



FINANCIAL STATEMENTS

2022-2023

Community Living Thunder Bay

Contents

For the year ended March 31, 2023

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Management's Responsibility

To the Members and Board of Directors of Community Living Thunder Bay:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgements and estimates in accordance with Canadian accounting standards for not-for-profit organizations. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgement is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed primarily of Directors who are neither management nor employees of the Organization. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the audited financial statements. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the Organization's external auditors.

MNP LLP is appointed by the Board of Directors to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

June 26, 2023



Executive Director

To the Board of Directors of Community Living Thunder Bay:

Opinion

We have audited the financial statements of Community Living Thunder Bay (the "Organization"), which comprise the statement of financial position as at March 31, 2023, and the statements of operations and changes in fund balances and cash flows for the year then ended March 31, 2023, 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 the Organization as at March 31, 2023, 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 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.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Organization'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 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.

Thunder Bay, Ontario

June 26, 2023

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants

MNP
LLP

Community Living Thunder Bay
Statement of Financial Position
As at March 31, 2023

	General Fund	Capital Fund	Internally Restricted Fund	2023	2022
Assets					
Current					
Cash	2,034,020	-	-	2,034,020	3,533,633
Accounts Receivable (Note 3)	522,260	-	38,135	560,395	453,407
Prepaid Expenses	52,388	-	-	52,388	111,526
Short-Term Investments (Note 4)	15,150	-	1,500,000	1,515,150	15,150
Mortgage Receivable (Note 5)	-	-	-	-	295,347
Interfund Balances (Note 6)	-	-	932,583	932,583	2,340,966
	2,623,818	-	2,470,718	5,094,536	6,750,029
Tangible Capital Assets (Note 7)	-	1,842,583	-	1,842,583	1,585,208
	2,623,818	1,842,583	2,470,718	6,937,119	8,335,237
Liabilities					
Current					
Accounts Payable (Note 9)	1,529,428	-	-	1,529,428	1,643,743
Accrued Vacation Pay	521,142	-	-	521,142	660,307
Mortgage Payable-Current Portion (Note 10)	-	10,272	-	10,272	10,007
Deferred Revenue (Note 11)	-	-	932,583	932,583	1,103,513
Interfund Balances (Note 6)	932,583	-	-	932,583	2,340,966
	2,983,153	10,272	932,583	3,926,008	5,758,536
Mortgage Payable (Note 10)	-	137,230	-	137,230	147,502
Deferred Capital Contributions (Note 12)	-	381,793	-	381,793	452,961
	2,983,153	529,295	932,583	4,445,031	6,358,999
Contingent Liability (Note 14)					
Fund Balances					
General Fund	(359,335)	-	-	(359,335)	(531,300)
Capital Asset Fund	-	1,313,288	-	1,313,288	1,007,538
Internally Restricted Fund	-	-	1,538,135	1,538,135	1,500,000
	(359,335)	1,313,288	1,538,135	2,492,088	1,976,238
	2,623,818	1,842,583	2,470,718	6,937,119	8,335,237

On behalf of the Board:

President: Lisa Ellacott

Vice-President: Donna Lagergren

The accompanying notes are an integral part of these financial statements

Community Living Thunder Bay
Statement of Operations and Changes in Fund Balances
For the year ended March 31, 2023

