WoodGreen Community Services

Non-consolidated Financial Statements
March 31, 2021

Independent auditor's report

To the Directors of WoodGreen Community Services

Our opinion

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the financial position of WoodGreen Community Services (the Entity) 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.

What we have audited
The Entity's non-consolidated financial statements comprise:

- the non-consolidated statement of financial position as at March 31, 2021;
- the non-consolidated statement of operations for the year then ended;
- the non-consolidated statement of changes in fund balances for the year then ended;
- the non-consolidated statement of cash flows for the year then ended; and
- the notes to the non-consolidated financial statements, which include significant accounting policies and other explanatory notes.

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 non-consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the non-consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Responsibilities of management and those charged with governance for the non-consolidated financial statements

Management is responsible for the preparation and fair presentation of the non-consolidated 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 non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

PricewaterhouseCoopers LLP
200 Apple Mill Road, Vaughan, Ontario, Canada L4K 0J8
T: +1 905 326 6800, F: +1 905 326 5339

In preparing the non-consolidated 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.

Auditor's responsibilities for the audit of the non-consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated 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 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 non-consolidated 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 non-consolidated 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 auditor's report to the related disclosures in the non-consolidated 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated 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.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Vaughan, Ontario
July 30, 2021

WoodGreen Community Services

Non-consolidated Statement of Financial Position

As at March 31, 2021

	2021 $	2020 $
Assets		
Current assets		
Cash (note 10)	6,643,864	4,509,286
Term deposits (note 10)	12,499,922	41,293
Investments (note 3)	2,049,768	2,029,973
Grants and accounts receivable	5,806,066	2,040,846
Due from WoodGreen Community Housing Inc. (note 8)	465,176	1,109,914
Due from The WoodGreen Foundation (note 8)	-	1,927,222
Prepaid expenses	240,885	218,264
	27,705,681	11,876,798
Capital assets (note 4)	1,909,663	2,100,141
	29,615,344	13,976,939
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 15)	21,197,141	6,485,877
Deferred contributions (note 5)	1,192,517	1,479,379
Deferred contributions – child care program (note 6)	2,465,735	1,579,570
Due to The WoodGreen Foundation (note 8)	163,417	-
Due to WoodGreen Settlement Corporation (note 8)	971,994	1,299,571
	25,990,804	10,844,397
Deferred capital contributions (note 7)	1,294,000	1,354,177
	27,284,804	12,198,574
Fund Balances		
Unrestricted (note 18)	144,453	-
Internally restricted funds (note 2)	2,186,087	1,778,365
	2,330,540	1,778,365
	29,615,344	13,976,939

Commitments (note 11)

Contingent liabilities (note 12)

Subsequent events (note 19)

Approved by the Board of Directors

DocuSigned by: [signature] 196A3C2A7A5F426... Director

DocuSigned by: Rasha El Sissi 3BEFE282D1B7472... Director

The accompanying notes are an integral part of these non-consolidated financial statements.

ANTONELLA CEDDIA 8/4/2021

Rasha El Sissi 8/3/2021

WoodGreen Community Services

Non-consolidated Statement of Operations

For the year ended March 31, 2021

	2021 $	2020 $
Revenue		
Government grants		
Ontario (note 10)	26,030,447	22,808,957
Federal	8,992,051	4,821,907
City of Toronto – Community service partnership grants	435,315	418,030
City of Toronto – Child care (note 9)	3,041,238	2,004,653
City of Toronto – Other	1,194,189	974,593
Fees for service		
City of Toronto	1,665,757	3,441,361
Individuals	2,717,567	6,283,563
United Way and project grants (note 17)	873,724	876,696
Investment income	23,191	105,540
Productive enterprises	179,252	211,383
Fundraising and donations (note 8)	1,406,784	1,645,880
Amortization of deferred capital contributions (note 7)	253,606	243,441
Service contracts and other (note 8)	3,395,758	3,632,902
	50,208,879	47,468,906
Expenses		
Salaries	31,149,923	29,904,736
Employee benefits	5,519,000	5,257,630
Training subsidies	320,742	348,434
Purchase of services	3,699,739	3,240,754
Building occupancy (note 8)	3,577,093	3,554,638
Programs	3,357,062	2,314,739
Food services	638,266	1,002,957
Office supplies	950,167	691,927
Transportation	178,508	406,572
Recruitment and education	143,783	124,255
Promotion and publicity	91,067	61,365
Amortization of capital assets	385,520	359,374
Other	53,556	35,240
	50,064,426	47,302,621
Excess of revenue over expenses for the year	144,453	166,285

The accompanying notes are an integral part of these non-consolidated financial statements.

