

**Alzheimer Society
of Dufferin County
Financial Statements**
For the year ended March 31, 2024

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For the year ended March 31, 2024

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Independent Auditor's Report

To the Board of Directors of
Alzheimer Society of Dufferin County

Qualified Opinion

We have audited the financial statements of Alzheimer Society of Dufferin County ("the organization"), which comprise the statement of financial position as at March 31, 2024, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2024, and its results of operations 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-profit organizations, the organization derives part of its revenue from donations and other fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the organization. Therefore, we were not able to determine whether any adjustments might be necessary to donations and fundraising revenues, excess of revenues over expenses, and cash flows from operations for the years ended March 31, 2024 and 2023, current assets as at March 31, 2024 and 2023, and net assets as at April 1 and March 31 for both the 2024 and 2023 years. Our audit opinion on the financial statements for the year ended March 31, 2024 was modified accordingly because of the possible effects of this limitation in scope.

As discussed in Note 5 to the financial statements, the organization expenses capital asset purchases which constitutes a departure from Canadian accounting standards for not-for-profit organizations. This is a result of a decision taken by management to comply with the reporting requirements of the funding agency. As a result, we were unable to determine whether any adjustments might be necessary to tangible capital assets as at March 31, 2024 and 2023, amortization and excess of revenue over expenses for the years ended March 31, 2024 and 2023, and net assets as at April 1 and March 31 for both the 2024 and 2023 years. Our audit opinion on the financial statements for the year ended March 31, 2024 was modified accordingly because of the possible effects of this limitation in scope.

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 qualified audit 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 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.

Chartered Professional Accountants, Licensed Public Accountants

Orangeville, Ontario
June 26, 2024

**Alzheimer Society of Dufferin County
Statement of Financial Position**

March 31	2024	2023
Assets		
Current		
Cash (Note 2)	\$ 196,699	\$ 428,870
Short term investments (Note 3)	300,000	-
Accounts receivable (Note 4)	140,988	19,820
Prepaid expenses	26,147	6,001
	\$ 663,834	\$ 454,691

Liabilities and Net Assets

Current		
Accounts payable and accrued liabilities	\$ 34,488	\$ 22,654
Program funding payable (Note 6)	120,210	12,499
Deferred contributions	2,500	1,000
	157,198	36,153
Net assets		
Internally restricted (Note 7)	68,446	68,446
Unrestricted	438,190	350,092
	506,636	418,538
	\$ 663,834	\$ 454,691

On behalf of the Board:

_____, Director

_____, Director

Alzheimer Society of Dufferin County Statement of Changes in Net Assets

For the year ended March 31

	Internally		2024	2023
	Restricted	Unrestricted		
Net assets, beginning of year	\$ 68,446	\$ 350,092	\$ 418,538	\$ 397,924
Excess of revenues over expenses	-	88,098	88,098	20,614
Net assets, end of year	\$ 68,446	\$ 438,190	\$ 506,636	\$ 418,538

The accompanying notes are an integral part of these financial statements.

Alzheimer Society of Dufferin County Statement of Operations

For the year ended March 31	2024	2023
Revenues		
Central West Local Health Integration Network (CSS)	\$ 906,691	\$ 733,529
Contributions from Alzheimer Society of Ontario	10,840	24,399
Donations and fundraising	89,935	92,205
Other funding and grants	6,000	20
Other income	13,919	6,469
Rent	11,800	12,050
	1,039,185	868,672
Expenses		
Building and grounds	71,145	70,417
Employee benefits	44,289	38,934
Employee salaries	492,799	418,599
Equipment	10,513	496
Events	1,102	3,011
Office, general and administrative	70,218	57,786
Professional services and fees	25,166	22,270
Transfer agencies	230,544	232,366
Travel	5,311	4,179
	951,087	848,058
Excess of revenues over expenses	\$ 88,098	\$ 20,614
 Comprised of:		
Unrestricted	\$ 88,098	\$ 20,614

The accompanying notes are an integral part of these financial statements.

Alzheimer Society of Dufferin County Statement of Cash Flows

For the year ended March 31	2024	2023
Cash provided by (used in)		
Operating activities		
Excess of revenues over expenses	\$ 88,098	\$ 20,614
Changes in non-cash working capital balances:		
Accounts receivable	(121,168)	(5,219)
Prepaid expenses	(20,146)	18,997
Accounts payable and accrued liabilities	11,834	(11,362)
Program funding payable	107,711	(13,467)
Deferred contributions	1,500	-
	67,829	9,563
Investing activities		
Purchase of investments	(300,000)	-
	(232,171)	9,563
Increase (decrease) in cash during the year	(232,171)	9,563
Cash, beginning of year	428,870	419,307
	428,870	428,870
Cash, end of year	\$ 196,699	\$ 428,870

The accompanying notes are an integral part of these financial statements.

Alzheimer Society of Dufferin County

Notes to Financial Statements

March 31, 2024

1. Summary of Significant Accounting Policies

Nature and Purpose of Organization

Alzheimer Society of Dufferin County (the "organization") is a non-profit organization incorporated without share capital under the laws of Ontario. The objectives of the organization are to improve the quality of life of persons afflicted with Alzheimer disease; to establish and maintain, deliver and co-ordinate support and education programs for persons affected by Alzheimer disease; to promote public awareness and knowledge as well as to encourage support for research. The organization is a registered charity and, as such, is exempt from income tax and may issue donation receipts for income tax purposes.

