Interfund transfers (Note 7)	(35,260)	370,195	(334,935)	-	-
Net change in fund balances	53,797	254,423	(130,462)	177,758	(14,930)
Fund balances, end of the year	103,365	4,889,489	525,959	5,518,813	5,341,055

See accompanying notes to the financial statements

E3 COMMUNITY SERVICES INC.

STATEMENT OF OPERATIONS FOR THE YEAR ENDED MARCH 31

	Operating Fund	Capital Asset Fund	Association Fund	Total 2022	Total 2021
	\$	\$	\$	\$	\$
Revenue					
Childcare fees	-	-	455,041	455,041	177,249
Contributions from clients and agencies and expenditure recovery	1,144,286	-	24,000	1,168,286	1,053,554
County of Simcoe Program Subsidy	776,665	-	-	776,665	749,428
County of Simcoe Provincial Wage Enhancement Funding	-	-	41,665	41,665	26,077
County of Simcoe Enhancement Inclusion Funding	-	-	1,759	1,759	1,097
County of Simcoe One Time Capital Funding	-	-	-	-	23,128
County of Simcoe Pay Equity	-	-	29,175	29,175	21,882
County of Simcoe General Operating Grant	-	-	102,557	102,557	51,417
Dedicated Supportive Housing subsidy	68,497	-	-	68,497	68,497
Recovery of allocated administration costs	1,132,614	-	-	1,132,614	1,018,508
Fundraising	-	-	76,728	76,728	28,973
Interest	-	-	11,383	11,383	14,170
Membership fees	-	-	140	140	110
Other income	-	-	460	460	3,623
Passport brokerage revenue	-	-	344,387	344,387	355,543
Wage subsidies	1,047,011	-	-	1,047,011	1,021,039
Provincial grant	78,000	-	-	78,000	-
Provincial Safe Restart Funding	-	-	-	-	65,936
Provincial subsidy Programs	9,906,307	-	-	9,906,307	9,732,738
	-	-	198	198	315
Rental income	-	-	586,637	586,637	537,860
Sales - ReUse Centre	-	-	155,114	155,114	134,543
Amortization of deferred capital contributions (Note 9)	-	232,131	-	232,131	241,833
Total revenue	14,153,380	232,131	1,829,244	16,214,755	15,327,520

See accompanying notes to the financial statements

E3 COMMUNITY SERVICES INC.

STATEMENT OF OPERATIONS - CONTINUED FOR THE YEAR ENDED MARCH 31

	Operating Fund	Capital Asset Fund	Association Fund	Total 2022	Total 2021
	\$	\$	\$	\$	\$
Expense					
Advertising and promotion	6,654	-	10,495	17,149	22,899
Allocated administration and central resources costs	1,027,394	-	138,164	1,165,558	945,902
Amortization of capital assets	-	347,903	-	347,903	348,915
Equipment rentals	5,891	-	-	5,891	6,862
Food costs	219,566	-	19,511	239,077	319,641
Fundraising	-	-	29,209	29,209	3,892
Insurance	29,341	-	31,805	61,146	65,289
Interest and bank charges	6,778	-	5,361	12,139	9,012
Meetings	-	-	-	-	37
Memberships and licenses	12,475	-	1,896	14,371	13,068
Mortgage	42,146	-	-	42,146	41,766
New furnishings and equipment	175,871	-	933	176,804	151,032
Non-recoverable HST	49,841	-	12,660	62,501	74,344
Office and program supplies	219,198	-	43,435	262,633	271,863
Personal needs	298,123	-	-	298,123	222,601
Premises rent	402,786	-	69,684	472,470	463,371
Professional and consulting	182,695	-	7,103	189,798	139,171
Purchased services	164,673	-	313,598	478,271	513,102
Repairs and maintenance	237,612	-	177,695	415,307	507,912
Salaries and benefits	10,659,521	-	685,594	11,345,115	10,913,202
Social and recreation	41	-	7,901	7,942	10,917
Staff training	27,818	-	1,955	29,773	9,385
Telephone	39,697	-	4,179	43,876	40,852
Utilities and taxes	89,209	-	98,621	187,830	170,437
Vehicle, staff travel and transportation	131,733	-	232	131,965	76,978
Total expense	14,029,063	347,903	1,660,031	16,036,997	15,342,450
Excess (deficiency) of revenue over expense as reported in schedules	124,317	(115,772)	169,213	177,758	(14,930)
Mortgage principal payments (Note 7)	(35,260)	-	35,260	-	-
Excess (deficiency) of revenue over expense	89,057	(115,772)	204,473	177,758	(14,930)

See accompanying notes to the financial statements

E3 COMMUNITY SERVICES INC.

