

**SAN ROMANOWAY REVITALIZATION ASSOCIATION
FINANCIAL STATEMENTS
MARCH 31, 2021**

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INDEPENDENT AUDITORS' REPORT

To the Members of San Romanoway Revitalization Association

Opinion

We have audited the accompanying financial statements of San Romanoway Revitalization Association which comprise of the statement of financial position as at March 31, 2021 and the statements of operations, of changes in net assets, and of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2021 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 (ASNFPFO).

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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNFPFO, 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.

INDEPENDENT AUDITOR'S REPORT (continued)

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements (whether due to fraud or error), design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation 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.



Toronto, Canada
June 18, 2021

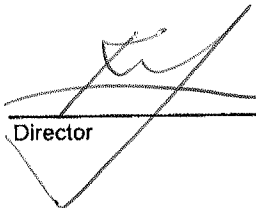
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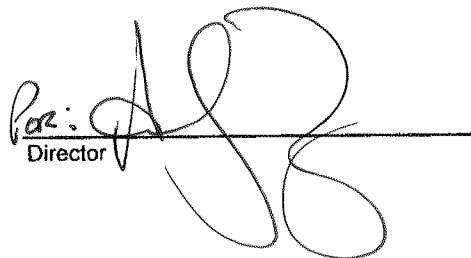
SAN ROMANOWAY REVITALIZATION ASSOCIATION
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2021

	2021	2020
CURRENT ASSETS		
Cash & short term investments	\$ 247,116	\$ 49,715
GST/HST receivable	3,554	6,009
EHT receivable	6,082	6,707
Grant receivable	<u>36,522</u>	<u>-</u>
	293,274	62,431
Capital assets, net (note 2 & 4)	<u>6,903</u>	<u>10,354</u>
	<u>\$ 300,177</u>	<u>\$ 72,786</u>
 CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 6,500	\$ 6,955
CEBA loan payable	40,000	-
Deferred operating grants	<u>-</u>	<u>34,200</u>
	<u>46,500</u>	<u>41,155</u>
 COMPOSITION OF NET ASSETS		
Unrestricted	241,089	16,792
Internally restricted - note 7	5,684	4,484
Invested in capital assets	<u>6,904</u>	<u>10,355</u>
	<u>253,677</u>	<u>31,631</u>
	<u>\$ 300,177</u>	<u>\$ 72,786</u>

APPROVED BY THE BOARD:



 Director



 Director

The accompanying notes form an integral part of these financial statements.

SAN ROMANOWAY REVITALIZATION ASSOCIATION
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2021

	2021	2020
REVENUES		
Operating grants (note 6)	\$ 480,473	\$ 377,802
Government covid-19 wage, rent & loan subsidies	94,065	-
Donations	5,065	39,507
Other income	29,253	62,981
	<u>608,856</u>	<u>480,290</u>
EXPENSES		
Staffing	\$ 255,029	\$ 382,891
Program supplies	84,005	50,504
Occupancy costs	19,117	25,523
Professional fees	9,197	9,949
Office supplies	5,603	6,510
Telephone	5,288	5,320
Insurance	5,120	4,560
Amortization	3,451	3,451
	<u>386,810</u>	<u>488,709</u>
Excess (deficiency) of revenues over expenses	222,046	(8,419)
Net assets - beginning of year	<u>31,631</u>	<u>40,050</u>
Net assets - end of year	<u>\$ 253,677</u>	<u>\$ 31,631</u>

The accompanying notes form an integral part of these financial statements.

SAN ROMANOWAY REVITALIZATION ASSOCIATION
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2021

	Unrestricted Resources	Internally Restricted Resources	Invested In Capital Assets	Total 2021	Total 2020
Balances Beginning of Year	16,792	4,484	10,355	31,631	40,050
Excess (deficiency) revenues over expenses	222,046	-	-	222,046	(8,419)
Transfer from salary reserve to general fund	(1,200)	1,200	-	-	-
Amortization of capital assets	3,451	-	(3,451)	-	-
	<u>3,451</u>	<u>-</u>	<u>(3,451)</u>	<u>-</u>	<u>-</u>
Balances End of Year	<u>\$ 241,089</u>	<u>\$ 5,684</u>	<u>\$ 6,904</u>	<u>\$ 253,676</u>	<u>\$ 31,631</u>

The accompanying notes form an integral part of these financial statements.

