

Muskoka Victim Services
Financial Statements
March 31, 2022

	Page
Independent Auditor's Report	2
Financial Statements	
Statement of Financial Position	4
Statement of Operations and Changes In Net Assets	5
Statement of Cash Flows	6
Notes to the Financial Statements	7
Schedule 1 - Muskoka Victim Services Operations	10
Schedule 2 - Human Trafficking Operations	11
Schedule 3 - Court Support Worker Program Operations	12
Schedule 4 - Project Funding Operations	13

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Independent Auditor's Report

To the Members of Muskoka Victim Services

Qualified Opinion

I have audited the accompanying financial statements of Muskoka Victim Services which comprise the statement of financial position as at March 31, 2022 and the statements of operations and changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of my report, the accompanying financial statements present fairly, in all material respects, the financial position of Muskoka Victim Services as at March 31, 2022, and the 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 Qualified Opinion

In common with many charitable organizations, Muskoka Victim Services derives revenue from donations and fundraising, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the organization. Therefore, I was not able to determine whether any adjustments might be necessary to donation and fundraising revenues, excess of revenues over expenses, cash flows from operations, assets and net assets.

My audit opinion on the financial statements for the year ended March 31, 2022 was modified accordingly because of the possible effects of this limitation in scope.

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of Muskoka Victim Services in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 the 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 Muskoka Victim Services' 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 Muskoka Victim Services or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Muskoka Victim Services' financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 Muskoka Victim Services' 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 Muskoka Victim Services' ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause Muskoka Victim Services 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.

I 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 I identify during my audit.

Dave Stevenson

Chartered Professional Accountant,
Licensed Public Accountant

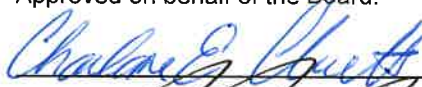
May 24, 2022

Bracebridge, Ontario

Muskoka Victim Services
Statement of Financial Position

March 31	2022	2021
Assets		
Current		
Cash	\$ 101,154	\$ 143,206
Accounts receivable	125	-
HST receivable	4,123	3,997
Prepaid expenses	-	599
	<u>105,402</u>	<u>147,802</u>
Capital assets (Note 2)	<u>7,916</u>	<u>11,053</u>
	<u>\$ 113,318</u>	<u>\$ 158,855</u>
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 4,875	\$ 2,998
Government remittances payable	5,108	5,680
Deferred contributions	7,834	77,670
	<u>17,817</u>	<u>86,348</u>
Commitment (Note 3)		
Net Assets		
Net assets invested in capital assets	7,916	11,053
Unrestricted	87,585	61,454
	<u>95,501</u>	<u>72,507</u>
	<u>\$ 113,318</u>	<u>\$ 158,855</u>

Approved on behalf of the Board:

 Director

 Director

Muskoka Victim Services

Statement of Operations and Changes in Net Assets

For the year ended March 31	2022	2021
Revenues		
Ontario Ministry of the Attorney General funding	\$ 300,752	\$ 279,158
District Municipality of Muskoka grants	7,271	21,200
Donations and fundraising	25,019	5,870
Interest and miscellaneous income	3,632	365
	336,674	306,593
Expenses		
Salaries and benefits	225,351	194,551
Other program costs		
Building occupancy	12,155	13,283
Office and program supplies	13,961	6,335
Telephone	8,142	7,228
Public education	2,324	3,840
Staff and volunteer expenses	6,540	8,362
Purchased services	8,046	7,942
Insurance	4,291	4,731
Professional membership fees	1,600	1,600
Covid-19 related costs	20,761	32,671
	77,820	85,992
Total other program costs		
	303,171	280,543
Amortization of capital assets	3,137	4,152
Fundraising disbursements	-	34,117
Fundraising expenses	101	93
District of Muskoka funded expenses	7,271	-
	313,680	318,905
Excess of revenues over expenses		
(expenses over revenues) for the year	22,994	(12,312)
Net assets - beginning of year	72,507	84,819
Net assets - end of year	\$ 95,501	\$ 72,507
Represented by		
Net assets invested in capital assets	\$ 7,916	\$ 11,053
Unrestricted net assets	87,585	61,454
	\$ 95,501	\$ 72,507

