

Financial Statements of

**SUDBURY DEVELOPMENTAL SERVICES
SERVICES POUR HANDICAPS DE
DÉVELOPPEMENT DE SUDBURY**

And Independent Auditors' Report thereon

Year ended March 31, 2020

SUDBURY DEVELOPMENTAL SERVICES

SERVICES POUR HANDICAPS DE DÉVELOPPEMENT DE SUDBURY

Index to Audited Financial Statements and Supporting Schedules

Year ended March 31, 2020

	Page
Independent Auditors' Report	1-3
Statement of Financial Position	4
Statement of Operations and of Changes in Net Assets (Deficiency)	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 16
Schedules of Program Revenue and Expenses	17 - 25



KPMG LLP
Claridge Executive Centre
144 Pine Street
Sudbury Ontario P3C 1X3
Canada
Telephone (705) 675-8500
Fax (705) 675-7586

INDEPENDENT AUDITORS' REPORT

To the Members of Sudbury Developmental Services/Services pour handicaps de développement de Sudbury

Opinion

We have audited the financial statements of Sudbury Developmental Services/Services pour handicaps de développement de Sudbury (the Entity), which comprise:

- the statement of financial position as at March 31, 2020
- the statement of operations and changes in net assets (deficiency) for the year then ended
- the statement of cash flows for the year then ended
- and the notes and schedules to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the “financial statements”)

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2020, 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 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 auditors’ report.

We are independent of the Entity 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 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.



Page 2

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.



Page 3

- 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.
- 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada
November 3, 2020

SUDBURY DEVELOPMENTAL SERVICES

SERVICES POUR HANDICAPS DE DEVELOPPEMENT DE SUDBURY

Statement of Financial Position

March 31, 2020, with comparative information for 2019

	2020	2019
Assets		
Current assets:		
Cash (note 5)	\$ 218,449	\$ 46,121
Investments (note 2)	124,452	145,354
Accounts receivable (note 3)	219,045	255,938
Prepayments and supplies	34,954	57,881
	<u>596,900</u>	<u>505,294</u>
Capital assets (note 4)	5,552,254	5,840,055
	<u>\$ 6,149,154</u>	<u>\$ 6,345,349</u>
Liabilities, Deferred Contributions and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 6)	\$ 1,160,556	\$ 1,591,544
Current portion of long-term debt (note 7)	381,894	228,054
	<u>1,542,450</u>	<u>1,819,598</u>
Long-term debt (note 7)	1,330,131	1,761,453
Deferred contributions	91,289	27,049
Deferred capital contributions (note 8)	1,759,147	1,841,320
	<u>4,723,017</u>	<u>5,449,420</u>
Net assets:		
Program - MCCSS	(1,523,738)	(1,362,754)
Restricted	868,794	249,455
Equity in capital assets (note 9)	2,081,081	2,009,228
	<u>1,426,137</u>	<u>895,929</u>
Commitments (note 10)		
Effects of COVID-19 (note 18)		
	<u>\$ 6,149,154</u>	<u>\$ 6,345,349</u>

See accompanying notes to financial statements.

On behalf of the Board:

Chair

Director

SUDBURY DEVELOPMENTAL SERVICES

SERVICES POUR HANDICAPS DE DÉVELOPPEMENT DE SUDBURY

Statement of Operations and Changes in Net Assets (Deficiency)

March 31, 2020, with comparative information for 2019

	MCCSS Program	Restricted	Equity in Capital Assets (note 9)	2020 Total	2019 Total
Revenue:					
Provincial grants	\$ 12,853,569	-	199,800	\$ 13,053,369	\$ 12,558,085
Temporary supports	-	-	-	-	298,597
Program revenue	-	46,451	-	46,451	643,979
Program cost recovery	69,300	324,719	-	394,019	58,545
Residents' contributions	650,802	-	-	650,802	626,550
Investment income (note 11)	-	(14,895)	-	(14,895)	4,461
Other	-	18,502	-	18,502	12,997
Gain on disposal of capital assets	-	-	180,765	180,765	-
Amortization of deferred capital contributions	-	-	106,296	106,296	102,693
	<u>13,573,671</u>	<u>374,777</u>	<u>486,861</u>	<u>14,435,309</u>	<u>14,305,907</u>
Expenses:					
Salaries and personnel-related	12,159,056	-	-	12,159,056	12,272,207
Purchased services and supplies	635,593	124,787	-	760,380	920,629
Occupancy	733,345	-	-	733,345	802,273
Other	1,203	919	-	2,122	75,126
Amortization of capital assets	-	-	250,198	250,198	251,534
	<u>13,529,197</u>	<u>125,706</u>	<u>250,198</u>	<u>13,905,101</u>	<u>14,321,769</u>
Excess (deficiency) of revenue over expenses	44,474	249,071	236,663	530,208	(15,862)
Net assets (deficiency), beginning of year	(1,362,754)	249,455	2,009,228	895,929	911,791
Transfer for capital assets	(205,458)	370,268	(164,810)	-	-
Net assets (deficiency), end of year	<u>\$ (1,523,738)</u>	<u>868,794</u>	<u>2,081,081</u>	<u>\$ 1,426,137</u>	<u>\$ 895,929</u>

See accompanying notes to financial statements.

