

**CENTRES FOR SENIORS WINDSOR
(O/A - LIFE AFTER FIFTY)**

**FINANCIAL STATEMENTS
AUDITED**

March 31, 2020



Roma & Associates Professional Corporation

Chartered Professional Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
CENTRES FOR SENIORS WINDSOR
(O/A - LIFE AFTER FIFTY)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **CENTRES FOR SENIORS WINDSOR (O/A - LIFE AFTER FIFTY)**, which comprise the statement of financial position as at March 31, 2020, and the statements of operations for the operating and capital fund, changes in fund balances and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In common with many charitable organization, **CENTRES FOR SENIORS WINDSOR (O/A LIFE AFTER FIFTY)** derives part of its revenue from various enterprises which are not susceptible to complete audit verification. Accordingly, our verification of revenues from these sources was limited to accounting for the amounts recorded in the records of the organization.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves with respect to those revenues as noted in the preceding paragraph, these financial statements present fairly, in all material respects the financial position of **CENTRES FOR SENIORS WINDSOR (O/A - LIFE AFTER FIFTY)** as at March 31, 2020, 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 **CENTRES FOR SENIORS WINDSOR (O/A - LIFE AFTER FIFTY)** 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.

Responsibility 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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



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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 Company's preparation and fair presentation of the financial statements 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 Company'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 Company'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 Company 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.

Tecumseh, Ontario
September 22, 2020

ROMA & ASSOCIATES
PROFESSIONAL CORPORATION
CHARTERED PROFESSIONAL ACCOUNTANTS
AUTHORIZED TO PRACTISE PUBLIC ACCOUNTING BY THE
INSTITUTE OF CHARTERED ACCOUNTANTS OF ONTARIO

**CENTRES FOR SENIORS WINDSOR
(O/A - LIFE AFTER FIFTY)
STATEMENT OF FINANCIAL POSITION**
See accompanying notes to the financial statements

March 31, 2020, with comparative figures for March 31, 2019	Operating Fund \$	Capital Fund \$	2020 \$	2019 \$
ASSETS				
Current assets				
Cash	115,903	230,979	346,882	166,792
Accounts and grants receivable	-	348	348	621
Sales tax receivable	11,667	-	11,667	10,824
Prepaid expenses and deposits	469	-	469	11,890
	128,039	231,327	359,366	190,127
Long-term assets				
Capital assets (note 2)	-	2,703,985	2,703,985	2,694,041
Less: accumulated amortization	-	1,156,407	1,156,407	1,097,998
	-	1,547,578	1,547,578	1,596,043
	128,039	1,778,905	1,906,944	1,786,170

**CENTRES FOR SENIORS WINDSOR
(O/A - LIFE AFTER FIFTY)
STATEMENT OF FINANCIAL POSITION (CONTINUED)**

See accompanying notes to the financial statements

March 31, 2020, with comparative figures for March 31, 2019	Operating Fund \$	Capital Fund \$	2020 \$	2019 \$
LIABILITIES AND FUND BALANCES				
Current liabilities				
Accounts payable and accrued liabilities	32,215	13,906	46,121	27,237
Due to (from) funds (note 4)	(217,364)	217,364	-	-
Deferred revenue	92,270	-	92,270	1,900
Government remittance payable	21,686	-	21,686	21,202
Current portion of mortgage payable (note 3)	-	32,000	32,000	30,300
	(71,193)	263,270	192,077	80,639
Long-term liabilities				
Mortgage payable (note 3)	-	302,843	302,843	334,579
	(71,193)	566,113	494,920	415,218
Fund balances				
Operating fund	199,232	-	199,232	121,094
Capital fund	-	1,212,792	1,212,792	1,249,858
	199,232	1,212,792	1,412,024	1,370,952
Commitment (note 5)				
Subsequent events (note 6)	128,039	1,778,905	1,906,944	1,786,170