Basis of Accounting

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Financial Instruments

Financial instruments are recorded at fair value at initial recognition.

In subsequent periods, guaranteed investment certificates are designated to be in the fair value category, with any change in fair value reported in income. All other financial instruments are reported at cost or amortized cost less impairment. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items measured at fair value and charged to the financial instrument for those measured at amortized cost.

Financial assets are tested for impairment when indicators of impairment exist. When a significant change in the expected timing or amount of the future cash flows of the financial asset is identified, the carrying amount of the financial asset is reduced and the amount of the write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously, and the amount of the reversal is recognized in net income.

Capital Assets

Capital assets are not recorded on the balance sheet. Capital asset purchases in the year are recorded as expenses in the statement of operations.

Alzheimer Society of Dufferin County Notes to Financial Statements

March 31, 2024

1. Summary of Significant Accounting Policies (continued)

Revenue Recognition

Alzheimer Society of Dufferin County follows the deferral method of accounting for contributions.

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

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Restricted contributions where expenses have not been incurred are recorded as deferred contributions.

Contributed Services

Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

2. Cash

The organization's bank accounts are held at one chartered bank.

3. Short Term Investments

Short term investments are comprised of various Guaranteed Investment Certificates. Guaranteed Investment Certificates totaling \$200,000 earn interest at fixed rates from 4.10% to 5.05% and have maturity dates of February 2025. The organization holds one Guaranteed Investment Certificate with a carrying value of \$100,000 that earns variable interest at prime minus 2.45% and matures in February 2025.

Alzheimer Society of Dufferin County Notes to Financial Statements

March 31, 2024

4. Accounts Receivable

	2024	2023
Central West Local Health Integration Network (CSS)	\$ 129,100	\$ -
Government remittances	6,088	13,020
Trade	5,800	6,800
	\$ 140,988	\$ 19,820

5. Capital Assets Charged to the Statement of Operations

The major category of assets charged to the statement of operations is office equipment. The amount charged to the statement of operations is as follows:

	2024	2023
Equipment	\$ 10,513	\$ 496

6. Program Funding Payable

A provision for recovery of funding is required when programs have revenue in excess of expenditures for the year, which results in amounts payable as follows:

	2024	2023
Balance, beginning of year	\$ 12,499	\$ 25,966
Add: surplus funding for the year	107,711	2,854
Less: repayment of prior surplus	-	(16,321)
Balance, end of year	\$ 120,210	\$ 12,499

Alzheimer Society of Dufferin County Notes to Financial Statements

March 31, 2024

7. Internally Restricted Net Assets

Internally restricted funds are as follows:

	<u>2024</u>	<u>2023</u>
Accreditation process	\$ 4,446	\$ 4,446
Emergency situations	20,000	20,000
Office transitions	20,000	20,000
Programming and office upgrades	<u>24,000</u>	<u>24,000</u>
Balance, end of year	<u>\$ 68,446</u>	<u>\$ 68,446</u>

8. Commitment

The organization has a lease with respect to its building, which expires March 2026. The minimum lease payments for the next two years are as follows:

2025	\$ 41,115
2026	<u>\$ 44,887</u>
	<u>86,002</u>

9. Economic Dependence

The organization is dependent on the funding received from the Ministry of Health and Long-Term Care. During the year 88% (2023 - 84%) of revenue was received from the Ministry of Health and Long-Term Care.

Alzheimer Society of Dufferin County Notes to Financial Statements

March 31, 2024

10. Financial Instrument Risk

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The organization is exposed to credit risk resulting from the possibility that a donor or supporter to a financial instrument defaults on their financial obligations. The majority of the organization's receivables are from government sources and the organization works to ensure that amounts that qualify for the HST rebate are correctly accounted for. This risk has not changed from the previous year.

Liquidity Risk

Liquidity risk is the risk that the organization encounters difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the organization will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. Liquidity risk arises from accounts payable and accrued liabilities, program funding payable and commitments. This risk has not changed from the previous year.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The organization is exposed to interest rate risk on its variable interest rate short term investments. This risk has increased from the previous year as the organization has purchased short term investments during the year.

**Alzheimer Society of Dufferin County
Schedule of Operations
(Unaudited)**

For the year ended March 31	2024	2023
Revenues		
Central West Local Health Integration Network (CSS)	\$ 1,014,402	\$ 736,383
Contributions from Alzheimer Society of Ontario	10,840	24,399
Donations and fundraising	89,935	92,205
Other funding and grants	6,000	20
Other income	13,919	6,469
Rent	11,800	12,050
	<u>1,146,896</u>	<u>871,526</u>
Expenses		
Building and grounds	71,145	70,417
Employee benefits	44,289	38,934
Employee salaries	492,799	418,599
Equipment	10,513	496
Events	1,102	3,011
Office, general and administrative	70,218	57,786
Professional services and fees	25,166	22,270
Transfer agencies	230,544	232,366
Travel	5,311	4,179
	<u>951,087</u>	<u>848,058</u>
Excess of revenues over expenses before undernoted	195,809	23,468
Recoveries and transfers	<u>107,711</u>	<u>2,854</u>
Excess of revenues over expenses	<u>\$ 88,098</u>	<u>\$ 20,614</u>