WoodGreen Community Services

Non-consolidated Statement of Fund Balances

For the year ended March 31, 2021

						2021
		Internally restricted funds				
	Operating Fund $	**Invested in Capital Assets Fund $**	**Minor Capital Reserve Fund $**	**Working capital reserve fund $**	**Equity Account – AIS $**	**Total $**
Fund balances – Beginning of year	-	745,964	300,000	732,401	-	1,778,365
Excess of revenue over expenses for the year	144,453	-	-	-	-	144,453
Acquisition of AIS	-	-	-	-	407,722	407,722
Fund balances – End of year	144,453	745,964	300,000	732,401	407,722	2,330,540

					2020
		Internally restricted funds			
	Operating Fund $	**Invested in Capital Assets Fund $**	**Minor Capital Reserve Fund $**	**Working Capital Reserve Fund $**	**Total $**
Fund balances – Beginning of year	824,055	788,025	-	-	1,612,080
Excess of revenue over expenses for the year	166,285	-	-	-	166,285
Transfer from Invested in Capital Assets	42,061	(42,061)	-	-	-
Transfer to Minor Capital Reserve Fund	(300,000)	-	300,000	-	-
Transfer to Working Capital Reserve Fund	(732,401)	-	-	732,401	-
Fund balances – End of year	-	745,964	300,000	732,401	1,778,365

The accompanying notes are an integral part of these non-consolidated financial statements.

WoodGreen Community Services

Non-consolidated Statement of Cash Flows

For the year ended March 31, 2021

	2021 $	2020 $
Cash provided by (used in)		
Operating activities		
Excess of revenue over expenses for the year	144,453	166,285
Items not involving cash		
Amortization of capital assets	385,520	359,374
Amortization of deferred capital contributions	(253,606)	(243,441)
Acquisition of AIS	23,100	
	299,467	282,218
Changes in non-cash working capital balances related to operations		
Grants and accounts receivable	(3,765,220)	157,784
Due from/to WoodGreen Community Housing Inc.	644,738	203,522
Due from/to The WoodGreen Foundation	2,090,639	(1,504,936)
Prepaid expenses	(22,621)	27,677
Accounts payable and accrued liabilities	14,711,264	1,027,512
Deferred contributions	(286,862)	13,423
Deferred contributions – Child care program	886,166	365,658
Due to WoodGreen Settlement Corporation	(327,577)	231,176
	14,229,994	804,034
Investing activities		
Purchase of capital assets	(195,042)	(280,267)
Purchase of investments	(1,475,768)	(552,703)
Disposal of investments	1,455,973	400,000
Cash receipt – AIS	152,397	
Investment into term deposits	(12,500,000)	-
Proceeds from term deposits	273,596	53,786
	(12,288,844)	(379,184)
Financing activities		
Deferred capital contributions received	193,429	206,395
Change in cash during the year	2,134,578	631,245
Cash – Beginning of year	4,509,286	3,878,041
Cash – End of year	6,643,864	4,509,286

The accompanying notes are an integral part of these non-consolidated financial statements.

1 Nature of organization

WoodGreen Community Services (WCS) delivers services that enhance self-sufficiency, promote well-being and reduce poverty. WCS is incorporated without share capital under the laws of Ontario.

For the year ended March 31, 2021, the outbreak of the novel strain of coronavirus, specifically identified as COVID-19, resulted in governments worldwide enacting emergency measures to combat the spread of the virus. On March 23, 2020, the City of Toronto (the City) declared a state of emergency. Emergency measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally, resulting in an economic slowdown.