On behalf of the Board

Director

Director

**CENTRES FOR SENIORS WINDSOR
(O/A - LIFE AFTER FIFTY)
STATEMENT OF CHANGES IN FUND BALANCES**

See accompanying notes to the financial statements

Year ended March 31, 2020, with comparative figures for the year ended March 31, 2019	Operating Fund \$	Capital Fund \$	2020 \$	2019 \$
Balance, beginning of year	121,094	1,249,858	1,370,952	1,322,569
Excess of revenues over expenditures (expenditures over revenues)	78,138	(37,066)	41,072	48,383
Balance, end of year	199,232	1,212,792	1,412,024	1,370,952

**CENTRES FOR SENIORS WINDSOR
(O/A - LIFE AFTER FIFTY)
STATEMENT OF OPERATIONS - OPERATING FUND**

See accompanying notes to the financial statements

Year ended March 31, 2020, with comparative figures for the year ended March 31, 2019	Bingo (Schedule 1)	United Way (Schedule 2)	SALC (Schedule 3)	LHIN (Schedule 4)	2020	2019
	\$	\$	\$	\$	\$	\$
Revenues (note 6)						
Client user fees and programs	-	-	100,583	36,063	136,646	134,972
Other revenue and grants	-	-	145,241	-	145,241	123,030
Membership dues	-	-	119,012	-	119,012	113,376
Municipal grant	-	-	149,938	-	149,938	142,438
Bingo and lottery	61,145	-	-	-	61,145	60,570
Province of Ontario fees	-	-	-	217,009	217,009	217,009
Province of Ontario grants	-	-	85,400	-	85,400	85,400
Employee subsidies	-	-	15,113	57,574	72,687	73,297
United Way allotments	-	213,269	-	-	213,269	220,500
	61,145	213,269	615,287	310,646	1,200,347	1,170,592
Operating expenditures						
Agency dues	-	-	3,277	-	3,277	3,350
Bank charges and interest	-	-	3,210	-	3,210	3,562
Building occupancy	-	15,107	100,638	6,899	122,644	132,506
Consulting services	-	4,407	7,817	-	12,224	24,565
Employee benefits	-	15,612	44,650	44,036	104,298	92,008
One time fund expenses	-	-	32,486	-	32,486	22,480
Office	-	1,601	19,789	-	21,390	25,085
Program supplies	17,020	18,994	68,925	3,487	108,426	104,765
Promotion and publicity	-	1,532	3,165	-	4,697	5,251
Purchased services	-	5,267	32,888	31,148	69,303	61,398
Salaries	-	149,193	230,516	225,076	604,785	565,731
Transfer to capital fund	-	-	30,089	-	30,089	4,434
Transportation	-	1,556	3,824	-	5,380	4,363
	17,020	213,269	581,274	310,646	1,122,209	1,049,498
Excess of revenues over expenditures before LHIN repayment	44,125	-	34,013	-	78,138	121,094
LHIN repayment	-	-	-	-	-	-
Excess of revenues over expenditures	44,125	-	34,013	-	78,138	121,094

**CENTRES FOR SENIORS WINDSOR
(O/A - LIFE AFTER FIFTY)
STATEMENT OF OPERATIONS - CAPITAL FUND**

See accompanying notes to the financial statements

Year ended March 31, 2020, with comparative figures for the year ended March 31, 2019	2020 \$	2019 \$
Revenues		
Fundraising and donations	25,260	24,383
Other revenue	-	1,247
Gain on sale of assets	7,847	-
Transfer from operating fund	30,089	4,434
	63,196	30,064
Operating expenditures		
Amortization	74,751	81,090
Fundraising	8,086	1,815
Interest on long-term debt	17,425	19,870
	100,262	102,775
Excess of expenditures over revenues	(37,066)	(72,711)

**CENTRES FOR SENIORS WINDSOR
(O/A - LIFE AFTER FIFTY)
STATEMENT OF CASH FLOWS**
See accompanying notes to the financial statements