	<i>General Fund</i>	<i>Capital Fund</i>	<i>Internally Restricted Fund</i>	2023	2022
Revenue					
Provincial Grants	23,051,871	-	-	23,051,871	21,668,151
Less: Adjustments to Capital	(546,329)	546,329	-	-	-
Municipal Grants	-	-	-	-	-
Grant Funding	72,016	-	-	72,016	30,952
Service Fees	152,218	-	-	152,218	182,905
Interest Income	104,928	-	38,135	143,063	26,738
Other Revenue	201,606	-	-	201,606	48,277
Additions to Deferred Capital Contributions (<i>Note 12</i>)	-	-	-	-	(32,800)
Amortization of Deferred Capital Contributions (<i>Note 12</i>)	-	71,168	-	71,168	70,026
	23,036,310	617,497	38,135	23,691,942	21,994,249
Expenditure					
Salaries & Benefits	19,141,489	-	-	19,141,489	18,333,767
Purchased Materials & Services	4,500,094	-	-	4,500,094	3,756,362
Administration Allocation	119,614	-	-	119,614	40,499
Amortization of Capital Assets	-	278,947	-	278,947	251,458
Less: Adjustments to Capital Expenditure Reimbursement (Recoveries)	(546,329)	-	-	(546,329)	(271,144)
	(178,558)	-	-	(178,558)	(206,405)
	23,036,310	278,947	-	23,315,257	21,904,537
Excess (deficiency) of revenue over expenditure before the following:	-	338,550	38,135	376,685	89,712
Other expense					
Accrued Vacation Pay Adjustment	139,165	-	-	139,165	(205,118)
Gain on Sale of Property	-	-	-	-	1,482,237
Excess (deficiency) of revenues over expenses:	139,165	338,550	38,135	515,850	1,366,831
Interfund Transfers (<i>Note 6</i>)	32,800	(32,800)	-	-	-
Fund Balances, beginning of year	(531,300)	1,007,538	1,500,000	1,976,238	609,407
Fund Balances, end of year	(359,335)	1,313,288	1,538,135	2,492,088	1,976,238

The accompanying notes are an integral part of these financial statements

Community Living Thunder Bay

Statement of Cash Flows

For the year ended March 31, 2023

	2023	2022
Cash from Operating Activities		
Excess of Revenue over Expenses - General Fund	139,165	(205,118)
Excess of Revenue over Expenses - Capital Fund	338,550	89,712
Excess of Revenue over Expenses - Internally Restricted Fund	38,135	-
Amortization of Capital Assets	278,947	251,458
Decrease (Increase) in Accounts Receivable	(106,988)	140,198
Decrease (Increase) in Prepaid Expenses	59,138	(89,124)
Increase (Decrease) in Accounts Payable	(114,315)	(200,274)
Increase in Accrued Vacation Pay	(139,165)	205,118
Increase (Decrease) in Deferred Revenue	(170,930)	(104)
Decrease in Deferred Capital Contributions	(71,168)	(37,226)
Net cash generated through in operating activities	251,369	154,640
Cash from Investing Activities		
Purchase of Tangible Capital Assets	(536,322)	(260,594)
Disposal of Tangible Capital Assets	-	1,500,000
Issuance (Repayment) of Mortgage Receivable	295,347	(295,347)
Repayment of Mortgage Payable	(10,007)	(10,550)
Purchase from GIC redemption	(1,500,000)	(150)
Net increase (decrease) in cash due to investing activities	(1,750,982)	933,359
Net increase (decrease) in cash	(1,499,613)	1,087,999
Cash, beginning of year	3,533,633	2,445,634
Cash, end of year	2,034,020	3,533,633

The accompanying notes are an integral part of these financial statements

Community Living Thunder Bay

Notes to the Financial Statements

For the year ended March 31, 2023

1. Incorporation and nature of the organization

The Organization was incorporated under the laws of the Province of Ontario on May 3rd, 1967 as a not-for-profit organization without share capital. Community Living Thunder Bay was established to offer services and supports to persons with developmental disabilities and their families. The Organization believes that all people should live in a state of dignity, share in all elements of living in the community, and have the opportunity to participate effectively. The Organization is incorporated under the Ontario Corporation Act as a not-for-profit organization and is exempt from income tax under section 149(1)(l) of the Income Tax Act.

Impact on operations of COVID-19

In early March 2020 the impact of the global outbreak of COVID-19 began to have a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders.

The Organization's operations were impacted by COVID-19 due to nature of services provided being described as congregate care. Congregate care facilities required extra diligence in protocols in procedures to protect the individuals in care. The additional protocols and procedures created internal pressures to be proactive and reactive when necessary.

At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Organization as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, we anticipate this outbreak may cause additional reactive responses to individual supports, which may negatively impact the Organization's business and financial condition.