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31

	2022	2021
	\$	\$
Cash flows from (for):		
Operating activities		
Excess (deficiency) of revenue over expense	177,758	(14,930)
Items not involving cash		
Amortization of capital assets	347,903	348,915
Amortization of deferred capital contributions	(232,131)	(241,833)
	293,530	92,152
Changes in		
Accounts receivable and operating subsidies receivable	8,193	115,674
Prepaid expenses	(8,751)	-
Accounts payable	(236,578)	15,194
Government remittances payable	-	(11,919)
Deferred revenue	-	(13,200)
Due to Strategic Operations Committee	-	(43,610)
	56,394	154,291
Financing activities		
Repayment of long-term liabilities	(370,196)	(48,355)
Capital funding received	184,984	463,107
	(185,212)	414,752
Investing activities		
Additions to capital assets	(184,984)	(723,730)
Maturity of investments	-	100,000
	(184,984)	(623,730)
Change in cash	(313,802)	(54,687)
Cash position, beginning of year	1,559,143	1,613,830
Cash position, end of year (Note 3)	1,245,341	1,559,143

See accompanying notes to the financial statements

E3 COMMUNITY SERVICES INC.

NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2022

Purpose of the organization

E3 Community Services Inc. is a not-for-profit, charitable organization, the main purpose of which is to serve, support, educate, protect and advocate for persons of all ages with developmental disabilities, in order that they may grow, live and work in the community in as normal a manner as possible. The organization's activities are dependent on funding from the Ministry of Children, Community and Social Services, the County of Simcoe, members and private donors.

1. Significant accounting policies

These financial statements have been prepared in accordance with the significant accounting policies set out below to comply with guidance issued by the Ministry of Children, Community and Social Services. The basis of accounting used in these financial statements differs materially from Canadian accounting standards for not-for-profit organizations only with respect to accrued vacation, sick pay and employee future benefits, which is recorded on a cash basis; the same basis on which the Ministry of Children, Community and Social Services funds vacation pay, sick pay and employee future benefits.

The following is a summary of significant accounting policies followed in the preparation of the financial statements:

(a) Fund accounting

The organization follows the deferral method of accounting for contributions.

(i) Revenue and expense related to program delivery and administrative activities are reported in the Operating Fund. Revenue in this fund is externally restricted by the Ministry of Children, Community and Social Services and the County of Simcoe and must be administered in accordance with Ministry and County approved objectives.

(ii) The Capital Asset Fund reports the assets, liabilities, revenue and expense related to the capital assets owned by the organization and the Ministry of Children, Community and Social Services.

(iii) The Association Fund includes all unrestricted donations and reports revenue and expense related to fundraising, membership and operations other than program administration delivery, as detailed in Schedules 1, 2, 3, 4, 5, 6, 7, 8, 10 and 22.

E3 COMMUNITY SERVICES INC.

NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2022

1. Significant accounting policies (continued)

(b) Financial instruments

Initial recognition and measurement

A financial asset or a financial liability is recognized when the organization becomes a party to the contractual provisions of the financial instrument.

Financial assets originated or acquired or financial liabilities issued or assumed in an arm's length transaction are initially measured at their fair value.

Subsequent measurement

Changes in fair value of investments in equity instruments are recognized in operations in the period incurred. All other financial assets and financial liabilities are measured at amortized cost.

Impairment

At the end of each reporting period, the organization assesses whether there are any indications that financial assets measured at cost or amortized cost may be impaired.

(c) Investments

Investments are initially measured at fair value. Interest income is recognized in the period it is earned.

(d) Capital assets

Purchased capital assets are recorded at cost. Cost includes the purchase price and any directly attributable cost of preparing the asset for its intended use. Contributed capital assets are recorded at fair market value at the date of contribution.

Capital assets are tested for impairment when events or changes in circumstances indicate that their carrying amount may not be recoverable. The impairment loss is measured as the amount by which the carrying amount of the capital asset exceeds its fair value.

An impairment loss is not reversed if the fair value of the capital asset subsequently increases.

Amortization is provided to amortize the cost of assets over their estimated useful lives. Provision is made for amortization as follows:

Buildings and fixtures	- 4% diminishing balance
Leaseholds	- 5 years straight-line
Computers and software	- 30% diminishing balance
Vehicles	- 30% diminishing balance

Land is not amortized.