SUDBURY DEVELOPMENTAL SERVICES

SERVICES POUR HANDICAPS DE DEVELOPPEMENT DE SUDBURY

Statement of Cash Flows

March 31, 2020, with comparative information for 2019

	2020	2019
Cash flows from operating activities:		
Excess (deficiency) of revenue over expenses	\$ 530,208	\$ (15,862)
Adjustments for:		
Amortization of capital assets	250,198	251,534
Amortization of deferred capital contributions	(106,296)	(102,693)
Gain on disposition of capital asset	(180,765)	-
	<u>493,345</u>	<u>132,979</u>
Changes in non-cash working capital:		
Decrease in accounts receivable	36,893	228,841
Decrease (increase) in prepayments and supplies	22,927	(1,322)
Increase (decrease) in deferred contributions	64,240	(518)
Increase (decrease) in accounts payable and accrued liabilities	(430,988)	279,237
	<u>186,417</u>	<u>639,217</u>
Cash flows from financing activities:		
Principal repayment on mortgages payable	(259,810)	(54,937)
Principal repayment on long-term debt	(48,152)	(49,728)
Proceeds of mortgages payable and long-term debt	30,480	1,283,417
Deferred capital contributions received	24,123	264,152
	<u>(253,359)</u>	<u>1,442,904</u>
Cash flows from investing activities		
Purchase of capital assets	(152,291)	(1,704,112)
Proceeds on disposition of capital assets	370,659	-
Decrease in investments	20,902	1,027
	<u>239,270</u>	<u>(1,703,085)</u>
Net increase (decrease) in cash	172,328	379,036
Cash (overdraft), beginning of year	46,121	(332,915)
Cash, end of year	<u>\$ 218,449</u>	<u>\$ 46,121</u>

See accompanying notes to financial statements.

SUDBURY DEVELOPMENTAL SERVICES

SERVICES POUR HANDICAPS DE DÉVELOPPEMENT DE SUDBURY

Notes to Financial Statements

Year ended March 31, 2020

The Sudbury Developmental Services / Services pour handicaps de développement de Sudbury (the "Corporation") which is incorporated without share capital under the laws of Ontario, is a charitable, non-profit Corporation, providing services to developmentally handicapped persons in the Sudbury district.

1. Significant accounting policies:

(a) Basis of presentation:

The accounts are maintained in accordance with the principles of fund accounting representing various activities as follows:

(i) MCCSS:

A wide variety of programs funded by the provincial government.

(ii) Restricted:

All non-program operating activity and certain other projects not funded by the provincial government.

Any donations received which are specifically designated to purchase items for the various programs of the Corporation and a variety of fundraising activities conducted by the Corporation.

(iii) Capital:

Transactions relating to the acquisition, financing, disposal and amortization of capital assets and deferred capital contributions.

(b) Revenue recognition:

The Corporation accounts for contributions, which include donations and government grants, under the deferral method of accounting as follows:

(i) Operating grants are recorded as revenue in the period to which they relate.

(ii) Grants and donations relating to future periods are deferred and recognized in the subsequent period when the related activity occurs.

(iii) Grants approved but not received are accrued.

Unrestricted contributions are recognized as revenue when received or receivable if the amounts can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions are recognized as revenue in the period in which the related expenses are recognized.

Contributions restricted for the purpose of capital assets are deferred and amortized into revenue on the straight-line basis at rates corresponding to those of the related capital assets.

Program revenue, program cost recovery and resident contributions are recognized as revenue over the period the services are provided. Amounts received in advance of the services being provided are deferred and recognized in income as the services are provided.

SUDBURY DEVELOPMENTAL SERVICES

SERVICES POUR HANDICAPS DE DÉVELOPPEMENT DE SUDBURY

Notes to Financial Statements

Year ended March 31, 2020

1. Significant accounting policies (continued):

(c) Capital assets:

Capital assets are recorded at cost. Amortization is provided on the straight-line basis at the following annual rates:

Buildings	2.5%
Parking lots	12.5%
Furniture and equipment	20%
Vehicles	20%
Computer equipment	30%
Fencing	10%

Amortization is taken at 50% of the above rates in the year of acquisition.