2. Significant Accounting Policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations using the following significant accounting policies:

Fund Accounting

Community Living Thunder Bay follows the restricted fund method of accounting for contributions.

The General Fund accounts for the Organization's service delivery and administration activities. This fund reports unrestricted resources and restricted resources when there is no separate restricted fund set up. Included in the General Fund are restricted contributions related to the Organization's projected property needs and supported individuals requirements.

The Capital Fund reports the assets, liabilities, revenues and expenses related to Community Living Thunder Bay's capital assets.

The Internally Restricted Fund reports the assets, liabilities, revenues and expenses related to Community Living Thunder Bay's funds that have been internally restricted by the Board of Directors and Senior Management.

Cash and Cash Equivalents

Cash and cash equivalents includes balances with chartered banks and petty cash. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Community Living Thunder Bay

Notes to the Financial Statements

For the year ended March 31, 2023

2. Significant Accounting Policies (continued)

Long-lived assets

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

When the Organization determines that a long-lived asset no longer has any long-term service potential to the organization, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations and changes in fund balances. Write-downs are not reversed.

Tangible Capital Assets

Tangible capital assets which are purchased during the year are set up as assets in the Capital Fund in the year of acquisition. Purchased tangible capital assets are recorded at cost. Contributed tangible capital assets are recorded at fair market value at the date of contribution. Amortization is provided on a straight-line basis over the asset's estimated useful lives as follows:

Asset Classification	Years
Buildings	10-20 Years
Landscaping	10 Years
Equipment	3-10 Years

Deferred Capital Contributions

Deferred Capital Contributions represent the unamortized portion of contributed tangible capital assets and restricted contributions that were used to purchase the Organization's tangible capital assets. Recognition of these amounts as revenue is deferred to period when the related tangible capital assets are amortized.

Leases

A lease that transfers substantially all of the benefits and risks of ownership is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair market value. Assets under capital leases are amortized on a straight-line basis, over their estimated useful lives. All other leases are accounted for as operating leases and rental payments are expensed as incurred.

An arrangement contains a lease where the arrangement conveys a right to use the underlying tangible asset, and whereby its fulfillment is dependent on the use of the specific tangible asset. After the inception of the arrangement, a reassessment of whether the arrangement contains a lease is made only in the event that:

- there is a change in contractual terms;
- a renewal option is exercised or an extension is agreed upon by the parties to the arrangement;
- there is a change in the determination of whether the fulfillment of the arrangement is dependent on the use of the specific tangible asset; or
- there is a substantial physical change to the specified tangible asset.

Allocation of Administrative Expenses

The Organization engages in programs that are either directly funded by a government agency or billed to an external organization or individual. Those programs that are billed to an external organization or individual are billed a flat percentage for an administration allocation, which is recorded as a recovery in the Administration department to offset the Administration expenses. Those programs that are funded directly by a government agency have been allocated a proportionate share of the administrative expenses net of recoveries, based on the administrative support and reporting requirements of the program.

Community Living Thunder Bay

Notes to the Financial Statements

For the year ended March 31, 2023

2. Significant Accounting Policies (continued)

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where necessary.

Amortization is based on the estimated useful life of tangible capital assets.

Accounts payable and accruals are estimated based on historical charges for unbilled goods and services at year-end.

Accrued vacation pay is estimated based on employee hours outstanding at year-end.

Deferred contributions are estimated based on management's review of revenue received but unspent at year-end.

Deferred contributions related to tangible capital assets and capital asset amortization are based on the estimated useful lives of tangible capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess (deficiency) of revenues over expenses in the year in which they become known.

Revenue Recognition

Restricted contributions for which there is no separate restricted fund are deferred in the General Fund and recognized as revenue in the year in which the related expenses are incurred. Contributions restricted for the purchase of capital assets are recognized as revenue in the Capital Fund when received or receivable.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Service fees revenue is recognized when services are provided and collectability is reasonably assured.

Rent revenue received or receivable is recognized as revenue through the General Fund when the amount is measurable and collectability is reasonably assured.

Other revenue is recognized as revenue in the year in which the related expenses are incurred.

