

Meta Centre

Financial Statements

March 31, 2025

DRAFT - June 19, 2025

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, 2025, 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, 2025, 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.

Chartered Professional Accountants LLP
Licensed Public Accountants

Markham, Ontario

Meta Centre

Statement of Financial Position

March 31, 2025

	2025			2024	
	<i>Various Restricted Programs</i>	<i>Restricted Supportive Housing</i>	<i>Unrestricted Fund</i>	<i>Total</i>	<i>Total</i>
	\$	\$	\$	\$	\$
Assets					
Current					
Cash	-	54,178	542,820	596,998	704,453
Short-term deposits (note 4)	-	-	1,457,214	1,457,214	813,120
Accounts receivable	21,163	-	151,594	172,757	221,688
HST receivable	-	-	384,526	384,526	343,055
Prepaid expenses and sundry	-	-	104,327	104,327	104,568
	21,163	54,178	2,640,481	2,715,822	2,186,884
Property and equipment (note 5)	-	-	2,082,690	2,082,690	2,113,296
	21,163	54,178	4,723,171	4,798,512	4,300,180
Liabilities					
Current					
Accounts payable and accrued liabilities	1,378,473	12,556	188,276	1,579,305	931,022
Client funds held in trust	-	-	14,176	14,176	14,176
Interfund advances	3,875,557	175,642	(4,051,199)	-	-
	5,254,030	188,198	(3,848,747)	1,593,481	945,198
Deferred contributions (note 6)	-	-	1,660,203	1,660,203	1,794,759
	5,254,030	188,198	(2,188,544)	3,253,684	2,739,957
<i>Commitments (note 9)</i>					
Net Assets (Deficiency)	(5,232,867)	(134,020)	6,911,715	1,544,828	1,560,223
	21,163	54,178	4,723,171	4,798,512	4,300,180

On behalf of the Board

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Warren Hanney

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Director

Signed by:

Giuliana Minardi

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Director

See accompanying notes

Meta Centre

Statement of Changes in Net Assets

year ended March 31, 2025

	<i>2025</i>			<i>2024</i>	
	<i>Various Restricted Programs \$</i>	<i>Restricted Supportive Housing \$</i>	<i>Unrestricted \$</i>	<i>Total \$</i>	<i>Total \$</i>
Balance, beginning	(5,169,867)	(129,554)	6,859,644	1,560,223	2,113,907
Excess (deficiency) of revenues over expenses:					
Toronto Region	(27,555)	-	-	(27,555)	(68,408)
Central Region	(35,445)	-	-	(35,445)	(124,955)
Other	-	(4,466)	52,071	47,605	(360,321)
	(63,000)	(4,466)	52,071	(15,395)	(553,684)
Balance, ending	(5,232,867)	(134,020)	6,911,715	1,544,828	1,560,223

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See accompanying notes

Meta Centre

Statement of Operations

year ended March 31, 2025

	2025 \$	2024 \$
Revenues		
Government of Ontario grants - operations	24,847,168	24,082,160
ODSP funding	1,954,188	1,882,141
Deferred contributions (note 6)	134,556	160,444
Government supportive housing subsidies	142,061	154,617
Net program revenue	1,118,894	941,176
Interest earned	75,393	100,662
Independently funded programs - revenue (note 7)	1,067,752	957,954
Special interest projects revenue	1,184,460	989,358
	<u>30,524,472</u>	<u>29,268,512</u>
Expenses		
Salaries	20,767,861	20,118,922
Benefits	3,351,568	3,259,353
Advertising and promotion	71,117	88,077
Food costs	509,421	531,814
Insurance and licenses	216,810	211,495
Interest and bank charges	8,776	9,060
Legal and accounting	90,960	65,013
Furnishings and equipment	120,364	170,955
Program costs	1,097,988	1,432,980
Rent - premises (note 7)	1,073,609	1,081,399
Repairs and maintenance	1,526,304	1,044,966
Staff training	187,912	225,747
Staff travel	116,521	109,220
Supplies	362,284	417,351
Telephone	70,291	65,172
Utilities and realty taxes	441,298	406,359
Vehicle operation and maintenance	304,346	347,467
Amortization	222,437	236,846
	<u>30,539,867</u>	<u>29,822,196</u>
Excess (deficiency) of revenues over expenses	<u>(15,395)</u>	<u>(553,684)</u>

