

Symons, Wearn & Smith
LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

*To the Directors of
Woodstock and District Developmental Services*

Report on the Financial Statements

We have audited the accompanying financial statements of Woodstock and District Developmental Services, which comprise the statement of financial position as at March 31, 2020, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 Woodstock and District Developmental Services as at March 31, 2020, and the 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, Woodstock and District Developmental Services, derives revenue from its fundraising activities the completeness of which are not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Woodstock and District Developmental Services. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenue over expenses and cash flows from operations for the years ended March 31, 2020 and 2019 current assets at March 31, 2020 and 2019 and net assets as at April 1 and March 31 for both the 2020 and 2019 years. Our opinion on the financial statements for the year ended March 31, 2020 was modified accordingly because of the possible effects of this scope limitation.

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.

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 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.

Auditors' Responsibility 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 it 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. Material 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 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 Organizations'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

We also provide those charged with governance with a statement that we have complied with the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards. communicate with them all

Woodstock, Ontario
August 27, 2020

Symons, Wearn & Smith LLP
CPA, CA, Licensed Public Accountants

Summary Financial Information

WOODSTOCK AND DISTRICT DEVELOPMENTAL SERVICES
STATEMENT OF FINANCIAL POSITION
As at March 31,

	<u>2020</u>	<u>2019</u>
ASSETS		
CURRENT		
Cash	\$ 1,625,442	\$ 1,318,665
Short term investments	74,304	61,227
Accounts receivable	241,403	160,306
Grants receivable	173,516	0
Prepaid expenses	683	855
Government remittances recoverable	65,274	70,238
	<u>2,180,622</u>	<u>1,611,291</u>
 FIXED	 <u>7,470,957</u>	 <u>3,766,162</u>
	 <u><u>\$ 9,651,579</u></u>	 <u><u>\$ 5,377,453</u></u>
 LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 88,969	\$ 20,122
Wages payable	447,071	359,557
Deferred program funding	53,792	85,361
Amounts held in trust	3,470	4,301
Furniture replacement fund	35,630	35,073
Callable debt, current portion	138,012	67,541
	<u>766,944</u>	<u>571,955</u>
 Callable debt due thereafter	 <u>1,513,610</u>	 <u>1,139,604</u>
	 2,280,554	 1,711,559
 RESTRICTED FUNDS	 1,500	 2,500
 DEFERRED CONTRIBUTIONS	 <u>915,358</u>	 <u>963,593</u>
	 3,197,412	 2,677,652
 NET ASSETS	 <u>6,454,167</u>	 <u>2,699,801</u>
	 <u><u>\$ 9,651,579</u></u>	 <u><u>\$ 5,377,453</u></u>

The audited financial statements are available upon request

Summary Financial Information

WOODSTOCK AND DISTRICT DEVELOPMENTAL SERVICES STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS For the year ended March 31

	<u>2020</u>	<u>2019</u>
REVENUE		
Grants	\$ 11,222,871	\$ 10,957,444
Specialized grants	85,000	48,000
Vocational Supports Sales	248,719	243,812
Other income	0	0
	<u>11,556,590</u>	<u>11,249,256</u>
EXPENSES		
Salaries	8,334,212	7,903,552
Benefits	1,375,343	1,246,487
Travel and training	55,017	52,163
Purchased services and supplies	1,281,135	1,597,069
Enterprise expenses	211,232	195,687
Occupancy	417,975	430,517
Transportation	145,427	156,851
Insurance	57,593	51,528
Specialized grant expenditures	85,000	0
Other (net of recoveries)	(405,956)	(382,113)
	<u>11,556,978</u>	<u>11,251,741</u>
Net deficit from Ministry funded operations	(388)	(2,485)
Agency, other program funding and depreciation	<u>3,741,668</u>	<u>199,046</u>
NET SURPLUS	3,741,280	196,561
Transfer from (to) capital replacement reserve	0	0
Operating fund, beginning of year	<u>2,638,584</u>	<u>2,442,032</u>
Operating fund, end of year	<u>6,379,864</u>	<u>2,638,584</u>
Capital replacement reserve, beginning of year	61,217	48,526
Net expenditures and transfers	<u>13,086</u>	<u>12,691</u>
Capital replacement reserve, end of year	<u>74,303</u>	<u>61,217</u>
NET ASSETS, END OF YEAR	<u>\$ 6,454,167</u>	<u>\$ 2,699,801</u>

The audited financial statements are available upon request

Included above are City of Woodstock, Community Grants totalling \$6,500 (2019 - \$8,000)