Financial Instruments

The Organization recognizes financial instruments when the Organization becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments (continued)

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

Community Living Thunder Bay

Notes to the Financial Statements

For the year ended March 31, 2023

2. Significant Accounting Policies (continued)

Arm's length financial instruments (continued)

At initial recognition, the Organization may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Organization has not made such an election during the year. Fair value is determined by reference to recent arm's length transactions.

The Organization subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost less impairment. With the exception of financial liabilities indexed to a measure of the Organization's performance or value of its equity and those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess of revenue over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Related party financial instruments

The Organization initially measures the following financial instruments originated/acquired or issued/assumed in a related party transaction ("related party financial instruments") at fair value:

- Investments in equity instruments quoted in an active market
- Debt instruments quoted in an active market
- Debt instruments when the inputs significant to the determination of its fair value are observable (directly or indirectly)
- Derivative contracts

All other related party financial instruments are measured at cost on initial recognition. When the financial instrument has repayment terms, cost is determined using the undiscounted cash flows, excluding interest, dividend, variable and contingent payments, less any impairment losses previously recognized by the transferor. When the financial instrument does not have repayment terms, but the consideration transferred has repayment terms, cost is determined based on the repayment terms of the consideration transferred. When the financial instrument and the consideration transferred both do not have repayment terms, the cost is equal to the carrying or exchange amount of the consideration transferred or received (refer to Note 16).

At initial recognition, the Organization may elect to subsequently measure related party debt instruments that are quoted in active market, or that have observable inputs significant to the determination of fair value, at fair value.

The Organization subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Financial instruments that were initially measured at cost and derivatives that are linked to, and must be settled by, delivery of unquoted equity instruments of another entity, are subsequently measured using the cost method less any reduction for impairment.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of related party financial instruments are immediately recognized in excess of revenue over expenses.

Community Living Thunder Bay

Notes to the Financial Statements

For the year ended March 31, 2023

2. Significant Accounting Policies (continued)

Financial Asset Impairment

The Organization assesses impairment of all its financial assets measured at cost or amortized cost. The Organization groups assets for impairment testing when there are numerous assets affected by the same factors. Management considers whether the issuer is having significant financial difficulty in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Organization determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

With the exception of related party debt instruments and related party equity instruments initially measured at cost, the Organization reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

For related party debt instruments initially measured at cost, the Organization reduces the carrying amount of the asset (or group of assets), to the highest of: the undiscounted cash flows expected to be generated by holding the asset, or group of similar assets, excluding the interest and dividend payments of the instrument; the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

For related party equity instruments initially measured at cost, the Organization reduces the carrying amount of the asset (or group of assets), to the amount that could be realized by selling the asset(s) at the statement of financial position date.

Any impairment, which is not considered temporary, is included in current year excess of revenue over expenses.

The Organization reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess of revenue over expenses in the year the reversal occurs.

3. Accounts Receivable

	2023	2022
Employment Program Sales and Miscellaneous	76,745	66,515
Service Fee & Other	333,900	224,592
Government Remittances Receivable	69,025	139,188
Grants Receivable	42,590	23,112
Interest Accrual	38,135	-
	560,395	453,407

Community Living Thunder Bay

Notes to the Financial Statements

For the year ended March 31, 2023

4. Short-Term Investments

	2023	2022
Royal Bank of Canada non-redeemable guaranteed investment certificate, paying interest at 3.50% (2022 - 0.40%), maturing July 2023 (matured July 2022). Amount is subject to external restrictions, stipulating that the principal be maintained permanently and investment income be used for bursaries (Cost 2022 - \$15,150).	15,150	15,150
Royal Bank of Canada non-redeemable guaranteed investment certificate, paying interest at 4.00%, maturing August 2023. Amount is subject to internal restrictions, stipulating that the principal be maintained and investment income be used for property initiatives.	1,500,000	-
	1,515,150	15,150

5. Mortgage Receivable

	2023	2022
Roots to Harvest mortgage, bearing interest at 2%, receivable in monthly installments of \$1,272 (including interest)	-	295,347

Principal repayments on mortgage receivable was received during the year.