E3 COMMUNITY SERVICES INC.

NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2022

1. Significant accounting policies (continued)

(e) Replacement reserve fund

The organization is required by the Ministry of Children, Community and Social Services to establish a capital reserve fund for future expenditures of a capital nature at Oak Street, Reid Crescent and Fifth Street only. This requirement is under the Dedicated Supportive Housing Program. The fund is represented by a bank account and all interest earned on these funds is added to the reserve.

(f) Revenue recognition

Unrestricted contributions are recognized as revenue of the appropriate fund when received or receivable if the amount can be reasonably estimated and collection is reasonably assured. Unrestricted contributions include: childcare fees, contributions from clients and agencies, expenditure recovery, recovery of allocated administration costs and fundraising.

Restricted contributions, such as government funding, are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. Restricted contributions include: various County of Simcoe subsidies, Dedicated Supportive Housing subsidy, Provincial grant and subsidy.

Externally restricted contributions for the purchase of capital assets are deferred and recognized as revenue on the same basis that the related capital assets are amortized.

All other revenue is recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

(g) Contributed materials and services

The organization receives volunteer services from many individuals. Since these services are not normally purchased by the organization and because of the difficulty in estimating their fair market value, these services are not recorded in these financial statements. Contributed materials are not recognized in the financial statements.

(h) Use of estimates

The preparation of financial statements in conformity with the basis of accounting described in Note 1 requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenditures during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in the statement of operations in the period in which they become known. Estimates include accounting for amortization expense of capital assets and amortization of deferred capital contributions. Actual results could differ from those estimates.

E3 COMMUNITY SERVICES INC.

NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2022

2. Financial instruments

The organization's financial instruments consist of cash, investments, accounts receivable, operating subsidiaries receivable, accounts payable and long-term liabilities.

The organization is not exposed to significant market risk, currency risk nor other price risk.

Financial risks

(a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the organization.

Credit risk is managed through maintaining credit policies. Credit is not extended to parties with aged accounts and credit is not issued beyond approved credit limits.

The organization has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. The main source of credit risk to the organization is considered to relate to the class of assets described as "accounts receivable", and primarily comprised of monies due from government.

(b) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognized at the year end date whereby a future change in interest rates will affect future cash flows or the fair value of fixed financial instruments.

Interest rate risk is managed by maximizing the interest income earned on excess funds while maintaining the liquidity necessary to conduct operations on a day-to-day basis. Fluctuations in market rates of interest on cash do not have a significant impact on the organization's results of operations.

(c) Liquidity risk

Liquidity risk is the risk that the organization will not be able to fund its obligations as they come due. The organization meets its liquidity requirements through cash flow from operations, anticipating investing and financing activities and holding assets that can be readily converted into cash. This is combined with the fact that 62% of the organization's revenues are from either provincial or regional government sources. Additional cash requirements may be met with the available operating line of credit, providing flexibility in the short-term to meet operational needs.

E3 COMMUNITY SERVICES INC.

NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2022

3. Cash

Cash consists of the following:

	2022	2021
	\$	\$
Unrestricted cash - Operating Fund	913,719	1,216,308
Restricted cash - Dedicated Supportive Housing Replacement Reserve funds (Note 1(e))	45,075	44,904
Operating fund	958,794	1,261,212
Restricted cash - Association Fund	77,853	75,661
Restricted cash - Client trust accounts	208,694	222,270
Association fund	286,547	297,931
	1,245,341	1,559,143

Included in accounts payable for the Association Fund are client funds held in trust of \$208,694 (2021 - \$222,270).

4. Investments

At the end of the year the organization held two guaranteed investment certificates (GIC) both maturing in June 2022. Each of these have a face value of \$100,000 with an interest rate of 1.75% compounded annually. In 2021 there were two GICs, each with a face value of \$100,000.

5. Operating subsidies receivable

Operating subsidies receivable as at March 31 are as follows:

	2022	2021
	\$	\$
Dedicated Supportive Housing	6,935	6,935

E3 COMMUNITY SERVICES INC.

NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2022

6. Capital assets

Capital assets consist of the following:

	Cost	Accumulated Amortization	Net Book Value 2022	Net Book Value 2021
	\$	\$	\$	\$
Agency Owned				
Land	935,382	-	935,382	935,382
Buildings and fixtures	3,671,359	1,512,832	2,158,527	2,248,807
Leaseholds	42,284	28,365	13,919	-
Vehicles	102,451	39,440	63,011	4,022
	4,751,476	1,580,637	3,170,839	3,188,211
Ministry Owned				
Land - Residences	752,105	-	752,105	752,105
Buildings and fixtures - Residences	4,089,518	1,784,049	2,305,469	2,366,919
Computers and software	469,215	431,953	37,262	53,231
Vehicles	823,403	676,937	146,466	210,937
	6,134,241	2,892,939	3,241,302	3,383,192
Jointly Owned*				
Land	350,000	-	350,000	350,000
Land - Residences	225,504	-	225,504	225,504
Buildings and fixtures	2,371,132	827,218	1,543,914	1,543,821
Buildings and fixtures - Residences	1,109,725	360,767	748,958	780,164
	4,056,361	1,187,985	2,868,376	2,899,489
	14,942,078	5,661,561	9,280,517	9,470,892

*The Ministry's interest is derived from capital contributions to the Peel Street property of \$523,910 (20%) (2021 - \$523,910), Stanley Street property of \$517,000 (81%) (2021 - \$517,000) and the 60th Street property of \$184,144 (28%) (2021 - \$184,144).

7. Interfund transfers

During the year, \$35,260 (2021 - \$35,363) was transferred from the Operating Fund to the Capital Asset Fund for cash outlays related to mortgage and loan principal payments, \$334,935 (2021 - \$12,991) was transferred from the Association Fund to the Capital Asset Fund for cash outlays related to mortgage principal payments.

E3 COMMUNITY SERVICES INC.

NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2022

8. Long-term liabilities

Long-term liabilities consist of the following:

	2022	2021
	\$	\$
(a) 3.15% fixed term loan payable to BMO, repayable \$1,808 monthly principal and interest.	-	332,959
(b) 4.05% mortgage payable to Peoples Trust Company, repayable \$998 monthly principal and interest, secured by property at 2 Reid Crescent, Collingwood, with a net book value of \$137,861, due November 2025.	40,766	50,142
(c) 2.15% mortgage payable to Peoples Trust Company, repayable \$1,190 monthly principal and interest, secured by property at 444 Fifth Street, Collingwood, with a net book value of \$220,493 due November 2025.	50,307	64,628
(d) 2.99% mortgage payable to First National Financial LP, repayable \$1,336 monthly principal and interest, secured by property at 120 Oak Street, Collingwood, with a net book value of \$246,159, due October 2024.	108,661	120,224
(e) 4.80% commercial loan payable to TD Canada Trust, repayable in monthly principal and interest, secured by property at 60th Street, Wasaga Beach, with a net book value of \$483,770, due September 2023.	32,603	34,579
	232,337	602,532
Less current portion	(38,817)	(369,115)
	193,520	233,417

Scheduled principal and interest payments in the next four years are as follows:

	Principal	Interest	Total
	\$	\$	\$
2023	38,817	6,866	45,683
2024	68,578	5,066	73,644
2025	107,635	2,297	109,932
2026	17,307	195	17,502
	232,337	14,424	246,761

An operating line of credit in the amount of \$325,000 is available through the Bank of Montreal. The interest rate is prime plus 0.25%.

E3 COMMUNITY SERVICES INC.

NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2022

9. Deferred capital contributions

Deferred capital contributions reported in the Capital Asset Fund include the amount of restricted contributions with which capital assets were originally purchased. The changes for the year in the deferred capital contributions balance are as follows:

	2022	2021
	\$	\$
Balance, beginning of year	4,301,950	4,040,927
Designated funds received during the year	157,526	502,856
Amounts amortized to revenue during the year	(232,131)	(241,833)
Balance, end of year	4,227,345	4,301,950

10. Contingent liabilities

In the ordinary course of operations, claims and lawsuits are brought against the organization. The amount and likelihood of loss resulting from any claims or lawsuits is unknown at this time. Any payment made by the organization pursuant to claims or lawsuits will be expensed in the year of settlement.

Certain employees and their spouses are eligible for extended health benefits for life if they serve a minimum tenure with the organization of 10 years. The liability for these benefits has not been accrued in the financial statements, as the organization is unable to determine the amount at this time.