Meta Centre

Statement of Restricted Operations - Toronto Region

year ended March 31, 2025

	2025 \$	2024 \$
Revenues		
Government of Ontario grants - operations	22,257,555	21,532,437
ODSP funding	1,761,391	1,757,646
	24,018,946	23,290,083
Expenses		
Salaries (note 8)	17,397,305	17,098,115
Benefits (note 8)	2,794,364	2,744,250
Advertising and promotion	23,718	22,227
Food costs	439,475	435,754
Insurance and licenses	128,529	125,565
Interest and bank charges	4,376	4,383
Legal and accounting (note 8)	47,768	42,010
Furnishings and equipment	89,458	85,201
Program costs	670,120	652,165
Rent - premises (note 7)	648,734	618,649
Repairs and maintenance	757,322	494,895
Staff training	152,322	149,912
Staff travel	57,951	60,382
Supplies (note 8)	278,430	318,632
Telephone	46,235	47,141
Utilities and realty taxes	340,003	321,951
Vehicle operation and maintenance	170,391	137,259
	24,046,501	23,358,491
Excess (deficiency) of revenues over expenses	(27,555)	(68,408)

Meta Centre

Statement of Restricted Operations - Central Region

year ended March 31, 2025

	2025 \$	2024 \$
Revenues		
Government of Ontario grants - operations	2,589,613	2,549,723
ODSP funding	113,472	108,048
Net program revenue	-	17,000
	<u>2,703,085</u>	<u>2,674,771</u>
Expenses		
Salaries (note 8)	2,072,578	2,049,121
Benefits (note 8)	338,236	335,229
Advertising and promotion	3,454	6,802
Food costs	12,270	13,562
Insurance and licenses	15,572	14,937
Interest and bank charges	540	677
Furnishings and equipment	2,255	663
Program costs	43,352	48,903
Rent - premises (note 7)	124,036	128,715
Repairs and maintenance	21,684	87,718
Staff training	14,017	18,844
Staff travel	1,670	2,914
Supplies (note 8)	28,554	33,289
Telephone	9,171	7,231
Utilities and realty taxes	26,897	26,112
Vehicle operation and maintenance	24,244	25,009
	<u>2,738,530</u>	<u>2,799,726</u>
Excess (deficiency) of revenues over expenses	<u>(35,445)</u>	<u>(124,955)</u>

Meta Centre

Statement of Restricted Operations - Supportive Housing year ended March 31, 2025

	2025 \$	2024 \$
Revenues		
Government supportive housing subsidies	142,061	154,617
Expenses		
Salaries	11,748	11,308
Benefits	1,882	1,552
Insurance and licenses	25,308	24,393
Rent - premises (note 7)	38,539	50,863
Repairs and maintenance	47,502	55,406
Utilities and realty taxes	21,548	21,196
	146,527	164,718
Excess (deficiency) of revenues over expenses	(4,466)	(10,101)