The accompanying notes are an integral part of these financial statements

Muskoka Victim Services

Statement of Cash Flows

For the year ended March 31	2022	2021
Cash provided by (used in)		
Operating activities		
Excess of revenues over expenses (expenses over revenues) for the year	\$ 22,994	\$ (12,312)
Adjustment for Amortization of capital assets	3,137	4,152
	<u>26,131</u>	<u>(8,160)</u>
Changes in non-cash working capital balances		
Accounts receivable	(125)	-
HST receivable	(124)	826
Prepaid expenses	599	3,301
Accounts payable and accrued liabilities	1,875	1,780
Government remittances payable	(572)	1,514
Deferred contributions	(69,836)	77,670
	<u>(42,052)</u>	<u>76,931</u>
Investing activities		
Purchase of capital assets	-	(1,250)
	<u>-</u>	<u>(1,250)</u>
Increase (decrease) in cash during the year	(42,052)	75,681
Cash - beginning of year	143,206	67,525
	<u>143,206</u>	<u>67,525</u>
Cash - end of year	\$ 101,154	\$ 143,206

The accompanying notes are an integral part of these financial statements

Muskoka Victim Services

Notes to the Financial Statements

March 31, 2022

1. Significant Accounting Policies

Nature of Operations

Muskoka Victim Services is an organization that was formed to assist police services by providing, through trained volunteers, immediate short-term emotional support, guidance and assistance for victims of crime and tragic services, and referral for medium and long-term support in the Muskoka region. The organization was incorporated without share capital by letters patent issued under the Corporations Act of Ontario. The organization is exempt from income tax in Canada as a registered charitable organization under the Income Tax Act.

During the year ended March 31, 2022 approximately 90% (2021 - 92%) of the organization's revenue was received from the Ontario Ministry of the Attorney General.

Basis of Presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations except for the following adjustments required in order to be in accordance with the operating agreements between the organization and the Ontario Ministry of the Attorney General:

- (a) vacation pay is expensed when paid;
- (b) other program costs are recorded on the modified accrual basis of accounting which allows for short-term accruals of expenses within 30 days of year-end; and
- (c) expenses paid once a year are expensed in the period paid without provision for any prepaid portion.

Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations 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 reported period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in operations in the year in which they become known.

Capital Assets

Capital assets are recorded at cost. Amortization based on the estimated useful life of the asset is as follows:

- Computer equipment - 30% diminishing balance
- Office furniture and equipment - 20% diminishing balance

Muskoka Victim Services

Notes to the Financial Statements

March 31, 2022

1. Significant Accounting Policies (continued)

Revenue Recognition	The organization follows the deferral method of accounting for contributions. Restricted contributions received for specific purposes are deferred and recognized as revenue when the related expenditure is incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.
Contributed Services	A number of volunteers contribute a significant amount of time each year to the organization. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.
Financial Instruments	The organization's financial instruments consist of cash, HST receivable, accounts payable and government remittances payable. Financial instruments are recorded at fair value on initial recognition. Accounts receivable, HST receivable, accounts payable and government remittances payable are subsequently measured at amortized cost. Financial instruments measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write down or subsequent recovery is recognized in net revenue (expense).

Muskoka Victim Services
Notes to the Financial Statements

March 31, 2022

2. Capital Assets

	2022		2021	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Computer equipment	\$ 15,047	\$ 8,557	\$ 15,047	\$ 5,776
Office furniture and equipment	22,948	21,522	22,948	21,166
	\$ 37,995	\$ 30,079	\$ 37,995	\$ 26,942
Net book value		\$ 7,916		\$ 11,053

3. Commitment

The organization has leased its premises for a term of one year ending June 30, 2022. The minimum lease payments are \$12,600 plus HST per annum.