11. Allocation of expenses

The organization operates a number of programs in the Operating and Association Funds. The costs of each program include directly related expenses and common costs such as office supplies, salary and benefit costs, premises rent, building maintenance, interest and bank charges and professional and consulting fees. Generally, each program is allocated such costs up to 10% of its Ministry funding amount. This is the maximum allowed by the Ministry. In some cases, the organization has the flexibility to allocate less than 10% for non-Ministry programs. This allocation is applied consistently from year to year.

12. Deferred revenue

Deferred revenue consists of the following:

	2022	2021
	\$	\$
Operating fund:		
Deferred enhancement initiative funding	7,857	7,857

E3 COMMUNITY SERVICES INC.

NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2022

13. Economic dependence

The organization received 62% (2021 - 64%) of its revenue from the Ministry of Children, Community and Social Services.

14. Impact of the COVID-19 pandemic

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The measures introduced at various levels of government to curtail the spread of the virus, such as travel restrictions, closures of non-essential municipal and private operations, imposition of quarantines and social distancing, could mean that the organization's revenues and collections are reduced. The extent of the impact of this outbreak and related containment measures on the organization's operations cannot be reliably estimated at this time.

E3 COMMUNITY SERVICES INC.

ASSOCIATION SCHEDULE 1 FOR THE YEAR ENDED MARCH 31

	2022	2021
	\$	\$
Revenue		
Fundraising	76,728	28,973
Interest	11,383	14,170
Membership fees	140	110
Other income	460	3,623
Rental income	83,740	83,307
	172,451	130,183
Expense		
Fundraising	29,209	3,892
Social and recreation	7,901	10,775
	37,110	14,667
Excess of revenue over expense	135,341	115,516

PEEL STREET SCHEDULE 2 FOR THE YEAR ENDED MARCH 31

	2022	2021
	\$	\$
Revenue		
Rental income	129,108	143,459
Expense		
Insurance	5,778	6,096
Non-recoverable HST	1,635	1,959
Office supplies	8,262	4,092
Repairs and maintenance	57,240	13,410
Utilities	11,735	12,797
	84,650	38,354
Excess of revenue over expense	44,458	105,105

See accompanying notes to the financial statements

E3 COMMUNITY SERVICES INC.

HEADQUARTERS SCHEDULE 3 FOR THE YEAR ENDED MARCH 31

	2022	2021
	\$	\$
Revenue		
Rental income	121,696	123,600
Expense		
Insurance	12,752	13,442
Non-recoverable HST	2,861	3,428
Office supplies	4,170	-
Repairs and maintenance	37,430	28,420
Utilities and taxes	39,766	38,344
	96,979	83,634
Excess of revenue over expense	24,717	39,966

ALLISTON SCHEDULE 4 FOR THE YEAR ENDED MARCH 31

	2022	2021
	\$	\$
Revenue		
Rental income	30,000	21,600
Expense		
Insurance	3,214	3,391
Utilities and taxes	4,396	4,327
	7,610	7,718
Excess of revenue over expense	22,390	13,882

See accompanying notes to the financial statements

E3 COMMUNITY SERVICES INC.

OASIS BY THE BAY SCHEDULE 5 FOR THE YEAR ENDED MARCH 31

	2022	2021
	\$	\$
Revenue		
Expenditure recovery	24,000	24,000
Rental income	203,121	146,922
	227,121	170,922
Expense		
Advertising and promotion	9,295	5,061
Allocated administrative costs	28,836	28,836
Benefits	3,873	2,393
Insurance	6,969	7,340
Interest and bank charges	3,172	1,467
Memberships and licenses	656	443
New furnishings and equipment	(1,262)	860
Non-recoverable HST	3,774	4,521
Office supplies	2,606	2,535
Professional and consulting	756	-
Program supplies	4,858	4,363
Purchased services	5,744	5,321
Repairs and maintenance	17,091	10,067
Salaries	60,379	48,022
Staff travel	139	-
Telephone	856	909
Utilities and taxes	25,717	18,920
Vehicle operations	-	244
	173,459	141,302
Excess of revenue over expense	53,662	29,620

See accompanying notes to the financial statements

E3 COMMUNITY SERVICES INC.