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Meta Centre

Statement of Unrestricted Operations

year ended March 31, 2025

	2025 \$	2024 \$
Revenues		
ODSP funding	79,325	16,447
Deferred contributions (note 6)	134,556	160,444
Net program revenue	1,118,894	924,176
Interest earned	75,393	100,661
Independently funded programs	1,067,752	957,954
Special interest projects revenue	1,184,460	989,358
	<u>3,660,380</u>	<u>3,149,040</u>
Expenses		
Salaries	1,286,230	960,378
Benefits	217,086	178,322
Advertising and promotion	43,946	59,048
Food costs	57,676	82,498
Insurance and licenses	47,400	46,600
Interest and bank charges	3,860	4,000
Legal and accounting	43,192	23,003
Furnishings and equipment	28,651	85,091
Program costs	384,516	731,912
Rent - premises (note 7)	262,300	283,172
Repairs and maintenance	699,797	406,948
Staff training	21,573	56,991
Staff travel	56,900	45,923
Supplies	55,299	65,429
Telephone	14,885	10,800
Utilities and realty taxes	52,850	37,100
Vehicle operation and maintenance	109,711	185,199
Amortization	222,437	236,846
	<u>3,608,309</u>	<u>3,499,260</u>
Excess (deficiency) of revenues over expenses	52,071	(350,220)

Meta Centre

Statement of Cash Flows

year ended March 31, 2025

	2025 \$	2024 \$
Cash flows from operating activities		
Cash received from Ministries and clients	30,397,376	29,134,996
Cash paid to suppliers and employees	(29,668,906)	(30,140,703)
	728,470	(1,005,707)
Cash flows from investing activities		
Acquisition of property and equipment	(191,831)	-
Proceeds on disposal of vehicle	-	2,728
Short-term deposits	(644,094)	605,400
	(835,925)	608,128
Increase (decrease) in cash	(107,455)	(397,579)
Cash, beginning	704,453	1,102,032
Cash, ending	596,998	704,453

Meta Centre

Notes to Financial Statements

March 31, 2025

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, 2025

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%
Computer equipment	50%

When property and equipment no longer contributes to the Organization's ability to provide services, or the value of future economic benefits or service potential associated with the property and equipment is less than its net carrying amount, the net carrying amount of the property and equipment is written down to the asset's fair value or replacement cost.

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, 2025

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, 2025

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

There has been a decrease in credit risk as a result of a decrease in accounts receivable, an increase in liquidity risk as a result of an increase in accounts payable and accrued liabilities and an increase in interest rate risk as a result of an increase in investments. There have been no other significant changes in the Organization's risk exposures from the prior year.

4. SHORT-TERM DEPOSITS

Included in short-term deposits are guaranteed investment certificates ("GIC") bearing interest at rates between 4.00% to 4.95% per annum, and maturing between April and September 2025.

Also, included in short-term deposits is a variable rate guaranteed investment certificate ("GIC") bearing interest at the bank's prime rate per annum, and maturing in March 2026.

5. PROPERTY AND EQUIPMENT

			2025 \$	2024 \$
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	529,075	-	529,075	529,075
Buildings	2,081,013	1,392,604	688,409	724,641
Furniture, fixtures and equipment	869,147	795,276	73,871	105,530
Vehicles	725,634	650,967	74,667	34,223
Leasehold improvements	2,589,653	1,978,082	611,571	719,495
Computer equipment	208,691	103,594	105,097	332
	7,003,213	4,920,523	2,082,690	2,113,296

There were no impairment indicators affecting property and equipment noted for the year ended March 31, 2025.

Meta Centre

Notes to Financial Statements

March 31, 2025

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:

	2025 \$	2024 \$
Balance, beginning	1,794,759	1,955,203
Amounts amortized to revenue	(134,556)	(160,444)
Balance, ending	<u>1,660,203</u>	<u>1,794,759</u>

7. AFFILIATED ORGANIZATION TRANSACTIONS

During the year, the Organization received contributions of \$336,078 (2024 - \$281,833) and paid rent of \$387,739 (2024 - \$400,063) 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:

	Toronto Region \$	Central Region \$	Total 2025 \$
Salaries and benefits	794,801	127,154	921,955
Supplies	210,754	21,007	231,761
Legal and accounting	45,861	32	45,893
Other	217,538	18,621	236,159
	<u>1,268,954</u>	<u>166,814</u>	<u>1,435,768</u>

Meta Centre
Notes to Financial Statements
March 31, 2025

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:

	\$
2026	765,723
2027	494,282
2028	329,560
2029	218,019
2030	115,683
Thereafter	<u>356,000</u>
	<u>2,279,267</u>

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