

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

**o/a E3 COMMUNITY SERVICES INC.**

**FINANCIAL STATEMENTS**

**MARCH 31, 2023**

# E3 COMMUNITY SERVICES INC.

MARCH 31, 2023

## CONTENTS

	Page
Independent Auditor's Report	1
Statement of Financial Position	3
Statement of Changes in Fund Balances	5
Statement of Operations	6
Statement of Cash Flow	8
Notes to the Financial Statements	9
Schedule 1 - Association	17
Schedule 2 - Peel Street	17
Schedule 3 - Headquarters	18
Schedule 4 - Alliston	18
Schedule 5 - Oasis by the Bay	19
Schedule 6 - Ninth Street	20
Schedule 7 - ReUse Centre - Collingwood	20
Schedule 8 - Tots 'N' Tykes Childcare Centre	21
Schedule 9 - Central Administration	22
Schedule 10 - Passport Programs	23
Schedule 11 - Life Skills	24
Schedule 12 - Employment Services	25
Schedule 13 - Future Transitions	26
Schedule 14 - Group Home Services	27
Schedule 15 - EarlyON	28
Schedule 16 - Children's Out of Home Respite	29
Schedule 17 - Supported Independent Living	30
Schedule 18 - Family Home Program	31
Schedule 19 - Adult Respite	31
Schedule 20 - Partner Facility Renewal	32
Schedule 21 - Dedicated Supportive Housing	32
Schedule 22 - RISE	32

## 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, 2023, 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, 2023 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 28, 2023

# E3 COMMUNITY SERVICES INC.

## STATEMENT OF FINANCIAL POSITION AS AT MARCH 31

	Operating Fund	Capital Asset Fund	Association Fund	Total 2023	Total 2022
	\$	\$	\$	\$	\$
<b>Assets</b>					
Current					
Cash (Note 3)	1,454,603	-	385,619	<b>1,840,222</b>	1,245,341
Investments (Note 4)	-	-	-	-	200,000
Accounts receivable	281,437	-	77,892	<b>359,329</b>	196,660
Operating subsidies receivable (Note 5)	6,935	-	-	<b>6,935</b>	6,935
Prepaid expenses	2,000	-	-	<b>2,000</b>	16,981
Due from (to) other funds	(676,029)	50,955	625,074	-	-
	1,068,946	50,955	1,088,585	<b>2,208,486</b>	1,665,917
Capital assets (Note 7)	-	9,234,463	-	<b>9,234,463</b>	9,280,517
	1,068,946	9,285,418	1,088,585	<b>11,442,949</b>	10,946,434

Approved on behalf of the board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

# E3 COMMUNITY SERVICES INC.

## STATEMENT OF FINANCIAL POSITION AS AT MARCH 31

	Operating Fund	Capital Asset Fund	Association Fund	Total 2023	Total 2022
	\$	\$	\$	\$	\$
<b>Liabilities</b>					
Current					
Accounts payable (Note 3)	662,642	-	331,790	<b>994,432</b>	960,082
Deferred revenue (Note 13)	7,857	-	-	<b>7,857</b>	7,857
Current portion of long-term (Note 9)	-	68,578	-	<b>68,578</b>	38,817
	670,499	68,578	331,790	<b>1,070,867</b>	1,006,756
Long-term (Note 9)	-	124,943	-	<b>124,943</b>	193,520
Total liabilities	670,499	193,521	331,790	<b>1,195,810</b>	1,200,276
Deferred capital contributions (Note 10)	-	4,286,549	-	<b>4,286,549</b>	4,227,345
<b>Fund balances</b>					
Invested in capital assets	-	4,805,348	-	<b>4,805,348</b>	4,889,489
Unrestricted	352,133	-	756,795	<b>1,108,928</b>	584,249
Externally restricted (Note 1(f))	46,314	-	-	<b>46,314</b>	45,075
	398,447	4,805,348	756,795	<b>5,960,590</b>	5,518,813
	1,068,946	9,285,418	1,088,585	<b>11,442,949</b>	10,946,434