(d) Funding adjustments:

Provision is not made for the possible refunds of program operating surpluses until such time that notification of refunds or adjustments is received from the MCCSS.

(e) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Corporation has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred.

(f) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Items subject to such estimates and assumptions include the carrying value of capital assets, payroll accruals and valuation allowances for accounts receivable. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

2. Investments:

	2020		2019	
	Cost	Market Value	Cost	Market Value
Marketable securities	\$ 58,673	124,452	\$ 58,673	145,354

SUDBURY DEVELOPMENTAL SERVICES

SERVICES POUR HANDICAPS DE DÉVELOPPEMENT DE SUDBURY

Notes to Financial Statements

Year ended March 31, 2020

3. Accounts receivable:

	2020	2019
Trade	\$ 127,157	\$ 239,955
HST receivable	53,315	1,436
Other	45,573	24,547
	226,045	265,938
Less allowance for doubtful accounts	(7,000)	(10,000)
	\$ 219,045	\$ 255,938

4. Capital assets:

2020	Cost	Accumulated Amortization	Net Book Value
Land	\$ 782,743	–	782,743
Buildings	6,748,999	2,153,787	4,595,212
Parking lots	174,236	174,236	–
Furniture and equipment	526,021	519,297	6,724
Vehicles	760,664	605,371	155,293
Computer equipment	157,425	154,882	2,543
Leasehold improvements	10,000	10,000	–
Fencing	25,752	16,013	9,739
	\$ 9,185,840	3,633,586	5,552,254

2019	Cost	Accumulated Amortization	Net Book Value
Land	\$ 880,243	–	880,243
Buildings	6,893,877	2,163,138	4,730,739
Parking lots	174,236	174,236	–
Furniture and equipment	526,020	514,614	11,406
Vehicles	732,365	532,656	199,709
Computer equipment	157,425	151,831	5,594
Leasehold improvements	10,000	10,000	–
Fencing	25,752	13,388	12,364
	\$ 9,399,918	3,559,863	5,840,055

5. Line of credit:

The Corporation has an available line of credit of \$500,000 which bears interest at the Banker's prime rate plus 0.25% and is secured by a general security agreement. As of March 31, 2020, the outstanding balance for the line of credit was \$251,630 (2019 - \$40,945).

SUDBURY DEVELOPMENTAL SERVICES

SERVICES POUR HANDICAPS DE DÉVELOPPEMENT DE SUDBURY

Notes to Financial Statements

Year ended March 31, 2020

6. Accounts payable and accrued liabilities:

	2020	2019
Accounts payable	\$ 179,544	\$ 349,683
Accrued vacation pay	541,265	578,344
Payroll related	379,381	354,220
Other accrued liabilities	16,953	99,347
Due to the Ministry of Children, Community and Social Services	43,413	209,950
	<u>\$ 1,160,556</u>	<u>\$ 1,591,544</u>

7. Long-term debt:

Mortgages payable is comprised of the following:

	2020	2019
Royal Bank of Canada:		
Mortgage bearing interest at 3.27%, maturing June 29, 2021 and secured by land and building held in Sudbury, Ontario with a net book value of \$ 436,251	\$ 287,034	\$ 295,627
Mortgage bearing interest at 4.56%, maturing May 1, 2023 and secured by land and building held in Sudbury, Ontario with a net book value of \$ 1,106,911	247,002	294,745
Mortgage bearing interest at 4.79%, maturing July 10, 2027 and secured by land and building held in Sudbury, Ontario with a net book value of \$ 243,802	41,078	100,000
Mortgage bearing interest at 4.79%, maturing October 31, 2023 and secured by land and building held in Sudbury, Ontario with a net book value of \$ 243,802	–	122,910
Bank of Nova Scotia:		
Mortgage bearing interest at 4.71%, maturing January 7, 2024 and secured by lands and buildings held in Sudbury, Ontario with a net book value of \$ 1,131,894	974,845	996,487
	<u>1,549,959</u>	<u>1,809,769</u>
Less current portion of mortgages payable	(353,460)	(180,710)
	<u>\$ 1,196,499</u>	<u>\$ 1,629,059</u>

SUDBURY DEVELOPMENTAL SERVICES

SERVICES POUR HANDICAPS DE DÉVELOPPEMENT DE SUDBURY

Notes to Financial Statements

Year ended March 31, 2020

7. Long-term debt (continued):

Principal repayments on the outstanding mortgages payable are as follows:

2021	\$	353,460
2022		66,523
2023		201,336
2024		31,949
2025 and thereafter		896,691
	\$	1,549,959

Long-term debt is comprised of the following:

	2020	2019
Vehicle loan bearing interest at 4.19%, payable in monthly instalments of \$429 including principal and interest, due December 2025	\$ 21,061	\$ 25,227
Vehicle loan bearing interest at 4.19%, payable in monthly instalments of \$419 including principal and interest, due December 2025	23,038	26,549
Vehicle loan bearing interest at 4.19%, payable in monthly instalments of \$383 including principal and interest, due December 2025	23,085	26,608
Vehicle loan bearing interest at 4.19%, payable in monthly instalments of \$431 including principal and interest, due September 2024	21,148	25,346
Vehicle loan bearing interest at 4.56%, payable in monthly instalments of \$494 including principal and interest, due April 2023	16,977	21,604
Vehicle loan bearing interest at 4.79%, payable in monthly instalments of \$415 including principal and interest, due August 2026	27,291	31,052
Vehicle loan bearing interest at 4.09%, payable in monthly instalments of \$375 including principal and interest, due November 22,2027	29,466	–

SUDBURY DEVELOPMENTAL SERVICES

SERVICES POUR HANDICAPS DE DÉVELOPPEMENT DE SUDBURY

Notes to Financial Statements

Year ended March 31, 2020

7. Long-term debt (continued):

Long-term debt is comprised of the following (continued):

	2020	2019
Vehicle loan bearing interest at 3.80%, payable in monthly instalments of \$280 including principal and interest, due January 2020	\$ –	\$ 2,945
Vehicle loan bearing interest at 3.80%, payable in monthly instalments of \$381 including principal and interest, due January 2020	–	2,930
Vehicle loan bearing interest at 3.80%, payable in monthly instalments of \$307 including principal and interest, due January 2020	–	3,083
Vehicle loan bearing interest at 3.80%, payable in monthly instalments of \$323 including principal and interest, due January 2020	–	3,001
Vehicle loan bearing interest at 3.80%, payable in monthly instalments of \$334 including principal and interest, due January 2020	–	3,183
Vehicle loan bearing interest at 3.80%, payable in monthly instalments of \$315 including principal and interest, due January 2020	–	2,668
Vehicle loan bearing interest at 3.80%, payable in monthly instalments of \$438 including principal and interest, due May 2020	–	5,542
	162,066	179,738
Less current portion of long-term debt	(28,434)	(47,344)
	\$ 133,632	\$ 132,394

The vehicle loans are secured by vehicles with a net book value of \$155,293 as of March 31, 2020.

Principal payments on the outstanding vehicle loans payable for the next five years are as follows:

2021	\$ 28,434
2022	29,696
2023	31,014
2024	46,122
2025 and thereafter	26,800
	\$ 162,066

SUDBURY DEVELOPMENTAL SERVICES

SERVICES POUR HANDICAPS DE DÉVELOPPEMENT DE SUDBURY

Notes to Financial Statements

Year ended March 31, 2020

7. Long-term debt (continued):

The combined principal repayments on the mortgages payable and the vehicle loans are as follows:

2021	\$ 381,894
2022	96,219
2023	232,350
2024	78,071
2025 and thereafter	923,491
	<u>\$ 1,712,025</u>

8. Deferred capital contributions:

Deferred capital contributions represent the unamortized balance of grants received for capital asset acquisitions. Details of the continuity of these funds are as follows:

	2020	2019
Balance, beginning of year	\$ 1,841,320	\$ 1,679,861
Add Facility Renewal	24,123	264,152
Less amounts amortized to revenue	(106,296)	(102,693)
Balance, end of year	<u>\$ 1,759,147</u>	<u>\$ 1,841,320</u>

MCCSS is registered on title on properties they fund.

9. Equity in capital assets:

Equity in capital assets is calculated as follows:

	2020	2019
Capital assets, net	\$ 5,552,254	\$ 5,840,055
Amounts financed by deferred capital contributions	(1,759,147)	(1,841,320)
Long-term debt	(1,712,026)	(1,989,507)
	<u>\$ 2,081,081</u>	<u>\$ 2,009,228</u>

SUDBURY DEVELOPMENTAL SERVICES

SERVICES POUR HANDICAPS DE DÉVELOPPEMENT DE SUDBURY

Notes to Financial Statements

Year ended March 31, 2020

10. Commitments:

The Corporation has entered into operating lease agreements expiring at various dates in connection with a variety of programs for the rental of premises, equipment and vehicles. The total annual minimum lease payments to expiry are as follows:

2021	\$	207,285
2022		209,124
2023		212,190
2024		218,328
2025		224,466
2026		113,766
	\$	1,185,159

11. Investment income:

		2020	2019
Interest and dividend income	\$	6,006	\$ 5,488
Unrealized loss on investments		(20,901)	(1,027)
	\$	(14,895)	\$ 4,461

12. Pension benefits:

Employer contributions paid to the defined contribution pension plan were approximately \$130,130 (2019 - \$119,292).