During the fiscal year ended March 31, 2021, many services provided by WCS were temporarily halted in compliance with government lockdown orders, resulting in a reduction in revenue and cash flows. WCS has applied for the Canada Emergency Wage Subsidy (CEWS), a financial relief measure supported by the Government of Canada as a result of the economic impact of the COVID-19 pandemic. The CEWS comprises a financial subsidy of eligible earnings for eligible employees, up to a specified monetary threshold as determined by the Government of Canada. During the fiscal year, WCS received $16,867,719 of CEWS funding. Of this amount, $4,000,656 was recognized as government grants – federal on the non-consolidated statement of operations. The remaining amount of $12,867,063 remains in accounts payable, pertaining to amounts unused that may be repayable to the government.

During the fiscal year, the Government of Ontario also introduced a temporary pandemic pay that was aimed at helping frontline staff who are experiencing severe challenges and are at heightened risk during the COVID-19 outbreak. This temporary pandemic pay required employers to pay a temporary top-up based on hourly wages to qualifying employees and the Government of Ontario reimbursed employers with additional funding as a result. During the fiscal year, WCS recognized $267,685 of government assistance related the temporary pandemic pay, which has been recognized as government grants – City of Toronto – child care on the non-consolidated statement of operations.

WCS may be negatively impacted by the timing and/or amount of future grants and contributions from its funders as a result of COVID-19. The duration and impact of the COVID-19 outbreak are unknown at this time. It is not possible to reliably estimate the length and severity of any future developments of COVID-19 and the impact on the financial results and condition of the Corporation in future periods.

2 Summary of significant accounting policies

WCS follows Canadian accounting standards for not-for-profit organizations (ASNPO) (Part III of the Chartered Professional Accountants of Canada Handbook), as issued by the Canadian Accounting Standards Board.

Revenue and expense recognition

WCS follows the deferral method of accounting for contributions. Government grants and fees for service, including productive enterprises, are recorded as revenue in the period to which they relate. For grants approved and services provided, but for which funds were not received at the end of an accounting period, a receivable is accrued and recorded as revenue. Where a contribution has been received and a portion of it relates to a future period or is provided for a specific use, it is deferred as deferred contributions and recognized in the subsequent period or when the related expenses are incurred.

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

Funds

These non-consolidated financial statements include the following funds:

- Unrestricted Fund – the unrestricted fund accounts for general operating and administrative activities. The fund reports unrestricted resources available for immediate purposes.

- Invested in Capital Assets Fund – the invested in capital assets fund includes funds that have been used for the purpose of purchasing capital assets net of accumulated amortization and financial costs.

- Minor Capital Reserve Fund – during the fiscal year ended March 31, 2020, the Board established a new fund to be used for furnishings and equipment expenditures. An allocation of $nil (2020 – $300,000) was approved by the Board during the year.

- Working Capital Reserve Fund – during the fiscal year ended March 31, 2020, the Board established a new fund to meet liquidity demands. An allocation of $nil (2020 – $732,401) was approved by the Board during the year.

Deferred capital contributions

Contributions provided for the purchase of capital assets are deferred and amortized into revenue over the same term and on the same basis as the related capital asset is amortized into expenses.

Investment income

Investment income is accrued as it is earned. Investment income includes interest and dividends.

Financial instruments

Financial instruments are recorded at fair value on initial recognition. Cash and investments are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost.

Transaction costs incurred on the acquisition of financial instruments subsequently measured at fair value are expensed as incurred. All other financial instruments are adjusted by the transaction and financing costs incurred on acquisition, which are amortized on a straight-line basis.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, WCS determines whether there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount WCS expects to realize by exercising its right to any collateral. However, impairment losses previously recognized may be reversed if there is an event that indicates a decrease in the extent of impairment.