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 2023	Total 2022
	\$	\$	\$	\$	\$
Fund balances, beginning of the year	103,365	4,889,489	525,959	<b>5,518,813</b>	5,341,055
Excess (deficiency) of revenue over expense	331,923	(122,958)	232,812	<b>441,777</b>	177,758
Interfund transfers (Note 8)	(36,841)	38,817	(1,976)	-	-
Net change in fund balances	295,082	(84,141)	230,836	<b>441,777</b>	177,758
Fund balances, end of the year	398,447	4,805,348	756,795	<b>5,960,590</b>	5,518,813

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 2023	Total 2022
	\$	\$	\$	\$	\$
Revenue					
Childcare fees	-	-	349,689	<b>349,689</b>	455,041
Contributions from clients and agencies and expenditure recovery	1,126,976	-	24,127	<b>1,151,103</b>	1,168,286
County of Simcoe Program Subsidy	840,748	-	-	<b>840,748</b>	776,665
County of Simcoe Provincial Wage Enhancement Funding	-	-	35,472	<b>35,472</b>	41,665
County of Simcoe Enhancement Inclusion Funding	-	-	1,690	<b>1,690</b>	1,759
County of Simcoe CWELCC Funding	-	-	252,803	<b>252,803</b>	-
County of Simcoe Pay Equity	-	-	29,175	<b>29,175</b>	29,175
County of Simcoe General Operating Grant	-	-	69,398	<b>69,398</b>	102,557
Dedicated Supportive Housing subsidy	68,336	-	-	<b>68,336</b>	68,497
Recovery of allocated administration costs	1,125,028	-	-	<b>1,125,028</b>	1,132,614
Fundraising	-	-	16,653	<b>16,653</b>	76,728
Gain on disposal of capital assets	-	11,633	-	<b>11,633</b>	-
Interest	-	-	52,179	<b>52,179</b>	11,383
Membership fees	-	-	180	<b>180</b>	140
Other income	-	-	765	<b>765</b>	460
Passport brokerage revenue	-	-	469,456	<b>469,456</b>	344,387
Wage subsidies	-	-	-	-	1,047,011
Provincial grant	-	-	-	-	78,000
Provincial subsidy	11,385,105	-	-	<b>11,385,105</b>	9,906,307
Programs	-	-	-	-	198
Rental income	-	-	603,122	<b>603,122</b>	586,637
Sales - ReUse Centre	-	-	248,057	<b>248,057</b>	155,114
Amortization of deferred capital contributions (Note 10)	-	223,250	-	<b>223,250</b>	232,131
<b>Total revenue</b>	<b>14,546,193</b>	<b>234,883</b>	<b>2,152,766</b>	<b>16,933,842</b>	<b>16,214,755</b>

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 2023	Total 2022
	\$	\$	\$	\$	\$
Expense					
Advertising and promotion	23,787	-	12,410	<b>36,197</b>	17,149
Allocated administration and central resources costs	1,017,220	-	150,550	<b>1,167,770</b>	1,165,558
Amortization of capital assets	-	357,841	-	<b>357,841</b>	347,903
Equipment rentals	10,480	-	-	<b>10,480</b>	5,891
Food costs	246,885	-	29,256	<b>276,141</b>	239,077
Fundraising	-	-	14,348	<b>14,348</b>	29,209
Insurance	35,971	-	37,886	<b>73,857</b>	61,146
Interest and bank charges	7,023	-	7,490	<b>14,513</b>	12,139
Meetings	2,664	-	-	<b>2,664</b>	-
Memberships and licenses	19,969	-	1,790	<b>21,759</b>	14,371
Mortgage	42,285	-	-	<b>42,285</b>	42,146
New furnishings and equipment	186,357	-	20,349	<b>206,706</b>	176,804
Non-recoverable HST	78,237	-	19,885	<b>98,122</b>	62,501
Office and program supplies	334,109	-	44,500	<b>378,609</b>	262,633
Personal needs	305,593	-	-	<b>305,593</b>	298,123
Premises rent	374,682	-	94,588	<b>469,270</b>	472,470
Professional and consulting	128,172	-	10,000	<b>138,172</b>	189,798
Purchased services	714,551	-	373,834	<b>1,088,385</b>	478,271
Repairs and maintenance	358,020	-	246,206	<b>604,226</b>	415,307
Salaries and benefits	9,922,057	-	769,072	<b>10,691,129</b>	11,345,115
Social and recreation	5,257	-	6,968	<b>12,225</b>	7,942
Staff training	56,393	-	1,250	<b>57,643</b>	29,773
Telephone	49,138	-	4,385	<b>53,523</b>	43,876
Utilities and taxes	98,258	-	111,864	<b>210,122</b>	187,830
Vehicle, staff travel and transportation	160,321	-	164	<b>160,485</b>	131,965
Total expense	14,177,429	357,841	1,956,795	<b>16,492,065</b>	16,036,997
Excess (deficiency) of revenue over expense as reported in schedules	368,764	(122,958)	195,971	<b>441,777</b>	177,758
Mortgage principal payments (Note 8)	(36,841)	-	36,841	-	-
<b>Excess (deficiency) of revenue over expense</b>	<b>331,923</b>	<b>(122,958)</b>	<b>232,812</b>	<b>441,777</b>	<b>177,758</b>