13. Public sector disclosures act:

For the calendar year December 31, 2019, the Corporation is in compliance with the Public Sector Disclosure Act, 1996 and the Public Sector Salary Disclosures Amendment Act, 2004.

14. Financial risks and concentration of credit risk:

(a) Liquidity risk:

Liquidity risk is the risk that the Corporation will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Corporation manages its liquidity risk by monitoring its operating requirements. The Corporation prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from 2019.

SUDBURY DEVELOPMENTAL SERVICES

SERVICES POUR HANDICAPS DE DÉVELOPPEMENT DE SUDBURY

Notes to Financial Statements

Year ended March 31, 2020

14. Financial risks and concentration of credit risk (continued):

(b) Credit risk:

Credit risk refers to the risk that a counter party may default on its contractual obligations resulting in a financial loss. The Corporation is exposed to credit risk with respect to the accounts receivable. The Corporation assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts.

(c) Interest rate risk:

The Corporation is exposed to interest rate risk on its fixed interest rate financial instruments. Further details about investments are included in note 2 and the long-term debt is included in note 7.

15. Budget data:

The unaudited budget presented in the financial statements is based upon the 2019-20 budget approved by the Board of Directors on October 28, 2019.

16. Comparative information:

Certain comparative information has been reclassified to conform with the financial statement presentation adopted for 2019.

17. Adoption of new accounting policies:

The organization has adopted the following Canadian Not-for-Profit Accounting Standards effective on April 1, 2019:

- Section 4433, to replace Section 4431, Tangible Capital Assets Held by Not-for-Profit Organizations
- Section 4434, to replace Section 4432, intangible Assets Held by Not-for-Profit Organizations
- Section 4441, to replace Section 4440, Collections Held by Not-for-Profit Organizations

The organization has adopted these standards on a prospective basis and will apply to the componentization approach for significant tangible capital assets (and the related amortization) acquired and will comply with revised intangible asset impairment guidelines.

The adoption of these standard did not result in any adjustments to the financial statements as at April 1, 2019.

SUDBURY DEVELOPMENTAL SERVICES

SERVICES POUR HANDICAPS DE DÉVELOPPEMENT DE SUDBURY

Notes to Financial Statements

Year ended March 31, 2020

18. Effects of COVID-19:

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization and has had a significant financial, market and social dislocating impact. At the time of approval of these financial statements, the Organization has experienced the following indicators of financial implications and undertaken the following activities in relation to the COVID-19 pandemic:

- Moved to providing all services by phone or video conferencing
- Mandatory working from home requirements for those able to do so, and put in place measures to limit and control access to the premises by staff

Financial statements are required to be adjusted for events occurring between the date of the financial statements and the date of the auditors' report which provides additional evidence relating to conditions that existed as at year end. There are no adjustments to note as of the audit report date.