NINTH STREET SCHEDULE 6 FOR THE YEAR ENDED MARCH 31

	2022	2021
	\$	\$
Revenue		
Rental income	18,972	18,972
Expense		
Insurance	3,061	3,224
Utilities and taxes	4,693	1,172
	7,754	4,396
Excess of revenue over expense	11,218	14,576

REUSE CENTRE - COLLINGWOOD SCHEDULE 7 FOR THE YEAR ENDED MARCH 31

	2022	2021
	\$	\$
Revenue		
Sales	155,114	134,543
Expense		
Advertising and promotion	1,200	2,066
Allocated administration costs	33,432	16,932
Benefits	10,947	8,843
Insurance	31	33
Interest and bank charges	1,431	1,244
Non-recoverable HST	2,346	2,811
Office supplies	3,263	3,390
Premises rent	50,712	30,299
Professional and consulting	3,323	-
Program supplies	4,816	2,440
Purchased services	1,506	1,794
Repairs and maintenance	24,995	8,048
Salaries	111,645	106,399
Telephone	2,018	2,149
Utilities	3,354	4,947
Vehicle operations and transportation	93	(6,815)
	255,112	184,580
Deficiency of revenue over expense	(99,998)	(50,037)

See accompanying notes to the financial statements

E3 COMMUNITY SERVICES INC.

TOTS 'N' TYKES CHILDCARE CENTRE SCHEDULE 8 FOR THE YEAR ENDED MARCH 31

	2022	2021
	\$	\$
Revenue		
Childcare fees	455,041	177,249
County of Simcoe Pay Equity	29,175	21,882
County of Simcoe General Operating Grant	102,557	51,417
County of Simcoe Provincial Wage Enhancement Funding	41,665	26,077
County of Simcoe Wage Enhancement Inclusion Funding	1,759	1,097
County of Simcoe One Time Capital Funding	-	23,128
Provincial Safe Restart Funding	-	52,902
	630,197	353,752
Expense		
Allocated administration costs	45,540	23,040
Benefits	40,159	18,032
Food costs	19,511	13,733
Interest and bank charges	758	992
Memberships and licences	1,240	640
New furnishings and equipment	2,195	24,613
Non-recoverable HST	2,044	2,448
Office supplies	8,414	8,123
Premises rent	18,972	18,972
Professional and consulting	3,024	-
Program supplies	7,046	9,052
Purchased services	3,183	2,477
Repairs and maintenance	40,939	41,421
Salaries	456,884	253,898
Staff training	1,955	247
Staff travel	-	11
Telephone	1,305	3,042
Utilities and taxes	8,960	10,460
	662,129	431,201
Deficiency of revenue over expense	(31,932)	(77,449)

See accompanying notes to the financial statements

E3 COMMUNITY SERVICES INC.

CENTRAL ADMINISTRATION SCHEDULE 9 FOR THE YEAR ENDED MARCH 31

	2022	2021
	\$	\$
Revenue		
Expenditure recovery	34,275	29,680
Wage subsidies	36,023	2,588
Recovery of allocated administration costs	1,132,614	1,018,508
	1,202,912	1,050,776
Expense		
Advertising and promotion	6,604	14,639
Benefits	118,717	113,873
Equipment rentals	4,805	5,926
Interest and bank charges	6,778	5,309
Meetings	-	37
Memberships and licenses	11,375	10,453
New furnishings and equipment	5,345	-
Non-recoverable HST	13,353	15,995
Office supplies	42,110	27,117
Premises rent	60,486	60,000
Professional and consulting	146,407	114,002
Program supplies	1,715	715
Purchased services	2,668	1,321
Repairs and maintenance	78,086	153
Salaries	683,604	665,325
Staff training	8,310	4,466
Staff travel	46	(83)
Telephone	8,298	9,317
Transportation	4,481	2,761
	1,203,188	1,051,326
Deficiency of revenue over expense	(276)	(550)

See accompanying notes to the financial statements

E3 COMMUNITY SERVICES INC.

PASSPORT PROGRAMS SCHEDULE 10 FOR THE YEAR ENDED MARCH 31

	2022	2021
	\$	\$
Revenue		
Passport brokerage revenue	344,387	355,543
Expense		
Allocated administration costs	30,356	27,254
Benefits	9,720	6,489
Purchased services	303,165	308,216
Salaries	(8,013)	16,676
	335,228	358,635
Excess (deficiency) of revenue over expense	9,159	(3,092)

See accompanying notes to the financial statements

E3 COMMUNITY SERVICES INC.