See accompanying notes to the financial statements

# E3 COMMUNITY SERVICES INC.

## STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31

	2023	2022
	\$	\$
<b>Cash flows from (for):</b>		
<b>Operating activities</b>		
Excess of revenue over expense	441,777	177,758
Items not involving cash		
Amortization of capital assets	357,841	347,903
Amortization of deferred capital contributions	(223,250)	(232,131)
Gain on disposal of capital assets	(11,633)	-
	564,735	293,530
Changes in		
Accounts receivable	(162,669)	8,193
Prepaid expenses	14,981	(8,751)
Accounts payable	34,350	(236,578)
	451,397	56,394
<b>Financing activities</b>		
Repayment of long-term liabilities	(38,816)	(370,196)
Capital funding received	282,454	184,984
	243,638	(185,212)
<b>Investing activities</b>		
Additions to capital assets	(311,787)	(184,984)
Proceeds on disposal of capital assets	11,633	-
Maturity of investments	200,000	-
	(100,154)	(184,984)
<b>Change in cash</b>	594,881	(313,802)
Cash position, beginning of year	1,245,341	1,559,143
<b>Cash position, end of year (Note 3)</b>	1,840,222	1,245,341

See accompanying notes to the financial statements

# E3 COMMUNITY SERVICES INC.

## NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2023

### **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, 2023

### 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) Cash and cash equivalents

Cash and cash equivalents include all cash balances and short-term, highly liquid financial instruments with a maturity of three months or less from the date of acquisition.

#### (d) Investments

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

#### (e) 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% to 8% 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, 2023

### 1. Significant accounting policies (continued)

#### (f) 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.

#### (g) 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.

#### (h) 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.

#### (i) 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, 2023

### 2. Financial instruments

The organization's financial instruments consist of cash, investments, accounts receivable, operating subsidies 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 74% 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, 2023

### 3. Cash

Cash consists of the following:

	2023	2022
	\$	\$
Unrestricted cash - Operating Fund	1,408,289	913,719
Restricted cash - Dedicated Supportive Housing Replacement Reserve funds (Note 1(e))	46,314	45,075
Operating fund	1,454,603	958,794
Restricted cash - Association Fund	80,518	77,853
Restricted cash - Client trust accounts	305,101	208,694
Association fund	385,619	286,547
	1,840,222	1,245,341

Included in accounts payable for the Association Fund are client funds held in trust of \$305,101 (2022 - \$208,694).

### 4. Investments

At the end of the year the organization held no guaranteed investment certificates (GIC). In 2022 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:

	2023	2022
	\$	\$
Dedicated Supportive Housing	6,935	6,935

### 6. Economic dependence

The organization received 74% (2022 - 68%) of its revenue from the Ministry of Children, Community and Social Services.