6. Interfund Transfer

During the year, a transfer of \$32,800 was made from the General Fund to the Capital Fund to reimburse previous year deferred capital contribution funding.

7. Tangible Capital Assets

	2023		2022	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	309,811	-	309,811	309,811
Buildings	3,746,963	2,895,553	851,410	767,009
Equipment	1,608,216	961,898	646,318	467,582
Landscaping	383,246	348,202	35,044	40,806
	6,048,236	4,205,653	1,842,583	1,585,208

8. Bank Indebtedness

At March 31, 2023, the Organization had a line of credit available of \$200,000 bearing interest at bank prime (2023 - 6.70%, 2022 - 2.70%), none of which was drawn. The following has been collateralized in connection with this line of credit: General Security Agreement

Community Living Thunder Bay

Notes to the Financial Statements

For the year ended March 31, 2023

9. Accounts Payable

	2023	2022
Trade Payables	427,647	425,902
Accrued Wages and Benefits	686,137	822,228
Government Remittances Payable	46,288	53,993
2013/14 Operating Grants Repayable	3,153	3,153
2014/15 Operating Grants Repayable	434	434
2019/20 Operating Grants Repayable	150,000	150,000
2020/21 Operating Grants Repayable	180,215	180,215
2021/22 Operating Grants Repayable	7,818	7,818
2022/23 Operating Grants Repayable	27,736	-
	1,529,428	1,643,743

10. Mortgage Payable

	2023	2022
Royal Bank of Canada mortgage, bearing interest at 2.61%, payable in monthly installments of \$1,167 (including interest), with a renewable 5 year term ending August 30, 2025, secured by specific land and building with a net book value of \$124,428 (2022 - \$136,722)	147,502	157,509
Less: Current portion of mortgage payable	10,272	10,007
	137,230	147,502

Principal repayments on mortgage payable in each of the next 5 years, assuming long term debt subject to refinancing is renewed under similar terms and conditions, are as follows:

Year	Principal Repayment
2024	10,272
2025	10,543
2026	10,822
2027	11,108
2028	11,402

11. Deferred Revenue

The following deferred revenue represents restricted revenue received and unspent for which the organization has placed in the internally restricted fund.

	2023	2022
Balance, beginning of year	1,103,513	1,103,617
Funds received during the year	26,147	45,531
Funds recorded to revenue during the year	197,077	45,635
	932,583	1,103,513

Community Living Thunder Bay

Notes to the Financial Statements

For the year ended March 31, 2023

12. Deferred Capital Contributions

Deferred Capital Contributions represent the unamortized amounts of contributions (grants) received for the purchase of tangible capital assets. The change in the deferred capital contributions is as follows:

	2023	2022
Balance, beginning of year	452,961	490,187
Funds received during the year	-	32,800
Funds recorded to revenue during the year	(71,168)	(70,026)
Balance, end of year	381,793	452,961

13. Commitments

Under the terms of vehicle lease expiring December 2024, the Organization is committed to make monthly payments totaling the following amounts per annum:

	Year	Commitment
	2023-2024	5,455
	2024-2025	5,455
	2025-2026	4,092

14. Contingent Liability

The Organization is contingently liable to the Ministry of Children, Community & Social Services for the Program's surplus from operations unless permission is obtained to reallocate the funds elsewhere. This year there were no program surpluses from either funder.

15. Economic Interest

The Organization has an economic interest in Community Living Thunder Bay Foundation. The Foundation's primary purpose is to promote, support and protect the status and interests of people with a developmental disability in Thunder Bay and the general well-being and welfare of such persons; to solicit, receive and hold contributions of money and property; to raise and hold funds for the benefit of people with a developmental disability; and to make grants as requested to the benefit of such individuals. During the year, the Foundation granted \$2,422 (2022 - \$10,292) to the Organization.

16. Financial Instruments

The Organization, as part of its operations, carries a number of financial instruments. It is management's opinion that the Organization is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk.

The Organization is exposed to interest rate price risk on its mortgage payable as it is at a fixed rate.