LIFE SKILLS SCHEDULE 11 FOR THE YEAR ENDED MARCH 31

	2022	2021
	\$	\$
Revenue		
Contributions from clients	240	64
Wage subsidies	66,928	87,214
Provincial subsidy	1,183,488	1,141,276
	1,250,656	1,228,554
Expense		
Allocated administration costs	112,824	112,824
Benefits	92,829	127,691
Food costs	211	32
New furnishings and equipment	16,296	57,157
Non-recoverable HST	2,453	2,938
Office supplies	2,702	27,055
Premises rent	84,000	137,511
Professional and consulting	1,260	-
Program supplies	1,423	830
Purchased services	5,772	15
Repairs and maintenance	16,158	86,742
Salaries and benefits	933,818	728,381
Social and recreation	41	142
Staff training	185	270
Staff travel	4,148	5,853
Telephone	3,512	3,769
Vehicle	2,048	837
	1,279,680	1,292,047
Deficiency of revenue over expense	(29,024)	(63,493)

See accompanying notes to the financial statements

E3 COMMUNITY SERVICES INC.

EMPLOYMENT SERVICES SCHEDULE 12 FOR THE YEAR ENDED MARCH 31

	2022	2021
	\$	\$
Revenue		
Expenditure recovery	4,993	375
Wage subsidies	57,255	47,184
Provincial subsidy	620,048	620,048
	682,296	667,607
Expense		
Allocated administration costs	62,004	62,004
Benefits	89,584	76,562
Food costs	643	48
Memberships	1,000	500
New furnishings and equipment	2,228	265
Non-recoverable HST	1,853	2,220
Office supplies	5,539	18,337
Premises rent	16,800	16,800
Professional and consulting	3,024	25,000
Program supplies	1,275	29
Purchased services	195	2
Repairs and maintenance	-	43,000
Salaries	482,812	410,455
Staff training	1,625	45
Staff travel	11,343	6,912
Telephone	3,709	3,327
Vehicle	1,638	2,457
	685,272	667,963
Deficiency of revenue over expense	(2,976)	(356)

See accompanying notes to the financial statements

E3 COMMUNITY SERVICES INC.

FUTURE TRANSITIONS SCHEDULE 13 FOR THE YEAR ENDED MARCH 31

	2022	2021
	\$	\$
Revenue		
Wage subsidies	-	6,661
Provincial subsidy	117,144	112,873
	117,144	119,534
Expense		
Allocated administration costs	10,932	10,932
Benefits	11,289	10,071
Food costs	-	17
New furnishings and equipment	-	468
Non-recoverable HST	649	777
Office supplies	710	15
Premises rent	6,900	6,900
Professional and consulting	252	-
Salaries	61,845	55,668
Staff travel	120	1,000
Telephone	808	323
	93,505	86,171
Excess of revenue over expense	23,639	33,363

See accompanying notes to the financial statements

E3 COMMUNITY SERVICES INC.

GROUP HOME SERVICES SCHEDULE 14 FOR THE YEAR ENDED MARCH 31

	2022	2021
	\$	\$
Revenue		
Contributions from clients	141,707	120,290
Expenditure recovery	905,504	806,364
Wage subsidies	839,888	836,817
Provincial subsidy	7,127,983	7,065,973
	9,015,082	8,829,444
Expense		
Allocated administration costs	698,246	522,564
Benefits	1,149,208	1,017,682
Food costs	218,123	303,134
Insurance	23,841	25,976
New furnishings and equipment	82,615	61,214
Non-recoverable HST	24,118	28,890
Office supplies	67,914	45,476
Personal needs	202,615	163,604
Premises rent	98,400	98,400
Professional and consulting	28,476	169
Program supplies	60,865	66,813
Purchased services	45,595	80,721
Repairs and maintenance	124,210	93,094
Salaries	6,032,600	6,359,491
Staff training	17,173	4,111
Staff travel	7,296	5,792
Telephone	12,116	11,558
Utilities and taxes	69,885	61,863
Vehicle operations and transportation	87,383	45,590
	9,050,679	8,996,142
Deficiency of revenue over expense	(35,597)	(166,698)

See accompanying notes to the financial statements

E3 COMMUNITY SERVICES INC.

EARLYON SCHEDULE 15 FOR THE YEAR ENDED MARCH 31

	2022	2021
	\$	\$
Revenue		
County of Simcoe subsidy	776,665	749,428
Expenditure recovery	-	700
Provincial safe restart funding	-	13,034
	776,665	763,162
Expense		
Advertising and promotion	50	1,133
Allocated administration costs	63,888	63,888
Benefits	82,929	73,905
Equipment rentals	1,086	936
Food costs	589	443
Memberships and licences	100	1,032
New furnishings and equipment	51,514	4,748
Non-recoverable HST	3,815	4,570
Office supplies	7,089	43,557
Premises rent	102,600	67,381
Professional and consulting	2,016	-
Program supplies	13,489	14,316
Purchased services	27,944	11,978
Repairs and maintenance	4,754	39,524
Salaries	409,097	380,066
Staff training	390	21
Staff travel	3,524	2,161
Telephone	3,973	3,398
Utilities and taxes	4,169	3,900
	783,016	716,957
(Deficiency) excess of revenue over expense	(6,351)	46,205

See accompanying notes to the financial statements

E3 COMMUNITY SERVICES INC.