# E3 COMMUNITY SERVICES INC.

## NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2023

### 7. Capital assets

Capital assets consist of the following:

	Cost	Accumulated Amortization	Net Book Value 2023	Net Book Value 2022
	\$	\$	\$	\$
<b>Agency Owned</b>				
Land	935,382	-	<b>935,382</b>	935,382
Buildings and fixtures	3,795,533	1,601,932	<b>2,193,601</b>	2,158,527
Leaseholds	42,284	31,845	<b>10,439</b>	13,919
Vehicles	128,956	62,319	<b>66,637</b>	63,011
	<b>4,902,155</b>	<b>1,696,096</b>	<b>3,206,059</b>	<b>3,170,839</b>
<b>Ministry Owned</b>				
Land - Residences	752,105	-	<b>752,105</b>	752,105
Buildings and fixtures - Residences	4,161,585	1,877,817	<b>2,283,768</b>	2,305,469
Computers and software	469,215	443,132	<b>26,083</b>	37,262
Vehicles	823,403	720,877	<b>102,526</b>	146,466
	<b>6,206,308</b>	<b>3,041,826</b>	<b>3,164,482</b>	<b>3,241,302</b>
<b>Jointly Owned*</b>				
Land	350,000	-	<b>350,000</b>	350,000
Land - Residences	225,504	-	<b>225,504</b>	225,504
Buildings and fixtures	2,440,429	890,361	<b>1,550,068</b>	1,543,914
Buildings and fixtures - Residences	1,129,470	391,120	<b>738,350</b>	748,958
	<b>4,145,403</b>	<b>1,281,481</b>	<b>2,863,922</b>	<b>2,868,376</b>
	<b>15,253,866</b>	<b>6,019,403</b>	<b>9,234,463</b>	<b>9,280,517</b>

\*The Ministry's interest is derived from capital contributions to the Peel Street property of \$523,910 (20%) (2022 - \$523,910), Stanley Street property of \$517,000 (81%) (2022 - \$517,000) and the 60th Street property of \$184,144 (28%) (2022 - \$184,144).

### 8. Interfund transfers

During the year, \$36,841 (2022 - \$35,260) was transferred from the Operating Fund to the Capital Asset Fund for cash outlays related to mortgage and loan principal payments, \$1,976 (2022 - \$334,935) 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, 2023

### 9. Long-term liabilities

Long-term liabilities consist of the following:

	2023	2022
	\$	\$
(a) 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.	30,236	40,766
(b) 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.	36,976	50,307
(c) 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.	95,682	108,661
(d) 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.	30,627	32,603
	193,521	232,337
Less current portion	(68,578)	(38,817)
	124,943	193,520

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

	Principal	Interest	Total
	\$	\$	\$
2024	68,578	4,334	72,912
2025	107,635	2,297	109,932
2026	17,308	195	17,503
	193,521	6,826	200,347

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, 2023

### 10. 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:

	2023	2022
	\$	\$
Balance, beginning of year	4,227,345	4,301,950
Designated funds received during the year	282,454	157,526
Amounts amortized to revenue during the year	(223,250)	(232,131)
Balance, end of year	4,286,549	4,227,345

### 11. 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 former 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.

### 12. 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.

### 13. Deferred revenue

Deferred revenue consists of the following:

	2023	2022
	\$	\$
Operating fund:		
Deferred enhancement initiative funding	7,857	7,857

# E3 COMMUNITY SERVICES INC.

## ASSOCIATION SCHEDULE 1 FOR THE YEAR ENDED MARCH 31

	2023	2022
	\$	\$
Revenue		
Fundraising	16,653	76,728
Interest	52,179	11,383
Membership fees	180	140
Other income	765	460
Rental income	64,882	83,740
	<b>134,659</b>	<b>172,451</b>
Expense		
Fundraising	14,348	29,209
Social and recreation	6,968	7,901
	<b>21,316</b>	<b>37,110</b>
Excess of revenue over expense	<b>113,343</b>	<b>135,341</b>

## PEEL STREET SCHEDULE 2 FOR THE YEAR ENDED MARCH 31

	2023	2022
	\$	\$
Revenue		
Rental income	128,808	129,108
Expense		
Insurance	6,882	5,778
Non-recoverable HST	2,568	1,635
Office supplies	12,432	8,262
Repairs and maintenance	84,815	57,240
Utilities	17,201	11,735
	<b>123,898</b>	<b>84,650</b>
Excess of revenue over expense	<b>4,910</b>	<b>44,458</b>