Year ended March 31, 2020, with comparative figures for the year ended March 31, 2019	2020 \$	2019 \$
Cash flows from operating activities		
Operating fund - excess of revenues over expenditures	78,138	121,094
Capital fund - excess of expenditures over revenues	(37,066)	(72,711)
<i>Items not involving cash:</i>		
Amortization	74,751	81,090
Gain on the disposition of capital asset	(7,847)	-
Net change in non-cash operating items	120,590	(30,120)
	228,566	99,353
Cash flows from investing activities:		
Capital asset sale proceeds	11,649	-
Purchase of capital assets	(30,089)	(11,145)
	(18,440)	(11,145)
Cash flows from financing activities:		
Repayments of long-term debt	(30,036)	(31,802)
Increase in cash	180,090	56,406
Cash, beginning of year	166,792	110,386
Cash, end of year	346,882	166,792
Cash consists of:		
Cash - Operating fund	115,903	71,061
Cash - Capital fund	230,979	95,731
	346,882	166,792

**CENTRES FOR SENIORS WINDSOR
(O/A - LIFE AFTER FIFTY)
NOTES TO FINANCIAL STATEMENTS
Year ended March 31, 2020**

The organization is a non-for-profit organization and a registered charity whose mission is to "provide people 50 plus with opportunities to be social, active and well". The organization fulfills their mission through the provision of an array of membership programs and community services intended to provide cognitive stimulation and social interaction; improve health and well being; support independence; and combat depression associated with isolation and aging. The organization qualifies as a not-for-profit under the Canadian Income Tax Act, making it exempt from income taxes.

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the organization have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies noted below.

Basis of presentation - going concern

The financial statements are prepared on a going concern basis which contemplates the realization of assets and settlement of liabilities in the normal course of business.

Fund Accounting

The organization follows the restricted fund method of accounting for contribution.

Operating Fund

The operating fund reports funds received from the Ministry of Health which include Local Health Integration Network funds ("LHIN"), Seniors Active Living Centre ("SALC"), City of Windsor, the United Way and bingo funds which are used to fund the various activities of organization.

Capital Asset Fund

The capital asset fund represents the capital resources of the organization consisting of land, buildings, furniture, fixtures and equipment, automotive equipment and the related long-term debt. The fund reports investment, fundraising and other restricted capital contribution income and related expenditures.

Revenue Recognition

The organization follows the restricted fund method of accounting for contributions, which includes donations. Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized. Unrestricted contributions are recognized as revenue of the operating fund when they are received.

**CENTRES FOR SENIORS WINDSOR
(O/A - LIFE AFTER FIFTY)
NOTES TO FINANCIAL STATEMENTS
Year ended March 31, 2020**

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (continued)

The organization receives funding from the Ontario Ministry of Health to finance its various programs. Approved operating contributions are recorded as revenue in the period to which they related and the related expenses are incurred. Where a portion of a contribution related to a future period, it is deferred and recognized in that subsequent period.

Capital Assets

Capital assets are recorded at cost. Amortization is being provided by charges to income over the respective useful life of the assets at the following annual rates and methods:

Capital asset	Rate	Method
Building	4%	Declining balance
Furniture, fixtures, equipment and computers	20%	Declining balance
Automotive	30%	Declining balance

Amortization is calculated at one-half of the normal rate in the year of acquisition. Gains or losses on disposals are recorded in the year of disposition.

Contributed Services

A substantial number of volunteers contribute a significant amount of their time during the year. Because of the difficulty of determining the fair value, contributed services are not reflected in the financial statements.

Financial Instruments

The organization classifies its financial instruments into one of the following categories based on the purpose for which the asset was acquired or the liability was incurred. The organization's accounting policy for each category is as follows:

Financial assets and financial liabilities held for trading

Financial assets and financial liabilities held for trading are reported at fair value at each balance sheet date, and any change in fair value is recognized in net income (loss) in the period during which the change occurs. Translation costs are expensed as incurred. In these financial statements, cash has been classified as held for trading.

**CENTRES FOR SENIORS WINDSOR
(O/A - LIFE AFTER FIFTY)
NOTES TO FINANCIAL STATEMENTS
Year ended March 31, 2020**

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Instruments (continued)

Loans and receivable and other financial liabilities

Loans and receivables and other financial liabilities are carried at amortized cost using the effective interest rate method less any impairment loss. Transaction costs are expensed as incurred. In these financial statements, accounts and grants receivable and sales tax receivable are classified as loans and receivables and accounts payable and accrued liabilities, deferred revenue, government remittance payable and long-term debt are classified as other financial liabilities.

Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimated 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 amount of revenues and expenses during the reported period. These estimates are reviewed periodically and as adjustments become necessary, they are reported in earnings in the period in which they become known. Actual results could differ from these estimates. The significant estimates include the following:

- (i) the collectability of accounts receivable
- (ii) the amortization of capital assets

Impairment of Long-Lived Assets

Long-lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when their carrying value exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value.

**CENTRES FOR SENIORS WINDSOR
(O/A - LIFE AFTER FIFTY)
NOTES TO FINANCIAL STATEMENTS**
Year ended March 31, 2020

2. CAPITAL ASSETS

	Cost	Accumulated Amortization	2020	2019
	\$	\$	\$	\$
Land	420,000	-	420,000	420,000
Building	1,452,811	455,473	997,338	1,038,895
Furniture, fixtures and equipment	799,555	676,046	123,509	126,223
Computers	31,619	24,888	6,731	10,529
Automotive	-	-	-	396
	2,703,985	1,156,407	1,547,578	1,596,043

3. MORTGAGE PAYABLE AND OPERATING LINE OF CREDIT

	2020	2019
	\$	\$
Mortgage payable - Motor City Community Credit Union, blended monthly payments of principal and interest of \$3,955 at an interest rate of 5% which matures September 2023	334,843	364,879
Less: current portion	32,000	30,300
	302,843	334,579

The mortgage is secured by a First Collateral Mortgage in favour of Motor City Community Credit Union in the amount of \$700,000 on property located in the City of Windsor, Ontario; has a first floating charge over all other assets; assignment of fire insurance and the Organization is required to maintain a minimum balance of \$23,950 in their capital property account which is included in the capital fund cash balance of \$230,979.

Under the same facility, the Organization has a \$50,000 operating line of credit with an outstanding balance of \$Nil (2019 - \$Nil) as at year-end that bears interest at the commercial prime rate plus 2%, a letter of credit totaling \$50,000 with the security described above and a specific financial covenant that needs to be maintained. As at year-end, the specific financial covenant has been maintained.

**CENTRES FOR SENIORS WINDSOR
(O/A - LIFE AFTER FIFTY)
NOTES TO FINANCIAL STATEMENTS
Year ended March 31, 2020**

3. MORTGAGE PAYABLE AND OPERATING LINE OF CREDIT (CONTINUED)

The principal repayments for the next five years are as follows:

	\$
2021	32,000
2022	33,000
2023	35,000
2024	37,000
2025	38,000

4. DUE TO (FROM) FUNDS

The due to (from) funds are non-interest bearing and payable on demand.

5. COMMITMENT

The organization has the following lease commitment with the City of Windsor for its East Side location:

Period	Per Sq Ft / Year \$	Per Year \$
April 1, 2019 to March 31, 2022	9.52	34,282

6. FINANCIAL DEPENDENCY

The organization is financially dependent on the following for a significant portion of revenue:

	2020 %	2019 %
Province of Ontario - fees and grants	31	32
City of Windsor	12	12
United Way	18	22

Subsequent to year-end, the organization will no longer receive funding from the United Way and is in the process of dealing with the impact of the Coronavirus pandemic that has forced them to temporarily close their locations. Management is in the process of implementing a plan to account for the decrease in revenues and the impact of the Coronavirus pandemic but the ultimate outcome of these matters is not known at the time of the audit report date.

**CENTRES FOR SENIORS WINDSOR
(O/A - LIFE AFTER FIFTY)
NOTES TO FINANCIAL STATEMENTS
Year ended March 31, 2020**

7. RELATED PARTY TRANSACTIONS

No remuneration was paid to directors and officers during the year.

8. FINANCIAL INSTRUMENTS

The fair value of cash, accounts and grants receivable, sales tax receivable, accounts payable and accrued liabilities, deferred revenue, government remittances and mortgage payable approximate their carrying value due to the short maturity of these instruments and that they bear interest at current market rates. The fair value of the due to (from) funds are not determinable as they have no fixed repayments terms.

Credit risk

The organization is exposed to credit risk in accounts and grants receivable which total \$348 (2019 - \$621). Credit risk is the risk that others that owe monies to the organization will not repay their obligations as they become due. In the opinion of management the organization's credit risk is not considered significant.

