

Meta Centre

Financial Statements

March 31, 2024

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Meta Centre

Opinion

We have audited the financial statements of Meta Centre (the "Organization"), which comprise the statement of financial position as at March 31, 2024, and the statements of changes in net assets, operations and cash flows for the year then ended, 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 Meta Centre as at March 31, 2024, and its changes in fund balances, 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 *Auditors' 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 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.

Auditors' 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 auditors' 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITORS' REPORT - continued

Auditors' Responsibilities for the Audit of the Financial Statements - continued

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 auditors' 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 auditors' 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.

Williams & Partners

Chartered Professional Accountants LLP
Licensed Public Accountants

Markham, Ontario
July 3, 2024

Meta Centre
Statement of Financial Position
 March 31, 2024

	2024			2023	
	<i>Various Restricted Programs</i>	<i>Restricted Supportive Housing</i>	<i>Unrestricted Fund</i>	<i>Total</i>	<i>Total</i>
	\$	\$	\$	\$	\$
Assets					
Current					
Cash	-	50,956	653,497	704,453	1,102,032
Short-term deposits (note 4)	-	-	813,120	813,120	1,418,520
Accounts receivable	-	-	221,688	221,688	199,286
HST receivable	-	-	343,055	343,055	377,703
Prepaid expenses and sundry	-	-	104,568	104,568	105,076
	-	50,956	2,135,928	2,186,884	3,202,617
Property and equipment (note 5)	-	-	2,113,296	2,113,296	2,367,552
	-	50,956	4,249,224	4,300,180	5,570,169
Liabilities					
Current					
Accounts payable and accrued liabilities	902,879	-	28,143	931,022	1,486,883
Client funds held in trust	-	-	14,176	14,176	14,176
Interfund advances	4,266,988	180,510	(4,447,498)	-	-
	5,169,867	180,510	(4,405,179)	945,198	1,501,059
Deferred contributions (note 6)	-	-	1,794,759	1,794,759	1,955,203
	5,169,867	180,510	(2,610,420)	2,739,957	3,456,262
<i>Commitments (note 9)</i>					
Net Assets (Deficiency)	(5,169,867)	(129,554)	6,859,644	1,560,223	2,113,907
	-	50,956	4,249,224	4,300,180	5,570,169

On behalf of the Board

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Director A9263D44EC...

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Director 61256952F46A40E...

See accompanying notes

1.

Meta Centre

Statement of Changes in Net Assets

year ended March 31, 2024

	2024			2023	
	<i>Various Restricted Programs</i> \$	<i>Restricted Supportive Housing</i> \$	<i>Unrestricted</i> \$	<i>Total</i> \$	<i>Total</i> \$
Balance, beginning	(4,976,504)	(119,453)	7,209,864	2,113,907	2,104,218
Excess (deficiency) of revenues over expenses:					
Toronto Region	(68,408)	-	-	(68,408)	(2,957)
Central Region	(124,955)	-	-	(124,955)	(2,642)
Other	-	(10,101)	(350,220)	(360,321)	15,288
	(193,363)	(10,101)	(350,220)	(553,684)	9,689
Balance, ending	(5,169,867)	(129,554)	6,859,644	1,560,223	2,113,907

Meta Centre
Statement of Operations
year ended March 31, 2024

	<i>2024</i>	<i>2023</i>
	\$	\$
Revenues		
Government of Ontario grants - operations	24,082,160	24,396,332
ODSP funding	1,882,141	1,780,861
Deferred contributions (note 6)	160,444	193,631
Government supportive housing subsidies	154,617	154,617
Net program revenue (note 10)	941,176	488,220
Interest earned	100,662	32,027
Independently funded programs - revenue (note 7)	957,954	1,103,363
Special interest projects revenue	989,358	776,234
Government wage subsidies	-	13,387
	<u>29,268,512</u>	<u>28,938,672</u>
Expenses		
Salaries	20,118,922	19,004,004
Benefits	3,259,353	3,117,224
Advertising and promotion	88,077	105,921
Food costs	531,814	503,384
Insurance and licenses	211,495	201,622
Interest and bank charges	9,060	8,675
Legal and accounting	65,013	118,563
Furnishings and equipment	170,955	240,044
Program costs	1,432,980	1,598,705
Rent - premises (note 7)	1,081,399	1,132,305
Repairs and maintenance	1,044,966	1,201,060
Staff training	225,747	196,500
Staff travel	109,220	65,203
Supplies	417,351	410,139
Telephone	65,172	58,813
Utilities and realty taxes	406,359	410,512
Vehicle operation and maintenance	347,467	286,171
Amortization	236,846	270,138
	<u>29,822,196</u>	<u>28,928,983</u>
Excess (deficiency) of revenues over expenses	<u>(553,684)</u>	<u>9,689</u>