See accompanying notes to the financial statements

# E3 COMMUNITY SERVICES INC.

## HEADQUARTERS SCHEDULE 3 FOR THE YEAR ENDED MARCH 31

	2023	2022
	\$	\$
Revenue		
Rental income	177,668	121,696
Expense		
Allocated administrative costs	4,806	-
Insurance	15,190	12,752
Non-recoverable HST	4,494	2,861
Office supplies	8,340	4,170
Repairs and maintenance	73,891	37,430
Utilities and taxes	45,738	39,766
	152,459	96,979
Excess of revenue over expense	25,209	24,717

## ALLISTON SCHEDULE 4 FOR THE YEAR ENDED MARCH 31

	2023	2022
	\$	\$
Revenue		
Rental income	30,000	30,000
Expense		
Insurance	3,829	3,214
Utilities and taxes	4,441	4,396
	8,270	7,610
Excess of revenue over expense	21,730	22,390

See accompanying notes to the financial statements

# E3 COMMUNITY SERVICES INC.

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

	2023	2022
	\$	\$
Revenue		
Expenditure recovery	24,000	24,000
Rental income	162,792	203,121
	186,792	227,121
Expense		
Advertising and promotion	12,410	9,295
Allocated administrative costs	28,836	28,836
Benefits	4,076	3,873
Insurance	8,302	6,969
Interest and bank charges	4,187	3,172
Memberships and licenses	870	656
New furnishings and equipment	5,404	(1,262)
Non-recoverable HST	5,928	3,774
Office supplies	1,865	2,606
Professional and consulting	-	756
Program supplies	7,069	4,858
Purchased services	6,489	5,744
Repairs and maintenance	28,911	17,091
Salaries	64,834	60,379
Staff travel	114	139
Telephone	876	856
Utilities and taxes	23,979	25,717
Vehicle operations	50	-
	204,200	173,459
(Deficiency) excess of revenue over expense	(17,408)	53,662

See accompanying notes to the financial statements

# E3 COMMUNITY SERVICES INC.

## NINTH STREET SCHEDULE 6 FOR THE YEAR ENDED MARCH 31

	2023	2022
	\$	\$
Revenue		
Rental income	38,972	18,972
Expense		
Insurance	3,646	3,061
Utilities and taxes	4,785	4,693
	8,431	7,754
Excess of revenue over expense	30,541	11,218

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

	2023	2022
	\$	\$
Revenue		
Sales	248,057	155,114
Expense		
Advertising and promotion	-	1,200
Allocated administration costs	33,432	33,432
Benefits	12,068	10,947
Insurance	37	31
Interest and bank charges	2,335	1,431
Non-recoverable HST	3,685	2,346
Office supplies	1,632	3,263
Premises rent	55,616	50,712
Professional and consulting	-	3,323
Program supplies	2,513	4,816
Purchased services	863	1,506
Repairs and maintenance	4,270	24,995
Salaries	125,603	111,645
Staff training	381	-
Telephone	1,832	2,018
Utilities	5,895	3,354
Vehicle operations and transportation	-	93
	250,162	255,112
Deficiency of revenue over expense	(2,105)	(99,998)