Interest rate risk

The organization is exposed to financial risk that arises from fluctuations in interest rates.

9. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the financial statement presentation adopted in the current year.

**CENTRES FOR SENIORS WINDSOR
(O/A - LIFE AFTER FIFTY)
SCHEDULE 1 - STATEMENT OF OPERATIONS - BINGO**

See accompanying notes to the financial statements

<u>Year ended March 31, 2020, with comparative figures for the year ended March 31, 2019</u>	<u>2020</u>	<u>2019</u>
	<u>\$</u>	<u>\$</u>
Revenues		
<u>Bingo and lottery</u>	<u>61,145</u>	<u>60,570</u>
Operating expenditures		
<u>Program supplies</u>	<u>17,020</u>	<u>17,000</u>
<u>Excess of revenues over expenditures</u>	<u>44,125</u>	<u>43,570</u>

**CENTRES FOR SENIORS WINDSOR
(O/A - LIFE AFTER FIFTY)
SCHEDULE 2 - STATEMENT OF OPERATIONS - UNITED WAY**
See accompanying notes to the financial statements

Year ended March 31, 2020, with comparative figures for the year ended March 31, 2019	2020 \$	2019 \$
Revenues		
United Way allotments	213,269	220,500
Operating expenditures		
Building occupancy	15,107	15,100
Consulting services	4,407	7,200
Employee benefits	15,612	15,106
Office	1,601	3,815
Program supplies	18,994	19,286
Promotion and publicity	1,532	3,731
Purchased services	5,267	5,270
Salaries	149,193	149,226
Transportation	1,556	1,766
	213,269	220,500
Excess of revenues over expenditures	-	-

**CENTRES FOR SENIORS WINDSOR
(O/A - LIFE AFTER FIFTY)
SCHEDULE 3 - STATEMENT OF OPERATIONS - SALC**
See accompanying notes to the financial statements

Year ended March 31, 2020, with comparative figures for the year ended March 31, 2019	2020 \$	2019 \$
Revenues		
Client user fees and programs	100,583	93,197
Other revenue and grants	145,241	123,030
Membership dues	119,012	113,376
Municipal grant	149,938	142,438
Province of Ontario grants	85,400	85,400
Employee subsidies	15,113	15,723
	615,287	573,164
Operating expenditures		
Agency dues	3,277	3,350
Bank charges and interest	3,210	3,562
Building occupancy	100,638	109,116
Consulting services	7,817	17,365
Employee benefits	44,650	35,405
One time fund expenses	32,486	12,313
Office	19,789	21,270
Program supplies	68,925	66,352
Promotion and publicity	3,165	1,520
Purchased services	32,888	26,002
Salaries	230,516	196,788
Transfer to capital fund	30,089	-
Transportation	3,824	2,597
	581,274	495,640
Excess of revenues over expenditures	34,013	77,524

**CENTRES FOR SENIORS WINDSOR
(O/A - LIFE AFTER FIFTY)
SCHEDULE 4 - STATEMENT OF OPERATIONS - LHIN**
See accompanying notes to the financial statements

Year ended March 31, 2020, with comparative figures for the year ended March 31, 2019	2020 \$	2019 \$
Revenues		
Client user fees and programs	36,063	41,775
Province of Ontario fees	217,009	217,009
Employee subsidies	57,574	57,574
	310,646	316,358
Operating expenditures		
Building occupancy	6,899	8,290
Employee benefits	44,036	41,497
One time fund expenses	-	10,167
Program supplies	3,487	2,127
Purchased services	31,148	30,126
Salaries	225,076	219,717
Transfer to capital fund	-	4,434
	310,646	316,358
Excess of revenues over expenditures before LHIN repayment	-	-
LHIN repayment	-	-
Excess of revenues over expenditures	-	-

**CENTRES FOR SENIORS WINDSOR
(O/A - LIFE AFTER FIFTY)
635 McEwan
Windsor, ON
N9B 2E9**

September 22, 2020

Roma & Associates Professional Corporation
Chartered Professional Accountants
12230 Tecumseh Rd. E.
Tecumseh, Ontario N8N 1L9

Dear Sirs:

We are writing at your request to confirm our understanding that the examination which you have made was directed for the purpose of expressing an opinion as to whether the financial statements of the **CENTRES FOR SENIORS WINDSOR** as of **March 31, 2020** present fairly, in all material respects the Organization's financial position, the results of operations, and cash flow in accordance with Canadian generally accepted accounting principles and that your audit procedures, including your tests of accounting records, were limited to those that you considered necessary to this particular situation. We would also like to confirm that such examination would not necessarily detect fraud or error.