SUDBURY DEVELOPMENTAL SERVICES

SERVICES POUR HANDICAPS DE DÉVELOPPEMENT DE SUDBURY

Schedule of Program Revenue and Expenses - MCCSS

March 31, 2020, with comparative information for 2019

	"8847" Residential	"9131" Community Participation Supports	"9250" Children's Community Living	Administration Program	"9130" Respite Care - Adults	"9112" Supported Independent Living	"9110" Intensive Residential Support	2020 Total	2019 Total
Revenue:									
Provincial grants - Operating	\$ 4,127,018	3,371,657	448,741	-	579,803	867,020	3,459,330	\$ 12,853,569	\$ 12,558,085
- Temporary supports	-	-	-	-	-	-	-	-	298,597
Program cost recovery	-	-	-	20,925	-	-	48,375	69,300	37,345
Residents' contributions	559,130	-	23,304	-	-	12,050	56,318	650,802	626,550
Administration	-	-	-	1,135,153	-	-	-	1,135,153	1,064,394
	4,686,148	3,371,657	472,045	1,156,078	579,803	879,070	3,564,023	14,708,824	14,584,971
Expenses:									
Salaries	3,138,540	2,202,959	410,479	754,055	276,792	649,011	2,567,316	9,999,152	9,834,406
Staff - benefits	618,695	446,155	91,840	133,499	40,668	131,967	476,959	1,939,783	2,004,927
- travel	6,745	924	871	863	92	1,120	2,624	13,239	21,734
- training	3,641	830	276	5,241	58	520	948	11,514	27,649
Affirmative action workers	-	28,578	-	-	-	-	-	28,578	27,706
Purchased services	48,168	68,236	1,732	91,610	256	1,344	47,725	259,071	343,945
Supplies	32,432	17,436	3,549	51,720	2,015	3,291	20,888	131,331	136,334
Communication	19,322	7,504	2,727	13,230	407	6,417	8,445	58,052	53,148
Food	111,138	3,605	2,737	162	2,365	153	15,380	135,540	141,515
Rent	13,905	146,608	-	-	-	16,089	55,099	231,701	178,110
Other rentals	1,280	1,059	52	626	350	-	130	3,497	3,540
Utilities and taxes	84,893	53,749	9,308	13,986	10,377	62	12,725	185,100	186,416
Insurance	-	-	-	89,501	-	-	-	89,501	70,846
Repairs and maintenance	61,025	27,944	4,066	1,197	514	1,387	63,365	159,498	111,657
Replacements	2,038	-	-	662	-	-	250	2,950	10,858
Furnishings and equipment	1,613	1,322	-	260	-	754	880	4,829	13,416
Vehicle	23,925	12,393	-	105	269	-	19,577	56,269	53,125
Advertising and promotion	-	-	-	-	-	-	-	-	2,079
Personal needs	40,940	442	6,617	-	-	-	3,600	51,599	48,799
Foster care and babysitting	-	-	-	-	203,867	-	-	203,867	196,932
Other	-	-	-	1,203	-	-	-	1,203	12,465
Administration	444,457	297,030	34,104	-	43,853	80,185	235,524	1,135,153	1,064,393
	4,652,757	3,316,774	568,358	1,157,920	581,883	892,300	3,531,435	14,701,427	14,544,000
Excess (deficiency) of revenue over expenses									
before the undernoted	33,391	54,883	(96,313)	(1,842)	(2,080)	(13,230)	32,588	7,397	40,971
Transfer for capital assets	(68,584)	(86,090)	-	(3,083)	-	(13,740)	(33,961)	(205,458)	(171,551)
Change in vacation accrual	(26,685)	31,207	30,907	4,925	2,080	26,970	(32,327)	37,077	27,983
Excess (deficiency) of revenue over expenses	\$ (61,878)	-	(65,406)	-	-	-	(33,700)	\$ (160,984)	\$ (102,597)

SUDBURY DEVELOPMENTAL SERVICES
SERVICES POUR HANDICAPS DE DÉVELOPPEMENT DE SUDBURY
Residential

Schedule of Program Revenue and Expenses

March 31, 2020, with comparative information for 2019

	Budget 2020 (note 14)	Actual 2020	Actual 2019
Revenue:			
Provincial grants - Operating	\$ 4,127,018	\$ 4,127,018	\$ 4,503,317
Residents' contributions	612,600	559,130	574,114
	<u>4,739,618</u>	<u>4,686,148</u>	<u>5,077,431</u>
Expenses:			
Salaries	3,128,545	3,138,540	3,513,195
Staff - benefits	664,790	618,695	719,373
- travel	8,330	6,745	9,481
- training	9,700	3,641	3,071
Purchased services	50,849	48,168	4,830
Supplies	57,037	32,432	41,412
Communication	16,250	19,322	16,483
Food	121,200	111,138	117,383
Rent	57,670	13,905	15,685
Other rentals	1,400	1,280	520
Utilities and taxes	78,450	84,893	86,694
Repairs and maintenance	34,650	61,025	12,300
Replacements	12,350	2,038	3,886
Furnishings and equipment	8,500	1,613	4,825
Vehicle	43,300	23,925	21,870
Personal needs	21,350	40,940	43,288
Administration	425,247	444,457	438,307
	<u>4,739,618</u>	<u>4,652,757</u>	<u>5,052,603</u>
Excess of revenue over expenses			
before the undernoted	-	33,391	24,828
Transfer for capital assets	-	(68,584)	(70,968)
Change in vacation accrual	-	(26,685)	27,784
Excess (deficiency) of revenue over expenses	\$ -	\$ (61,878)	\$ (18,356)

SUDBURY DEVELOPMENTAL SERVICES
SERVICES POUR HANDICAPS DE DÉVELOPPEMENT DE SUDBURY
Community Participation Supports

Schedule of Program Revenue and Expenses

March 31, 2020, with comparative information for 2019

	Budget 2020 (note 14)	Actual 2020	Actual 2019
Revenue:			
Provincial grants - Operating	\$ 3,371,657	\$ 3,371,657	\$ 3,566,633
Expenses:			
Salaries	2,088,618	2,202,959	2,313,216
Staff - benefits	443,930	446,155	497,219
- travel	5,050	924	2,618
- training	7,725	830	2,088
Affirmative action workers	28,000	28,578	27,706
Purchased services	47,800	68,236	13,584
Supplies	42,214	17,436	8,143
Communication	11,150	7,504	9,345
Food	7,800	3,605	4,114
Rent	168,138	146,608	126,084
Other rentals	2,300	1,059	1,700
Utilities and taxes	47,000	53,749	61,326
Repairs and maintenance	49,200	27,944	71,116
Replacements	3,750	-	3,597
Furnishings and equipment	47,200	1,322	4,483
Vehicle	24,500	12,393	11,505
Personal needs	1,100	442	1,797
Administration	346,182	297,030	363,429
	3,371,657	3,316,774	3,523,070
Excess of revenue over expenses before the undernoted	-	54,883	43,563
Transfer for capital assets	-	(86,090)	(64,664)
Change in vacation accrual	-	31,207	9,300
Excess (deficiency) of revenue over expenses	\$ -	\$ -	\$ (11,801)