See accompanying notes to the financial statements

# E3 COMMUNITY SERVICES INC.

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

	2023	2022
	\$	\$
Revenue		
Childcare fees	349,689	455,041
Expenditure recovery	127	-
County of Simcoe Pay Equity	29,175	29,175
County of Simcoe General Operating Grant	69,398	102,557
County of Simcoe Provincial Wage Enhancement Funding	35,472	41,665
County of Simcoe Wage Enhancement Inclusion Funding	1,690	1,759
County of Simcoe CWELCC Funding	245,354	-
County of Simcoe CWELCC - Cost Escalation	3,639	-
County of Simcoe CWELCC- Annual Wage Increase	3,810	-
	<b>738,354</b>	<b>630,197</b>
Expense		
Allocated administration costs	45,540	45,540
Benefits	55,869	40,159
Food costs	29,256	19,511
Interest and bank charges	968	758
Memberships and licences	920	1,240
New furnishings and equipment	14,945	2,195
Non-recoverable HST	3,210	2,044
Office supplies	4,113	8,414
Premises rent	38,972	18,972
Professional and consulting	10,000	3,024
Program supplies	6,536	7,046
Purchased services	4,427	3,183
Repairs and maintenance	54,319	40,939
Salaries	433,539	456,884
Staff training	869	1,955
Telephone	1,677	1,305
Utilities and taxes	9,825	8,960
	<b>714,985</b>	<b>662,129</b>
Excess (deficiency) of revenue over expense	<b>23,369</b>	<b>(31,932)</b>

See accompanying notes to the financial statements

# E3 COMMUNITY SERVICES INC.

## CENTRAL ADMINISTRATION SCHEDULE 9 FOR THE YEAR ENDED MARCH 31

	2023	2022
	\$	\$
Revenue		
Expenditure recovery	50,129	34,275
Wage subsidies	-	36,023
Recovery of allocated administration costs	1,125,028	1,132,614
	1,175,157	1,202,912
Expense		
Advertising and promotion	23,787	6,604
Benefits	140,430	118,717
Equipment rentals	5,358	4,805
Interest and bank charges	7,023	6,778
Meetings	2,664	-
Memberships and licenses	18,337	11,375
New furnishings and equipment	25,339	5,345
Non-recoverable HST	20,974	13,353
Office supplies	29,022	42,110
Premises rent	60,000	60,486
Professional and consulting	128,172	146,407
Program supplies	4,245	1,715
Purchased services	15,717	2,668
Repairs and maintenance	-	78,086
Salaries	562,122	683,604
Staff training	20,308	8,310
Staff travel	2,505	46
Telephone	9,734	8,298
Transportation	4,402	4,481
	1,080,139	1,203,188
Excess (deficiency) of revenue over expense	95,018	(276)

See accompanying notes to the financial statements

# E3 COMMUNITY SERVICES INC.

## PASSPORT PROGRAMS SCHEDULE 10 FOR THE YEAR ENDED MARCH 31

	2023	2022
	\$	\$
Revenue		
Passport brokerage revenue	469,456	344,387
Expense		
Allocated administration costs	37,936	30,356
Benefits	13,690	9,720
Purchased services	362,055	303,165
Salaries	59,393	(8,013)
	473,074	335,228
Excess (deficiency) of revenue over expense	(3,618)	9,159

See accompanying notes to the financial statements

# E3 COMMUNITY SERVICES INC.

## LIFE SKILLS SCHEDULE 11 FOR THE YEAR ENDED MARCH 31

	2023	2022
	\$	\$
Revenue		
Contributions from clients	601	240
Wage subsidies	-	66,928
Provincial subsidy	1,130,606	1,183,488
	<b>1,131,207</b>	<b>1,250,656</b>
Expense		
Allocated administration costs	118,736	112,824
Benefits	89,621	92,829
Food costs	3,656	211
New furnishings and equipment	18,615	16,296
Non-recoverable HST	4,094	2,453
Office supplies	23,682	2,702
Premises rent	84,000	84,000
Professional and consulting	-	1,260
Program supplies	3,318	1,423
Purchased services	2,821	5,772
Repairs and maintenance	8,687	16,158
Salaries and benefits	648,167	933,818
Social and recreation	4,787	41
Staff training	514	185
Staff travel	22,255	4,148
Telephone	6,795	3,512
Vehicle	4,034	2,048
	<b>1,043,782</b>	<b>1,279,680</b>
Excess (deficiency) of revenue over expense	<b>87,425</b>	<b>(29,024)</b>