As discussed below, certain representations in this letter are described as being limited to matters that are material. These matters are considered to be material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it likely that the decision of a person who is relying on the financial statements, and who has a reasonable knowledge of business and economic activities, would be changed or influenced by such omission or misstatement. We understand that the determination of materiality which is the amount determined to effect a financial statement user involves qualitative as well as quantitative considerations.

In connection with your examination of our financial statements for the year ended **March 31, 2020** we confirm to the best of our knowledge, if applicable the following representations:

1. As members of the Board of Directors and/or management, of the organization, we are responsible for the preparation and fair presentation of the balance sheet, statements of operations, assets and cash flows in accordance with Canadian generally accepted accounting principles.
2. The significant accounting policies adopted in the preparation of the financial statements are fully and fairly described in the financial statements and there have been no changes in the Organization's accounting policies and methods of application that have not been otherwise disclosed.


3. We have made available to you all relevant financial records, related data and all minute books of the meetings of shareholders, directors and committees for directors up to the date of this letter. We have also included summaries of recent meetings for which minutes have not yet been prepared.
4. We are responsible for the implementation and operation of internal controls designed to prevent and detect fraud and error and that fraud includes misstatement resulting from fraudulent financial reporting and/or misappropriation of assets. Furthermore, we have disclosed to you the results of our assessment of the risks that the financial statements may be materially misstated as a result of fraud and that there are no instances of fraud or suspected fraud, involving any member of management, other employees who have significant roles in the Organization's system of internal accounting control or others.
5. That there are no violation or possible violations of laws or regulations that effect of which should be considered for disclosure in the financial statements or as the basis for recording a contingent loss. We are not aware of any illegal acts or possible illegal acts attributable to the Organization or its management and employees acting on its behalf.
6. There are no significant weaknesses in the design or operation of internal controls.
7. That the Organization has no plans or intentions that may materially affect the carrying value or classification of assets or liabilities.
8. That there are no materially transactions that have not been accurately reflected or recorded in the financial statements.
9. That the effects of uncorrected financial statement misstatements, summarized in the summary of audit difference which has been included in the year-end package, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.
10. That the Organization has satisfactory title to all assets reflected in the financial statements, including receivables that represent valid claims against customers and other debtors for sales or other charges arising on or before the balance sheet date.
11. That the inventory reported in the financial statement are based on physical quantities determined by actual count by competent employees under proper supervision. The inventory does not include items billed to customers but not shipped or items returned for which credits have not been recorded. The inventory is priced at the lower of cost and market.

12. That the Organization has charged off all property, plant and equipment items sold, destroyed, or abandoned or considered to be obsolete and of no further use, that the remaining carrying amounts of all material assets will be recoverable, that there are no liens or encumbrances on assets and no assets have been pledged or assigned as security for liabilities, performance of contracts, etc except as disclosed in the financial statements and there are no material unrecorded assets or contingent assets.
13. That the Organization has no claims that are outstanding or possible claims that must be disclosed or accounted for in accordance with CICA 3290, contingencies which have not been disclosed to you.
14. That there are no material unrecorded liabilities and/or contingent liabilities except as disclosed in the financial statements.
15. That the Organization has provided for, when material, losses sustained as a result of inability to fulfill sales commitments, inventory purchased in excess of prevailing market prices, other than temporary declines in the value of investments, removal and site restoration costs, including environmental remediation liabilities and impairment of goodwill and/or non-amortizable assets in accordance with CICA 3062, Goodwill and Other Intangible Assets.
16. The following have been recorded and/or disclosed in the financial statements: all known related parties and related party transactions, financial guarantees, commitments, debt, lease agreements and significant estimates, which could change materially within the next year and economic dependence known to management.
17. That the Organization has recorded and/or disclosed off-balance sheet activities, including non-consolidation of certain entities and capital stock redemptions.
18. That the Organization is responsible for determining the fair value of financial instruments as required by CICA 3860, Financial Instruments - Disclosure and Presentation. The amounts disclosed represent the Organization's best estimate of fair value of financial instruments required to be disclosed under the standard.
19. The Organization has accounted for all freestanding derivative financial instruments that are entered into for trading or speculative purposes, or that do not qualify for hedge accounting.
20. We confirm that the future tax asset valuation allowance has been determined pursuant to the provisions of CICA 3465 Income taxes.
21. We confirm that all non-monetary transactions have been disclosed to you and have been properly reflected in the financial statements and notes.