Capital assets

Capital assets are carried at cost less accumulated amortization. Amortization is provided on a straight-line basis over their estimated useful lives as follows:

Furniture and fixtures	10 years
Office equipment	8 years
Computer equipment	3 years
Other equipment	8 years
Playground	10 years
Leasehold improvements	3 – 10 years
Household furniture and appliances	5 years
Automotive	4 – 8 years
Building – 721 Broadview Avenue	25 years

Capital assets are tested for impairment when conditions indicate that a capital asset no longer contributes to WCS's ability to provide goods and services, or that the value of future economic benefits or service potential associated with the capital asset is less than its net carrying amount. When conditions indicate that a capital asset is impaired, the net carrying amount of the capital asset is written down to the asset's fair value or replacement cost. The writedowns of capital assets are recognized as expenses in the non-consolidated statement of operations. Writedowns are not subsequently reversed.

Reporting controlled not-for-profit organizations

WCS does not consolidate its controlled not-for-profit organizations but provides disclosures for the controlled organizations on an individual basis.

Income tax status

WCS is registered as a charitable organization under the Income Tax Act (Canada) and as such is exempt from income taxes provided certain requirements of the Income Tax Act (Canada) are met.

Contributed services

A number of volunteers contribute their services to WCS each year. Due to the difficulty of determining the fair value, these contributed services are not recognized or disclosed in the non-consolidated financial statements.

Use of estimates

The preparation of non-consolidated financial statements in accordance with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the non-consolidated financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

3 Investments

Investments can be liquidated in a short-term period and, based on management's intention, classified as short-term. Investments consist of the following:

	2021 $	2020 $
CIBC High Interest Savings Account	575,768	1,329,973
Guaranteed investment certificates in Canadian banks maturing between June 28, 2021 and March 15, 2023 (2020 – between April 2, 2020 and March 15, 2023)	1,474,000	700,000
	2,049,768	2,029,973

4 Capital assets

Capital assets consist of the following:

			2021	2020
	Cost $	Accumulated amortization $	Net $	Net $
Furniture and fixtures	314,774	293,258	21,516	35,468
Office equipment	452,562	370,529	82,033	58,475
Computer equipment	694,386	545,626	148,760	177,987
Other equipment	263,507	243,747	19,760	31,035
Playground	72,526	21,263	51,263	17,718
Leasehold improvements	1,674,319	1,598,147	76,172	133,834
Household furniture and appliances	6,280	6,280	-	-
Automotive	647,664	470,470	177,194	223,628
Building – 721 Broadview Avenue	2,218,275	885,310	1,332,965	1,421,996
	6,344,293	4,434,630	1,909,663	2,100,141

5 Deferred contributions

Deferred contributions primarily represent program funding received for which the related costs have not yet been incurred. The changes in the deferred contributions balance are as follows:

	2021 $	2020 $
Balance – Beginning of year	1,479,379	1,465,956
Amounts recognized as revenue during the year	(1,735,257)	(1,326,031)
Amounts received during the year	1,448,395	1,339,454
Balance – End of year	1,192,517	1,479,379

6 Deferred contributions – child care program

The changes in contributions held for future use in the child care program are as follows:

	2021 $	2020 $
Balance – Beginning of year	1,579,570	1,213,911
Amounts received during the year	9,446,337	10,642,769
Expenditures during the year	(8,560,172)	(10,277,110)
Balance – End of year	2,465,735	1,579,570

7 Deferred capital contributions

The changes in the deferred capital contributions balance are as follows:

	2021 $	2020 $
Balance – Beginning of year	1,354,177	1,391,223
Amortization of deferred capital contributions	(253,606)	(243,441)
Contributions received for capital asset purchases	193,429	206,395
Balance – End of year	1,294,000	1,354,177

8 Controlled organizations

WCS controls WoodGreen Community Housing Inc. (WCHI), WoodGreen Settlement Corporation (WSC) and The WoodGreen Foundation (WF). The corporations are incorporated without share capital and are registered charities under the Income Tax Act (Canada).

WCHI receives financial assistance from the City and develops, owns and manages non-profit housing projects. WCS rents space in some of WCHI's properties to run its programs. During the year, WCS incurred costs of $464,872 (2020 – $350,332) for the rental of premises and for reimbursement of property taxes paid by WCHI during the year on WCS's behalf, which are included in building occupancy expenses. WCS earned $2,377,382

(2020 – $1,824,328), net of reimbursed expenses, for services provided to WCHI comprising salaries, employee benefits and administrative services, which are included in service contracts and other revenue. WCS was reimbursed for operating expenses of $681,473 (2020 – $397,791) paid on WCHI's behalf. The amount due from WCHI at year-end of $465,176 (2020 – due from WCHI of $1,109,914) relates to these transactions. WCS also earned $43,034 (2020 – $47,691) in tenant rents, which were collected by WCHI, and transferred to WCS, and is included in fees for services – individuals.