See accompanying notes to the financial statements

# E3 COMMUNITY SERVICES INC.

## EMPLOYMENT SERVICES SCHEDULE 12 FOR THE YEAR ENDED MARCH 31

	2023	2022
	\$	\$
Revenue		
Expenditure recovery	4,485	4,993
Wage subsidies	-	57,255
Provincial subsidy	686,481	620,048
	<b>690,966</b>	<b>682,296</b>
Expense		
Allocated administration costs	62,000	62,004
Benefits	81,457	89,584
Food costs	229	643
Memberships	500	1,000
New furnishings and equipment	-	2,228
Non-recoverable HST	2,911	1,853
Office supplies	10,160	5,539
Premises rent	16,800	16,800
Professional and consulting	-	3,024
Program supplies	194	1,275
Purchased services	680	195
Salaries	415,288	482,812
Staff training	1,920	1,625
Staff travel	10,842	11,343
Telephone	2,321	3,709
Vehicle	3,307	1,638
	<b>608,609</b>	<b>685,272</b>
Excess (deficiency) of revenue over expense	<b>82,357</b>	<b>(2,976)</b>

See accompanying notes to the financial statements

# E3 COMMUNITY SERVICES INC.

## FUTURE TRANSITIONS SCHEDULE 13 FOR THE YEAR ENDED MARCH 31

	2023	2022
	\$	\$
Revenue		
Provincial subsidy	117,144	117,144
Expense		
Allocated administration costs	10,932	10,932
Benefits	12,311	11,289
Non-recoverable HST	1,019	649
Office supplies	258	710
Premises rent	6,900	6,900
Professional and consulting	-	252
Salaries	58,086	61,845
Staff training	1,129	-
Staff travel	624	120
Telephone	291	808
	91,550	93,505
Excess of revenue over expense	25,594	23,639

See accompanying notes to the financial statements

# E3 COMMUNITY SERVICES INC.

## GROUP HOME SERVICES SCHEDULE 14 FOR THE YEAR ENDED MARCH 31

	2023	2022
	\$	\$
Revenue		
Contributions from clients	875,963	141,707
Expenditure recovery	124,258	905,504
Wage subsidies	-	839,888
Provincial subsidy	8,649,291	7,127,983
	<b>9,649,512</b>	<b>9,015,082</b>
Expense		
Allocated administration costs	680,372	698,246
Benefits	1,118,686	1,149,208
Food costs	240,620	218,123
Insurance	29,420	23,841
New furnishings and equipment	79,573	82,615
Non-recoverable HST	38,281	24,118
Office supplies	103,257	67,914
Personal needs	196,772	202,615
Premises rent	68,400	98,400
Professional and consulting	-	28,476
Program supplies	119,668	60,865
Purchased services	579,258	45,595
Repairs and maintenance	221,789	124,210
Salaries	5,867,296	6,032,600
Staff training	11,372	17,173
Staff travel	8,692	7,296
Telephone	22,475	12,116
Utilities and taxes	76,235	69,885
Vehicle operations and transportation	84,785	87,383
	<b>9,546,951</b>	<b>9,050,679</b>
Excess (deficiency) of revenue over expense	<b>102,561</b>	<b>(35,597)</b>

See accompanying notes to the financial statements

# E3 COMMUNITY SERVICES INC.

## EARLYON SCHEDULE 15 FOR THE YEAR ENDED MARCH 31

	2023	2022
	\$	\$
Revenue		
County of Simcoe subsidy	840,748	776,665
Expense		
Advertising and promotion	-	50
Allocated administration costs	67,780	63,888
Benefits	88,555	82,929
Equipment rentals	5,122	1,086
Food costs	518	589
Memberships and licences	1,132	100
New furnishings and equipment	62,055	51,514
Non-recoverable HST	5,993	3,815
Office supplies	24,017	7,089
Premises rent	104,982	102,600
Professional and consulting	-	2,016
Program supplies	14,429	13,489
Purchased services	55,971	27,944
Repairs and maintenance	17,037	4,754
Salaries	392,960	409,097
Staff training	20,833	390
Staff travel	8,662	3,524
Telephone	4,315	3,973
Utilities and taxes	4,561	4,169
	878,922	783,016
Deficiency of revenue over expense	(38,174)	(6,351)