SUDBURY DEVELOPMENTAL SERVICES
SERVICES POUR HANDICAPS DE DÉVELOPPEMENT DE SUDBURY
Administration Program

Schedule of Program Revenue and Expenses

March 31, 2020, with comparative information for 2019

	Budget 2020 (note 14)	Actual 2020	Actual 2019
Revenue:			
Program cost recovery	\$ 25,000	\$ 20,925	\$ 37,345
Administration	1,160,439	1,135,153	1,064,394
	<u>1,185,439</u>	<u>1,156,078</u>	<u>1,101,739</u>
Expenses:			
Salaries	788,678	754,055	655,214
Staff - benefits	157,736	133,499	124,466
- travel	-	863	1,242
- training	10,000	5,241	18,826
Purchased services	90,025	91,610	124,307
Supplies	22,000	51,720	63,089
Food	13,000	162	129
Communication	1,500	13,230	11,638
Other rentals	1,500	626	808
Utilities and taxes	13,000	13,986	12,705
Insurance	80,000	89,501	70,846
Repairs and maintenance	5,000	1,197	10,597
Replacements	1,000	662	-
Furnishings and equipment	-	260	2,238
Vehicle	2,000	105	826
Advertising and promotion	-	-	2,079
Other	-	1,203	10,668
	<u>1,185,439</u>	<u>1,157,920</u>	<u>1,109,678</u>
Excess (deficiency) of revenue over expenses before the undernoted	-	(1,842)	(7,939)
Transfer for capital assets	-	(3,083)	(4,015)
Change in vacation accrual	-	4,925	11,954
Excess (deficiency) of revenue over expenses	\$ -	\$ -	\$ -

SUDBURY DEVELOPMENTAL SERVICES

SERVICES POUR HANDICAPS DE DÉVELOPPEMENT DE SUDBURY

Respite Care - Adults

Schedule of Program Revenue and Expenses

March 31, 2020, with comparative information for 2019

	Budget 2020 (note 14)	Actual 2020	Actual 2019
Revenue:			
Provincial grants - Operating	\$ 579,803	\$ 579,803	\$ 510,348
Expenses:			
Salaries	223,511	276,792	217,320
Staff - benefits	27,001	40,668	29,983
- travel	800	92	297
- training	400	58	368
Purchased services	1,750	256	1,018
Supplies	6,150	2,015	4,577
Communication	350	407	336
Food	5,300	2,365	5,114
Other rentals	-	350	512
Utilities and taxes	10,000	10,377	11,523
Repairs and maintenance	1,115	514	348
Replacements	750	-	1,449
Personal needs	500	-	275
Furnishings and equipment	800	-	-
Vehicle	500	269	984
Foster care and babysitting	253,864	203,867	196,932
Administration	47,012	43,853	45,049
	579,803	581,883	516,085
Excess (deficiency) of revenue over expenses before the undernoted	-	(2,080)	(5,737)
Change in vacation accrual	-	2,080	5,737
Excess (deficiency) of revenue over expenses	\$ -	\$ -	\$ -

SUDBURY DEVELOPMENTAL SERVICES

SERVICES POUR HANDICAPS DE DÉVELOPPEMENT DE SUDBURY

Supported Independent Living

Schedule of Program Revenue and Expenses

March 31, 2020, with comparative information for 2019

	Budget 2020 (note 14)	Actual 2020	Actual 2019
Revenue:			
Provincial grants - Operating	\$ 867,020	\$ 867,020	\$ 1,049,131
Residents' contributions	-	12,050	-
	867,020	879,070	1,049,131
Expenses:			
Salaries	657,067	649,011	641,918
Staff - benefits	104,400	131,967	154,263
- travel	630	1,120	3,119
- training	750	520	552
Purchased services	9,999	1,344	132,435
Supplies	6,095	3,291	4,800
Food	2,800	153	383
Communication	-	6,417	6,553
Rent	-	16,089	5,514
Utilities and taxes	-	62	-
Repairs and maintenance	6,500	1,387	13,134
Replacements	1,100	-	441
Furnishings and equipment	500	754	390
Vehicle	2,000	-	12,547
Personal needs	350	-	132
Administration	74,829	80,185	80,173
	867,020	892,300	1,056,354
Deficiency of revenue over expenses before the undernoted	-	(13,230)	(7,223)
Transfer to capital assets	-	(13,740)	
Change in vacation accrual	-	26,970	(17,571)
Excess (deficiency) of revenue over expenses	\$ -	\$ -	\$ (24,794)

