

Hamilton Council on Aging

Financial Statements

March 31, 2024

Independent Auditors' Report

To the Directors of Hamilton Council on Aging,

We have audited the accompanying financial statements of Hamilton Council on Aging (the "Organization"), which comprise the balance sheet as at March 31, 2024, the statement of operations and changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2024, and the results of its operations, changes in net assets and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profits organizations, the Organization derives revenue from donations and fundraising activities. The completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of this amount was limited to the amount recorded in the organization's accounting records and we were not able to determine whether any adjustments might be necessary to the donations.

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 those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

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 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 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.

See accompanying Notes to Financial Statements

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.

D.O. Chartered Professional Accountants

Hamilton Ontario

August 8, 2024

A Okunade
Licensed Public Accountant

See accompanying Notes to Financial Statements

Hamilton Council on Aging

Balance Sheet as at March 31, 2024

	2024	2023
ASSETS		
Current:		
Cash	\$ 158,562	\$ 58,356
Accounts receivable	-	60,000
Harmonized sales tax receivable	13,070	6,380
Due from Hamilton Health Sciences Corporation (Note 4)	-	9,118
Prepaid expenses	<u>7,227</u>	<u>6,576</u>
	<u>178,859</u>	<u>140,430</u>
LIABILITIES		
Current:		
Accounts payable and accrued liabilities	73,812	24,459
Government remittances payable	7,954	-
Deferred revenue (Note 3)	9,088	48,407
Due to Hamilton Health Sciences Corporation (Note 4)	<u>41</u>	<u>-</u>
	90,895	72,866
NET ASSETS	<u>87,964</u>	<u>67,564</u>
	<u>\$ 178,859</u>	<u>\$ 140,430</u>

On behalf of the Board: _____ Director

_____ Director

See accompanying Notes to Financial Statements

Hamilton Council on Aging

Statement of Operations and Changes in Net Assets For the year ended March 31, 2024

	2024	2023
REVENUES		
Government grants (Note 3)	\$ 453,389	\$ 371,938
Donations and fundraising	<u>20,088</u>	<u>9,623</u>
	<u>473,477</u>	<u>381,561</u>
EXPENSES		
Programs and workshops	234,824	212,195
Wages and benefits	176,813	120,535
Administration	<u>41,440</u>	<u>28,770</u>
	<u>453,077</u>	<u>361,500</u>
EXCESS OF REVENUES OVER EXPENSES	20,400	20,061
OPENING NET ASSETS	<u>67,564</u>	<u>47,503</u>
CLOSING NET ASSETS	\$ <u>87,964</u>	\$ <u>67,564</u>

See accompanying Notes to Financial Statements

Hamilton Council on Aging

Statement of Cash Flows For the Year Ended March 31, 2024

	2024	2023
Cash generated (used in)		
OPERATING ACTIVITIES:		
Excess of revenues over expenses	\$ 20,400	\$ 20,061
Impact on cash of changes in working capital items:		
Accounts Receivable	60,000	40,913
Prepaid Expenses	(651)	(1,958)
Harmonized sales tax receivable	(6,690)	4,984
Due from Hamilton Health Sciences Corporation	9,118	(9,118)
Accounts payable and accrued liabilities	49,353	(48,588)
Government remittances payable	7,954	-
Deferred revenue	(39,319)	1,984
Due to Hamilton Health Sciences Corporation	41	(291)
	<u>100,206</u>	<u>7,987</u>
Increase in cash	100,206	7,987
Cash, beginning of year	<u>58,356</u>	<u>50,369</u>
Cash, end of year	\$ <u>158,562</u>	\$ <u>58,356</u>

See accompanying Notes to Financial Statements

Hamilton Council on Aging

Notes to Financial Statements

March 31, 2024

1. NATURE AND PURPOSE OF THE ORGANIZATION

Hamilton Council on Aging (the "Organization") is a not-for-profit organization which exists to educate and advocate for the improved aging experiences for older adults through a collaborative network of individuals and organizations. The Organization promotes the health, well-being and social participation of older adults by influencing attitudes, policies and programs to include their voices.

The Organization is a registered charitable organization under the Income Tax Act (Canada) effective April 1, 2009 and, as such, is exempt from income taxes under section 149 of the Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are the representation of management and have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in part III of the CPA Canada handbook and include the following significant policies.

Revenue recognition

The Organization follows the deferral method of accounting for contributions such as government grants and private sector revenue. Unrestricted contributions are recognized as revenues when received or receivable, provided that contributions receivable can be reasonably estimated, and collection is reasonably assured. Restricted contributions are recognized as revenues in the year in which the related activities are carried out and expenses are incurred.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not for profit requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. These estimates are reviewed periodically, and adjustments are made to revenues and expenses as appropriate in the period they become known.

Financial instruments

The Organization initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost.

The financial assets subsequently measured at amortized cost include cash and accounts receivable. The financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

The carrying value of the Organization's financial instruments approximates their fair value due to the relatively short term to maturity of those instruments. It is management's opinion that the Organization is not exposed to significant market, liquidity, interest rate or credit risk arising from these financial instruments.

Hamilton Council on Aging

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3. GOVERNMENT GRANTS REVENUES AND DEFERRED GRANTS

Revenues from government grants recognized in the year are as follows

	2024	2023
<i>For projects:</i>		
Public Health Agency of Canada	\$ 323,004	\$ 250,000
Ministry for Seniors and Accessibility	-	4,095
City of Hamilton	68,725	52,818
United Way Halton & Hamilton	20,000	23,185
Alzheimer Society Foundation	-	35,000
Government of Canada New Horizons	41,660	4,340
Other Grants	-	2,500
	<u>\$ 453,389</u>	<u>\$ 371,938</u>

Deferred revenues at March 31 are as follows:

	2024	2023
<i>For projects:</i>		
City of Hamilton	\$ 8,173	\$ 27,747
Government of Canada New Horizons	-	20,660
Others	915	-
	<u>\$ 9,088</u>	<u>\$ 48,407</u>

4. HAMILTON HEALTH SCIENCES CORPORATION

The Organization depends on Hamilton Health Sciences Corporation for the use of office space and administrative services. These costs could have an impact on the Organization's ability to continue serving its mandate as the agreed fee between the parties is below fair market value.