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

	2023	2022
	\$	\$
Revenue		
Expenditure recovery	1,405	-
Provincial subsidy	47,313	47,313
	48,718	47,313
Expense		
Allocated administration costs	4,500	4,728
Benefits	222	16
Food costs	1,702	-
New furnishings and equipment	775	17,873
Non-recoverable HST	343	166
Premises rent	12,000	12,000
Program supplies	1,624	354
Purchased services	1,626	199
Repairs and maintenance	-	1,201
Salaries	9,642	250
Social and recreation	470	-
Staff training	75	45
Telephone	229	125
Vehicle operations and transportation	115	-
	33,323	36,957
Excess of revenue over expense	15,395	10,356

See accompanying notes to the financial statements

# E3 COMMUNITY SERVICES INC.

## SUPPORTED INDEPENDENT LIVING SCHEDULE 17 FOR THE YEAR ENDED MARCH 31

	2023	2022
	\$	\$
Revenue		
Contributions from clients	49,368	29,791
Wage subsidies	-	46,716
Provincial subsidy	601,758	660,640
	<b>651,126</b>	<b>737,147</b>
Expense		
Allocated administration costs	60,180	62,052
Benefits	71,898	66,285
Food costs	160	-
Non-recoverable HST	3,852	2,943
Office supplies	13	13,835
Personal needs	108,821	95,259
Premises rent	15,600	15,600
Professional and consulting	-	1,260
Program supplies	-	178
Purchased services	1,013	51
Repairs and maintenance	-	50
Salaries	359,744	410,635
Staff training	242	90
Staff travel	9,657	5,475
Telephone	2,978	7,156
Vehicle	247	351
	<b>634,405</b>	<b>681,220</b>
Excess of revenue over expense	<b>16,721</b>	<b>55,927</b>

See accompanying notes to the financial statements

# E3 COMMUNITY SERVICES INC.

## FAMILY HOME PROGRAM SCHEDULE 18 FOR THE YEAR ENDED MARCH 31

	2023	2022
	\$	\$
Revenue		
Contributions from clients	19,997	27,776
Wage subsidies	-	201
Provincial subsidy	132,496	132,474
	<b>152,493</b>	<b>160,451</b>
Expense		
Allocated administration costs	11,052	11,052
Benefits	342	373
Non-recoverable HST	770	491
Personal needs	-	249
Premises rent	6,000	6,000
Purchased services	57,424	82,249
Salaries	3,383	33,630
Transportation	194	3,880
	<b>79,165</b>	<b>137,924</b>
Excess of revenue over expense	<b>73,328</b>	<b>22,527</b>

## ADULT RESPITE SCHEDULE 19 FOR THE YEAR ENDED MARCH 31

	2023	2022
	\$	\$
Revenue		
Expenditure recovery	770	-
Provincial subsidy	20,016	17,217
	<b>20,786</b>	<b>17,217</b>
Expense		
Allocated administration costs	1,668	1,668
Benefits	372	-
Purchased services	41	-
Salaries	1,475	-
Supplies	222	-
	<b>3,778</b>	<b>1,668</b>
Excess of revenue over expense	<b>17,008</b>	<b>15,549</b>

See accompanying notes to the financial statements

# E3 COMMUNITY SERVICES INC.

## PARTNER FACILITY RENEWAL SCHEDULE 20 FOR THE YEAR ENDED MARCH 31

	2023	2022
	\$	\$
Revenue		
Provincial grant	-	78,000
Expense		
Repairs and maintenance	78,000	(75)
(Deficiency) excess of revenue over expense	(78,000)	78,075

## DEDICATED SUPPORTIVE HOUSING SCHEDULE 21 FOR THE YEAR ENDED MARCH 31

	2023	2022
	\$	\$
Revenue		
Dedicated Supportive Housing subsidy	68,336	68,497
Expense		
Insurance	6,551	5,500
Mortgage principal	42,285	42,146
Repairs and maintenance	32,507	13,228
Utilities	17,462	15,155
	98,805	76,029
Deficiency of revenue over expense	(30,469)	(7,532)

## RISE SCHEDULE 22 FOR THE YEAR ENDED MARCH 31

	2023	2022
	\$	\$
Revenue		
Programs	-	198
Excess of revenue over expense	-	198

See accompanying notes to the financial statements