SUDBURY DEVELOPMENTAL SERVICES
SERVICES POUR HANDICAPS DE DÉVELOPPEMENT DE SUDBURY
Intensive Residential Support

Schedule of Program Revenue and Expenses

March 31, 2020, with comparative information for 2019

	Budget 2020 (note 14)	Actual 2020	Actual 2019
Revenue:			
Provincial grants - Operating	\$ 3,459,330	\$ 3,459,330	\$ 2,616,395
Residents' contributions	48,375	56,318	11,772
Program cost recovery	61,260	48,375	-
	<u>3,568,965</u>	<u>3,564,023</u>	<u>2,628,167</u>
Expenses:			
Salaries	2,702,292	2,567,316	2,004,868
Staff - benefits	511,512	476,959	358,015
Staff - travel	8,680	2,624	3,125
- training	15,270	948	2,142
Purchased services	5,000	47,725	64,506
Supplies	10,500	20,888	13,848
Communication	7,640	8,445	5,200
Food	19,600	15,380	9,058
Rent	49,580	55,099	19,025
Other rentals	-	130	-
Utilities and taxes	10,000	12,725	14,108
Repairs and maintenance	19,800	63,365	4,162
Replacements	4,185	250	1,278
Furnishings and equipment	1,500	880	1,230
Vehicle	14,000	19,577	4,567
Personal needs	6,500	3,600	3,031
Allocated administration	182,906	235,524	104,781
	<u>3,568,965</u>	<u>3,531,435</u>	<u>2,612,944</u>
Excess of revenue over expenses before undernoted	-	32,588	15,223
Transfer to capital assets	-	(33,961)	(31,904)
Change in vacation accrual	-	(32,327)	(20,968)
Excess (deficiency) of revenue over expenses	\$ -	\$ (33,700)	\$ (37,649)

SUDBURY DEVELOPMENTAL SERVICES
SERVICES POUR HANDICAPS DE DÉVELOPPEMENT DE SUDBURY
Children's Community Living- Group Living Supports

Schedule of Program Revenue and Expenses

March 31, 2020, with comparative information for 2019

	Budget 2020 (note 14)	Actual 2020	Actual 2019
Revenue:			
Provincial grants - Operating	\$ 448,741	\$ 448,741	\$ 312,261
Resident Contributions	24,504	23,304	40,680
	473,245	472,045	352,941
Expenses:			
Salaries	358,062	410,479	241,701
Staff - benefits	49,609	91,840	80,214
- travel	-	871	1,170
- training	800	276	510
Purchased services	3,950	1,732	3,265
Supplies	4,250	3,549	-
Communication	1,500	2,727	2,257
Food	1,600	2,737	4,344
Other rentals	-	52	-
Utilities and taxes	2,700	9,308	-
Repairs and maintenance	1,000	4,066	-
Replacements	1,500	-	207
Furnishings and equipment	1,500	-	250
Vehicle	5,000	-	485
Personal needs	5,500	6,617	1,593
Administration	36,274	34,104	32,654
	473,245	568,358	368,650
Deficiency of revenue over expenses			
before the undernoted	-	(96,313)	(15,709)
Transfer for capital assets	-	-	-
Change in vacation and pay equity accruals	-	30,907	5,728
Excess (deficiency) of revenue over expenses	\$ -	\$ (65,406)	\$ (9,981)

SUDBURY DEVELOPMENTAL SERVICES
SERVICES POUR HANDICAPS DE DÉVELOPPEMENT DE SUDBURY
Temporary Supports

Schedule of Program Revenue and Expenses

March 31, 2020, with comparative information for 2019

	Budget 2020	Actual 2020	Actual 2019
	(note 14)		
Revenue:			
Provincial grants - temporary supports	\$ -	-	298,597
Expenses:			
Salaries	-	-	246,974
Staff - benefits	-	-	41,394
- travel	-	-	682
- training	-	-	92
Supplies	-	-	465
Food	-	-	990
Communication	-	-	1,336
Rent	-	-	11,802
Utilities and taxes	-	-	60
Vehicle	-	-	341
Personal needs	-	-	480
	-	-	304,616
Excess (deficiency) of revenue over expenses before the undernc	-	-	(6,019)
Change in vacation accrual	-	-	6,019
Excess of revenue over expenses	\$ -	-	-