- 22. We confirm that there are no subsequent events that have occurred or are pending that would have a material effect of the financial statements.
- 23. We confirm that the financial statements and applicable notes for the year ended are an accurate and complete reflection of the activity and final balances of the organization.

Sincerely yours,

CENTRES FOR SENIORS WINDSOR

Per:  Board Chair
Position

 
Signature

Per:  Executive Director
Position

 
Signature

Summary of Unadjusted Audit Differences

CJ STRAIN & SONS MARCH 31, 2020		Net Income			Adjustments on financial statement explains				Cash Flow			Disposition	
W/P Ref #	Description	Current Period	Prior Period	Total	Net assets	Current Assets	Non Current Assets	Current Liabilities	Non Current Liabilities	Operating Activities	Investing Activities		Financing Activities
	<u>Effect of prior period unrecorded audit differences:</u>												
	<u>Prior tax Adjustments:</u>												
	Total prior tax adjustments not recorded												
	Tax effect of prior tax adjustments not recorded												
	After tax impact of adjustments not recorded												
	foreign currency (FX) translation effect of adjustments not recorded												
	After tax and FX adjustments not recorded												
	Financial statement amounts	(41,075)	(40,344)	(41,075)	(1,412,424)	350,366	1,547,578	(192,077)	(494,930)	236,413	(26,287)	(30,046)	
	After tax and FX effect as a percentage of E1 amount												

December 22, 2020
 DATE

 KEVIN WILD AND APPROVED BY
 December 22, 2020
 DATE
 REVIEWED AND APPROVED BY

CENTRES FOR SENIORS WINDSOR
 Year End: March 31, 2020
 Adjusting Entries
 Date: 4/1/2019 To 3/31/2020