Meta Centre

Statement of Restricted Operations - Toronto Region year ended March 31, 2024

	<u>2024</u>	<u>2023</u>
	\$	\$
Revenues		
Government of Ontario grants - operations	21,532,437	22,013,709
ODSP funding	1,757,646	1,656,988
	<u>23,290,083</u>	<u>23,670,697</u>
Expenses		
Salaries (note 8)	17,098,115	16,678,820
Benefits (note 8)	2,744,250	2,691,209
Advertising and promotion	22,227	63,591
Food costs	435,754	439,271
Insurance and licenses	125,565	124,551
Interest and bank charges	4,383	7,547
Legal and accounting (note 8)	42,010	77,581
Furnishings and equipment	85,201	83,580
Program costs	652,165	1,388,034
Rent - premises (note 7)	618,649	648,670
Repairs and maintenance	494,895	419,168
Staff training	149,912	133,225
Staff travel	60,382	55,897
Supplies (note 8)	318,632	323,459
Telephone	47,141	48,418
Utilities and realty taxes	321,951	319,008
Vehicle operation and maintenance	137,259	171,625
	<u>23,358,491</u>	<u>23,673,654</u>
Excess (deficiency) of revenues over expenses	<u>(68,408)</u>	<u>(2,957)</u>

Meta Centre

Statement of Restricted Operations - Central Region

year ended March 31, 2024

	<u>2024</u>	<u>2023</u>
	\$	\$
Revenues		
Government of Ontario grants - operations	2,549,723	2,382,623
ODSP funding	108,048	88,312
Net program revenue (note 10)	17,000	-
	<u>2,674,771</u>	<u>2,470,935</u>
Expenses		
Salaries (note 8)	2,049,121	1,754,886
Benefits (note 8)	335,229	304,368
Advertising and promotion	6,802	8,318
Food costs	13,562	13,427
Insurance and licenses	14,937	16,592
Interest and bank charges	677	1,128
Furnishings and equipment	663	16,948
Program costs	48,903	57,771
Rent - premises (note 7)	128,715	127,814
Repairs and maintenance	87,718	69,770
Staff training	18,844	17,655
Staff travel	2,914	4,403
Supplies (note 8)	33,289	26,472
Telephone	7,231	7,257
Utilities and realty taxes	26,112	26,122
Vehicle operation and maintenance	25,009	20,646
	<u>2,799,726</u>	<u>2,473,577</u>
Excess (deficiency) of revenues over expenses	<u>(124,955)</u>	<u>(2,642)</u>

Meta Centre

Statement of Restricted Operations - Supportive Housing year ended March 31, 2024

	<u>2024</u>	<u>2023</u>
	\$	\$
Revenues		
Government supportive housing subsidies	154,617	154,617
Expenses		
Salaries	11,308	11,198
Benefits	1,552	1,531
Insurance and licenses	24,393	23,239
Rent - premises (note 7)	50,863	50,821
Repairs and maintenance	55,406	53,270
Supplies	-	282
Utilities and realty taxes	21,196	20,132
	<u>164,718</u>	<u>160,473</u>
<u>Excess (deficiency) of revenues over expenses</u>	<u>(10,101)</u>	<u>(5,856)</u>

Meta Centre
Statement of Unrestricted Operations
year ended March 31, 2024

	<i>2024</i>	<i>2023</i>
	\$	\$
Revenues		
ODSP funding	16,447	35,561
Deferred contributions (note 6)	160,444	193,631
Net program revenue (note 10)	924,176	488,220
Interest earned	100,661	32,027
Independently funded programs (note 7)	957,954	1,103,363
Special interest projects revenue	989,358	776,234
Government wage subsidies	-	13,387
	<u>3,149,040</u>	<u>2,642,423</u>
Expenses		
Salaries	960,378	559,100
Benefits	178,322	120,115
Advertising and promotion	59,048	34,012
Food costs	82,498	50,686
Insurance and licenses	46,600	37,240
Interest and bank charges	4,000	-
Legal and accounting	23,003	40,982
Furnishings and equipment	85,091	139,516
Program costs	731,912	152,900
Rent - premises (note 7)	283,172	305,000
Repairs and maintenance	406,948	658,852
Staff training	56,991	45,620
Staff travel	45,923	4,903
Supplies	65,429	59,927
Telephone	10,800	3,138
Utilities and realty taxes	37,100	45,250
Vehicle operation and maintenance	185,199	93,900
Amortization	236,846	270,138
	<u>3,499,260</u>	<u>2,621,279</u>
Excess (deficiency) of revenues over expenses	<u>(350,220)</u>	<u>21,144</u>