CHILDREN'S OUT OF HOME RESPITE SCHEDULE 16 FOR THE YEAR ENDED MARCH 31

	2022	2021
	\$	\$
Revenue		
Provincial subsidy	47,313	47,313
Expense		
Allocated administration costs	4,728	4,728
Benefits	16	182
Food costs	-	3
New furnishings and equipment	17,873	1,565
Non-recoverable HST	166	261
Premises rent	12,000	5,508
Program supplies	354	75
Purchased services	199	101
Repairs and maintenance	1,201	-
Salaries	250	2,642
Staff training	45	-
Telephone	125	77
	36,957	15,142
Excess of revenue over expense	10,356	32,171

See accompanying notes to the financial statements

E3 COMMUNITY SERVICES INC.

SUPPORTED INDEPENDENT LIVING SCHEDULE 17 FOR THE YEAR ENDED MARCH 31

	2022	2021
	\$	\$
Revenue		
Contributions from clients	29,791	32,505
Wage subsidies	46,716	40,553
Provincial subsidy	660,640	596,715
	737,147	669,773
Expense		
Allocated administration costs	62,052	60,180
Benefits	66,285	56,564
Food costs	-	2,231
New furnishings and equipment	-	142
Non-recoverable HST	2,943	2,938
Office supplies	13,835	(8,349)
Personal needs	95,259	58,507
Premises rent	15,600	15,600
Professional and consulting	1,260	-
Program supplies	178	1,882
Purchased services	51	176
Repairs and maintenance	50	-
Salaries	410,635	349,753
Staff training	90	225
Staff travel	5,475	5,815
Telephone	7,156	2,983
Vehicle	351	857
	681,220	549,504
Excess of revenue over expense	55,927	120,269

See accompanying notes to the financial statements

E3 COMMUNITY SERVICES INC.

FAMILY HOME PROGRAM SCHEDULE 18 FOR THE YEAR ENDED MARCH 31

	2022	2021
	\$	\$
Revenue		
Contributions from clients	27,776	39,576
Wage subsidies	201	22
Provincial subsidy	132,474	132,496
	160,451	172,094
Expense		
Allocated administration costs	11,052	11,052
Benefits	373	290
Non-recoverable HST	491	588
Personal needs	249	490
Premises rent	6,000	6,000
Purchased services	82,249	100,980
Salaries	33,630	3,168
Transportation	3,880	3,586
	137,924	126,154
Excess of revenue over expense	22,527	45,940

ADULT RESPITE SCHEDULE 19 FOR THE YEAR ENDED MARCH 31

	2022	2021
	\$	\$
Revenue		
Provincial subsidy	17,217	16,044
Expense		
Allocated administration costs	1,668	1,668
Excess of revenue over expense	15,549	14,376

See accompanying notes to the financial statements

E3 COMMUNITY SERVICES INC.

PARTNER FACILITY RENEWAL SCHEDULE 20 FOR THE YEAR ENDED MARCH 31

	2022	2021
	\$	\$
Revenue		
Provincial grant	78,000	-
Expense		
Repairs and maintenance	(75)	135,498
Excess (deficiency) of revenue over expense	78,075	(135,498)

DEDICATED SUPPORTIVE HOUSING SCHEDULE 21 FOR THE YEAR ENDED MARCH 31

	2022	2021
	\$	\$
Revenue		
Dedicated Supportive Housing subsidy	68,497	68,497
Expense		
Insurance	5,500	5,787
Mortgage principal	42,146	41,766
Repairs and maintenance	13,228	8,535
Utilities	15,155	13,707
	76,029	69,795
Deficiency of revenue over expense	(7,532)	(1,298)

RISE SCHEDULE 22 FOR THE YEAR ENDED MARCH 31

	2022	2021
	\$	\$
Revenue		
Programs	198	315
Excess of revenue over expense	198	315

See accompanying notes to the financial statements