Prepared by	Reviewed by
SH 5/24/2020	JR 5/3/2020

5.1

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
1	3/31/2020	Mortgage Loan payable Current & Long Term	00-1-522600			30,035.83			
1	3/31/2020	Bldg Mortgage Princ Exp WS	04-1-73110-95040				30,035.93		
1	3/31/2020	Bldg Mortgage Int Exp WS	04-1-73110-95590			0.10			
		to reallocate principal payments on mortgage							
2	3/31/2020	Mortgage Loan Payable Current	20152				32,000.00		
2	3/31/2020	Current Portion	20154			32,000.00			
		to record current portion of mortgage payable							
4	3/31/2020	Deferred Revenue - Other	00-1-427900			7,500.00			
4	3/31/2020	Municipal Grant	03-1-7358280-11040				3,750.00		
4	3/31/2020	Municipal Grant Rev	04-1-7358280-11040				3,750.00		
		to reallocate the City of Windsor funding from deferred revenue							
5	3/31/2020	Deferred Revenue - Other	00-1-427900			4,710.69			
5	3/31/2020	Capital Grant Revenue	04-1-7358280-19010				4,710.69		
		to bring funds into operations for expenses incurred in March for OTH Capital Grant							
6	3/31/2020	Furniture & Fixtures - Capital	00-1-328450			25,033.75			
6	3/31/2020	Computer Hardware	00-1-328570			5,055.47			
6	3/31/2020	Program Costs Foot Care	02-1-7258270-49510				8,839.08		
6	3/31/2020	EPC One Time Funding Expenses	03-1-7358280-69596				841.90		
6	3/31/2020	Capital Grants Expense	04-1-7358280-49520				13,767.06		
6	3/31/2020	EPC One Time Funding Expenses	04-1-7358280-69596				5,061.89		
6	3/31/2020	New Horizon's Capital Expenses	07-1-7358280-76500				1,579.29		
		to reallocate capital purchases							
7	3/31/2020	Automobiles - Capital	00-1-328451				20,144.57		
7	3/31/2020	Acc Amort - Automobiles - Capital	00-1-328461			16,342.00			
7	3/31/2020	Grants Revenue	09-1-73940-19011			11,850.00			
7	3/31/2020	Gain on sale of assets	09-1-73940-19012				7,847.43		
		to record sale of the van							
8	3/31/2020	Acc Amort - Building	00-1-328360				41,556.00		
8	3/31/2020	Acc Amort - Furniture & Fixtures - Capital	00-1-328460				27,748.00		
8	3/31/2020	Acc Amort - Automobiles - Capital	00-1-328461				308.00		
8	3/31/2020	Acc Amortization - Computer Hardware	00-1-328580				5,139.00		
8	3/31/2020	CAPITAL - Amort Exp	11-1-7358280-75000			74,751.00			
		to record accumulated amortization							
9	3/31/2020	Capital - Due from (to) operating	12900				289,440.00		
9	3/31/2020	Operating - Due from (to) capital	12901			289,440.00			
		to record due to/from operating and capital fund							
10	3/31/2020	Transfer from operating fund	9919001				30,089.22		
10	3/31/2020	Transfer from operating fund	9919003			30,089.22			
		to record transfer from operating to capital fund							
						526,608.06	526,608.06		

Net Income (Loss) 41,071.96

SEPTEMBER 22, 2020

DATE

REVIEWED AND APPROVED BY

SEPTEMBER 22, 2020

DATE

REVIEWED AND APPROVED BY

CENTRES FOR SENIORS WINDSOR
YEAR ENDED - MARCH 31, 2020
ADJUSTING JOURNAL ENTRIES

ACCOUNT NAME	ACCOUNT #	DR	CR
Furniture & fixtures - capital	00-1-328450	\$ 25,033.75	
Computer hardware	00-1-328570	\$ 5,055.47	
Automobiles - capital	00-1-328451		\$ 20,144.57
Acc Amort - Building	00-1-328360		\$ 41,556.00
Acc Amort - Furn & Fixtures	00-1-328460		\$ 27,748.00
Acc Amort - Auto	00-1-328461	\$ 16,034.00	
Acc Amort - Computers	00-1-328580		5,139.00
Deferred Rev - other	00-1-427900	12,210.69	
Capital - Due from (to) operating	12900		319,529.00
Operating - Due from (to) capital	12901	\$ 319,529.00	
Current portion	20154	\$ 32,000.00	
Mortgage Loan Payable	00-1-52600	30,035.83	
Mortgage Loan Payable Current	20152		32,000.00
Fund balances	62155	\$ 6,217.83	

\$ 446,118.57 \$ 446,118.57

Total income (loss) per Client's Financials		47,293.79
Description	J/E #	
Mortgage adjustment	2	30,035.83
Deferred revenue adjustment	4	7,500.00
Deferred revenue adjustment	5	4,710.69
Capital purchases expensed	6	30,089.22
to record sale of van	7	(3,802.57)
Amortization not booked	8	(74,751.00)
		41,076.06

Opening R/E per client GL		
Capital Fund	00-1-621400	\$ (1,249,858.64)
Operating Fund		\$ (121,094.95)
		\$ (1,370,953.59)

Client's Net income / loss	\$ (47,293.79)
Adjustment per above	\$ 6,217.83

CLOSING RETAINED EARNINGS BALANCE SHOULD BE \$ (1,412,030)

Please ensure that this equals the ending balance as per the audited financial statement

REVIEWED AND APPROVED BY:

September 22, 2020
DATE

[Signature]
SIGNATURE

Board Chair
POSITION

September 22, 2020
DATE

[Signature]
SIGNATURE

Executive Director
POSITION