Meta Centre
Statement of Cash Flows
year ended March 31, 2024

	<i>2024</i>	<i>2023</i>
	\$	\$
Cash flows from operating activities		
Cash received from Ministries and clients	29,134,996	28,823,653
Cash paid to suppliers and employees	<u>(30,140,703)</u>	<u>(27,862,304)</u>
	<u>(1,005,707)</u>	961,349
Cash flows from investing activities		
Proceeds on disposal of vehicle	2,728	-
Acquisition of property and equipment	-	(54,513)
Short-term deposits	<u>605,400</u>	<u>(18,520)</u>
	<u>608,128</u>	<u>(73,033)</u>
Increase (decrease) in cash	(397,579)	888,316
Cash, beginning	<u>1,102,032</u>	<u>213,716</u>
Cash, ending	<u>704,453</u>	<u>1,102,032</u>

Meta Centre

Notes to Financial Statements

March 31, 2024

1. PURPOSE OF ORGANIZATION

The Meta Centre (the "Organization") develops and maintains programs and services for adults with developmental disabilities in Toronto and York Region. The Meta Centre is a registered charity, incorporated on December 30, 1992 under the laws of the Province of Ontario as a corporation without share capital, and has been granted tax exempt status under the Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations, are in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

Fund accounting

The Organization follows fund accounting in presenting its assets, liabilities, revenues and expenses.

The Various Restricted Programs and Restricted Supportive Housing Funds report the assets, liabilities, revenues and expenses relating to the delivery and administration of the Organization's programs supported by restricted resources.

The Unrestricted Fund reports the assets, liabilities, revenues and expenses relating to the delivery and administration of the Organization's programs supported by unrestricted resources.

Revenue recognition

The Organization follows the restricted fund method of accounting for contributions.

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

Restricted contributions related to general operations are deferred and recognized in the unrestricted fund when the related activity occurs. Restricted contributions related to property and equipment are deferred and amortized over the useful life of the assets. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Program revenue is recognized when services are performed and collection is probable.

Interest income is recognized on an accrual basis.

Financial instruments

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

Financial assets measured at amortized cost include cash, short-term deposits and accounts receivable.

Meta Centre

Notes to Financial Statements

March 31, 2024

2. SIGNIFICANT ACCOUNTING POLICIES - continued

Financial instruments - continued

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and client funds held in trust.

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down from impairment is recognized as a charge against the excess of revenues over expenses.

Cash

Cash is defined as cash on hand and cash on deposit, net of cheques issued and outstanding at the reporting date.

Property and equipment

Property and equipment are stated at cost less accumulated amortization. Amortization is provided for on a declining balance basis at the following rates:

Buildings	5%
Furniture, fixtures and equipment	30%
Vehicles	30%
Leasehold improvements	15%

Property and equipment subject to amortization 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 the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured by the amount by which the carrying amount of the long-lived asset exceeds its fair value.

Donated materials and services

These financial statements do not reflect donated materials and services except where the fair value can be reasonably estimated and when they are used in the course of normal operations.

Members of the Board of Directors of the Organization serve without remuneration.

Allocation of overhead expenses

The Organization charges expenses specific to the Various Restricted Programs and Restricted Supportive Housing Funds where these expenses can be identified. Overhead expenses that relate to the central administration of the Organization are allocated to these restricted funds based on management's best estimates.

Meta Centre

Notes to Financial Statements

March 31, 2024

2. SIGNIFICANT ACCOUNTING POLICIES - continued

Use of estimates

The preparation of the Organization's financial statements, in accordance with Canadian accounting standards for not-for-profit organizations, requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the year. Estimates are used when accounting for revenue recognition, amortization, allocation of central administration overhead and legal contingencies. Due to the inherent uncertainty involved with making such estimates, actual results could differ from those reported. As adjustments become necessary, they are reported in the excess of revenues over expenses in the period in which they become known.