SAN ROMANOWAY REVITALIZATION ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2021

	2021	2020
Cash flows from operating activities		
Excess (deficiency) of revenues over expenses	\$ 222,046	\$ (8,419)
Changes in non-cash working capital balances		
Amortization	3,451	3,451
GST/HST receivable	2,455	3,069
Grant receivable	(36,522)	19,280
EHT receivable	626	243
Program advances	-	750
Accounts payable and accruals	(455)	(1,053)
CEBA loan payable	40,000	-
Deferred revenues	<u>(34,200)</u>	<u>1,410</u>
Net cash used in operating activities	<u>197,401</u>	<u>18,731</u>
Cash flows from financing and investing activities		
Purchase of capital assets	<u>-</u>	<u>-</u>
Net cash generated through financing and investing activities	<u>-</u>	<u>-</u>
Net increase (decrease) in cash	197,401	18,731
Cash & short term investments - beginning of the year	<u>49,715</u>	<u>30,984</u>
Cash & short term investments - end of the year	<u>\$ 247,116</u>	<u>\$ 49,715</u>

The accompanying notes form an integral part of these financial statements.

SAN ROMANOWAY REVITALIZATION ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2021

1. Purpose of the corporation

San Romanoway Revitalization Association is a community based organization, the object of which is to develop and foster community spirit, promote organized athletics, arts, recreation, civic emergency social services and other community endeavours, promote adult educational, recreational and athletic facilities and equipment for benefit to the community. The direct focus of the corporation is on crime prevention, health and safety for residents residing in the San Romanoway neighbourhood of Toronto. The corporation is a registered charity incorporated without share capital under the Laws of Ontario on January 23, 2002. Its income is not subject to income taxes.

2. Significant accounting policies

Fund accounting

The corporation operates with three types of restrictions on its resources:

- a. unrestricted resources that can be used for any purposes that are consistent with the objectives of the corporation,
- b. internally restricted resources that can be used only for the purposes specified by the board of directors, and
- c. externally restricted resources that can be used only for the purposes specified by the contributors of the resources and otherwise are refundable to the contributors. The unexpended portions of restricted contributions are recorded as deferred grants.

Revenue recognition

Programs receive program specific grants the use of which is restricted to the specific programs. In order to ensure observance of the limitations and restrictions placed on the resources, the corporation follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

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

Donations materials and services

The value of donated materials and services is not recorded.

Depreciation

The cost of office equipment is being depreciated at 20% per annum using the straight line method.

SAN ROMANOWAY REVITALIZATION ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2021

2. Significant accounting policies (continued)

Management 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 reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

3. Financial instruments

The corporation's financial instruments consist of cash and cash equivalents, HST receivable, sundry assets and accounts payable. The fair values of these financial instruments approximate their carrying values because of their short term maturity dates. In the opinion of management the corporation is not exposed to significant interest rate, currency, or credit risks arising from these financial instruments.

The corporation manages its guaranteed investment certificates according to its cash needs and in such a way as to maximize interest income.

4. Capital assets

Capital assets are comprised as follows:

	Cost	Accumulated Depreciation	Net Book Value
<u>2021</u>			
Equipment	\$ 121,195	\$ 114,291	\$ 6,903
Leasehold improvements	<u>562,367</u>	<u>562,367</u>	-
	<u>\$ 683,562</u>	<u>\$ 676,658</u>	<u>\$ 6,903</u>
<u>2020</u>			
Equipment	\$ 121,195	\$ 110,840	\$ 10,354
Leasehold improvements	<u>562,367</u>	<u>562,367</u>	-
	<u>\$ 683,562</u>	<u>\$ 673,207</u>	<u>\$ 10,354</u>

5. Occupancy lease

The corporation rents office and program space at 10 San Romanoway, Toronto. The current lease has been renewed and extended for a three year term commencing on October 1, 2018 and ending on September 30, 2021. The gross rent for the Extension Term is \$16,200 per annum.

SAN ROMANOWAY REVITALIZATION ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2021

6. Operating grants

Operating grants are comprised as follows:

	2021	2020
Received or accrued during the year		
City of Toronto	\$ 104,820	\$ 83,760
City of Toronto - Covid assistance	69,000	-
York University	13,200	-
Aubrey & Marla Dan Foundation	10,000	-
Ministry of Sport, Recreation and Culture	102,000	102,000
Ministry of Small Business	18,038	-
Jane Finch Comm & Family Ctr	55,235	52,721
HRDC - Summer Student Grant	17,454	21,572
City of Toronto - Investing in Neighborhoods	4,664	19,246
Black Creek CHC	40,000	-
The Barry & Laurie Green Family Charitable Trust	25,000	25,000
Toronto Foundation for Student Success	17,061	19,127
Toronto Star Fresh Air Fund	4,000	4,000
Toronto District School Board	-	50,375
	<u>\$ 480,473</u>	<u>\$ 377,802</u>

7. Internally restricted resources

During the year ended March 31, 2007, the board of directors established a reserve for salaries and benefits to pay up to three months salaries and employer payroll remittances in the event that there are insufficient funds available from current operating revenues. The amount of \$1,200 was to be contributed annually to the reserve from unrestricted resources until the amount required is reached. Reserve funds shall be held in a separate term deposit account.

The reserve is funded by guaranteed investment certificates, maturing monthly throughout the fiscal period. The certificates are classified as a held to maturity financial assets. They are measured at cost.