4. 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 arising from its cash. The organization reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness. There has been no change in this risk from the prior year.

Liquidity Risk

Liquidity risk is the risk that the organization will encounter 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 or will be forced to sell financial assets at amounts less than their worth or may be unable to settle or recover a financial asset. The organization is exposed to liquidity risk arising from its accounts payable and government remittances payable. There has been no change in this risk from the prior year.

Muskoka Victim Services

Schedule 1 - Muskoka Victim Services Operations

For the year ended March 31	2022 Budget	2022 Actual	2021 Actual
Revenue			
Ontario Ministry of the Attorney General funding	\$ 252,987	\$ 252,987	\$ 227,237
Ont. MAG approved additional funding - Covid-19	20,761	20,761	53,432
Covid-19 funding deferred to next year	-	-	(20,761)
	<u>273,748</u>	<u>273,748</u>	<u>259,908</u>
Expenses			
Salaries and benefits	208,624	208,764	182,883
Other program costs			
Building occupancy	12,305	12,155	13,283
Office and program supplies	5,210	7,133	2,771
Telephone	6,000	6,218	5,587
Office and program equipment	-	-	2,892
Public education	2,100	2,324	774
Staff and volunteer expenses	5,348	5,657	6,962
Purchased services	7,400	7,396	7,352
Insurance	4,400	3,861	4,301
Professional membership fees	1,600	1,600	1,600
Covid-19 related costs	20,761	20,761	32,671
Total other program costs	<u>65,124</u>	<u>67,105</u>	<u>78,193</u>
Total program costs	<u>273,748</u>	<u>275,869</u>	<u>261,076</u>
Excess of expenses over revenues for the year	\$ -	\$ (2,121)	\$ (1,168)

Muskoka Victim Services

Schedule 2 - Human Trafficking Operations

For the year ended March 31	2022 Budget	2022 Actual	2021 Actual
Revenue			
Ontario Ministry of the Attorney General funding	\$ 3,000	\$ 2,754	\$ 3,000
Expenses			
Salaries and benefits	2,815	2,815	-
Other program costs			
Telephone	185	185	-
Public education	-	-	2,754
Total other program costs	185	185	2,754
Total program costs	3,000	3,000	2,754
Excess of revenue over expenses (expenses over revenue) for the year	\$ -	\$ (246)	\$ 246

Muskoka Victim Services

Schedule 3 - Court Support Worker Program Operations

For the year ended March 31	2022 Budget	2022 Actual	2021 Actual
Revenue			
Ontario Ministry of the Attorney General funding	\$ 24,250	\$ 24,250	\$ 16,250
Expenses			
Salaries and benefits	13,772	13,772	11,668
Other program costs			
Office and program supplies	6,759	6,828	670
Telephone	1,639	1,739	1,641
Public education	-	-	312
Staff expenses - training	900	602	1,400
Staff expenses- other	100	281	-
Purchased services	650	650	590
Insurance	430	430	430
Total other program costs	10,478	10,530	5,043
Total program costs	24,250	24,302	16,711
Excess of expenses over revenue for the year	\$ -	\$ (52)	\$ (461)

Muskoka Victim Services

Schedule 4 - Project Funding Operations

For the year ended March 31	2022	2021
Revenue		
District of Muskoka funding	\$ 7,271	\$ 10,000
District of Muskoka funding for Covid-19	-	11,200
Donations and fundraising	25,019	5,868
Interest and miscellaneous income	3,632	365
	<u>35,922</u>	<u>27,433</u>
Expenses		
Fundraising expenses	101	93
Fundraising disbursements	-	34,117
Amortization of capital assets	3,137	4,152
District of Muskoka funded expenses	7,271	-
	<u>10,509</u>	<u>38,362</u>
Excess of revenues over expenses (expenses over revenues) for the year	\$ 25,413	\$ (10,929)