3. FINANCIAL INSTRUMENT RISK EXPOSURES

The Organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the Organization's risk exposures and concentrations at the date of the statement of financial position:

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 on the accounts receivable from its clients and other organizations. In order to reduce its credit risk, the Organization has adopted credit policies which include the analysis of the financial position of its clients and other organizations and the regular review of their credit limits.

Liquidity risk

Liquidity risk is the risk that the Organization will not be able to meet a demand for cash or fund its obligations as they come due as a result of the Organization's inability to liquidate assets in a timely manner and at a reasonable price.

The Organization is exposed to liquidity risk and mitigates this risk by preparing and monitoring detailed budgets and forecasts of cash flows and maintaining large cash reserves.

Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all securities traded in the market. Market risk comprises three types of risk: currency risk, interest rate risk and price risk. The Organization is not exposed to currency risk or price risk.

Meta Centre

Notes to Financial Statements

March 31, 2024

3. FINANCIAL INSTRUMENT RISK EXPOSURES - continued

Market risk - continued

(i) 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 price risk on its short-term deposits as described in note 4.

Changes in risk

During the year, the Organization had an increase in accounts receivable from \$199,286 in the prior year to \$221,688 in the current year. This has resulted in an increase to the Organization's credit risk exposure.

There have been no other significant changes in the Organization's risk exposures from the prior year.

4. SHORT-TERM DEPOSITS

Included in a short-term deposit is a guaranteed investment certificate bearing interest at rate of 4.00% per annum, and maturing in March 2025.

5. PROPERTY AND EQUIPMENT

			<i>2024</i>	<i>2023</i>
			\$	\$
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	529,075	-	529,075	529,075
Buildings	2,081,013	1,356,372	724,641	762,780
Furniture, fixtures and equipment	938,018	832,156	105,862	151,231
Vehicles	673,623	639,400	34,223	78,001
Leasehold improvements	2,589,653	1,870,158	719,495	846,465
	<u>6,811,382</u>	<u>4,698,086</u>	<u>2,113,296</u>	<u>2,367,552</u>

There were no impairment indicators affecting property and equipment noted for the year ended March 31, 2024.

Meta Centre

Notes to Financial Statements

March 31, 2024

6. DEFERRED CONTRIBUTIONS

Deferred contributions represent restricted contributions towards the purchase of property and equipment net of accumulated amortization and various program funding. The changes in the deferred contributions balance for the year are as follows:

	<i>2024</i>	<i>2023</i>
	\$	\$
Balance, beginning	1,955,203	2,148,834
Amounts amortized to revenue	(160,444)	(193,631)
Balance, ending	<u>1,794,759</u>	<u>1,955,203</u>

7. AFFILIATED ORGANIZATION TRANSACTIONS

During the year, the Organization received contributions of \$281,833 (2023 - \$280,000) and paid rent of \$400,063 (2023 - \$400,021) to the Meta Foundation, an organization with some common directors. These transactions are in the normal course of operations and are measured at the exchange amount which is the amount established and agreed to by the affiliated parties.

8. ALLOCATION OF OVERHEAD EXPENSES

Overhead expenses have been allocated to the operating segments as follows:

	<i>Toronto</i>	<i>Central</i>	<i>Total</i>
	<i>Region</i>	<i>Region</i>	<i>2024</i>
	\$	\$	\$
Salaries and benefits	783,047	128,714	911,761
Supplies	201,170	19,976	221,146
Legal and accounting	39,514	43	39,557
Other	251,171	14,373	265,544
	<u>1,274,902</u>	<u>163,106</u>	<u>1,438,008</u>

9. COMMITMENTS

Minimum lease payments under the Organization's leases for its premises and equipment over each of the next five years and thereafter are as follows:

	\$
2025	737,784
2026	632,227
2027	416,282
2028	257,560
2029	147,519
Thereafter	<u>201,683</u>
	<u>2,393,055</u>

10. COVID-19

As the global landscape of the COVID-19 pandemic has shifted towards stabilization, the direct impact on the financial results and operations of the Organization has moderated. The health and safety landscape remains dynamic, with periodic outbreaks of other respiratory viruses and diseases.

During the pandemic, the Organization experienced limited operations with respect to its day and respite service programs. In the current year, operations have returned to pre-pandemic levels.

In light of these factors, the Organization maintains a cautious approach on financial planning and reporting processes, and incorporates the best available information into estimates and assumptions. The actual outcomes may vary from current estimates, underscoring the continued uncertainty in pandemics and outbreaks evolving impact on the Organization's operations and financial performance.