WSC holds legal title to the land and buildings at 835 Queen Street East, 249 Cosburn Avenue, 1491 Danforth Avenue and 251 Cosburn Avenue, which are leased to WCS to carry out some of its programs. During the year, WCS paid $943,592 (2020 – $941,964) to WSC for building rental costs, operating expenses and for principal and interest payments made by WSC on WSC's long-term debt, which are included in building occupancy expenses. The amount due to WSC at year-end of $971,994 (2020 – $1,299,571) relates to these transactions.

WF raises funds to provide financial support to WCS and its related organizations. During the year, WF donated $1,264,735 (2020 – $1,645,880) to WCS, which is included in fundraising and donation revenue, and WF reimbursed WCS $166,597 (2020 – $369,511) for expenses paid by WCS on its behalf. The amount due to WF of $163,417 (2020 – due from WF of $1,927,222) relates to these transactions.

The above-noted transactions are in the normal course of business and are recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Amounts due to/from related parties are unsecured, non-interest bearing and are payable on demand.

Financial summaries of WCHI, WSC and WF as at March 31, 2021 and 2020 and for the years then ended are provided below.

All the organizations prepare financial statements in accordance with ASNPO, except for WCHI. The financial statements of WCHI have been prepared on a disclosed basis of accounting, which comprises the following departures from ASNPO:

i) Amortization is not provided on housing projects over the estimated useful lives of these assets but rather at a rate equal to the annual principal reduction of the mortgage plus the amount of deferred capital contributions amortized during the year.

ii) Additions to capital assets after the initial construction of the housing project completed are charged against the Capital Reserve Fund rather than being capitalized on the non-consolidated statement of financial position, except for additions to capital assets, which were funded under the Social Housing Renovation and Retrofit Program, the Homelessness Partnership Initiative or the Housing Stabilization and Support Fund, where the additions to capital assets are capitalized and the funding is recorded as deferred capital contributions.

iii) A reserve for future capital expenditures is appropriated annually to the Capital Reserve Fund and is shown as an expense.

WoodGreen Community Housing Inc.

Financial position

	2021 $	2020 $
	(in thousands of dollars)	
Assets		
Capital assets – net	59,072	51,875
Other	13,682	13,912
	72,754	65,787
Liabilities		
Mortgages and loan payable	39,885	35,718
Other liabilities	19,625	17,532
	59,510	53,250
Fund Balances		
Externally restricted	6,621	7,607
Unrestricted	2,454	2,338
Internally restricted	4,169	2,592
	72,754	65,787

Included in capital assets is a property, 444 Logan Avenue (the property), which is to be re-conveyed to the City on the maturity of the mortgage. The mortgage matured on July 1, 2017, thereby invoking the re-conveyance obligation. On June 29, 2017, the City and WCHI entered into an extension agreement, whereby the City agreed to extend the date for re-conveyance of the property to July 1, 2018. On July 28, 2020, the City agreed to extend the date for re-conveyance of the property to July 1, 2022. The net book value of the property as at March 31, 2021 was $1,494,762 (2020 – $1,494,762).

Results of operations

	2021 $	2020 $
	(in thousands of dollars)	
Revenue		
City of Toronto	6,874	6,129
Other	6,176	5,076
	13,050	11,205
Expenses		
Interest	1,708	1,801
Other	11,226	8,991
	12,934	10,792
Excess of revenue over expenses for the year	116	413

Cash flows

	2021 $	2020 $
	(in thousands of dollars)	
Operating activities	1,241	3,283
Investing activities	(7,733)	(3,404)
Financing activities	4,428	3,104
Change in cash during the year	(2,064)	2,983
Cash – Beginning of year	4,295	1,312
Cash – End of year	2,231	4,295

WoodGreen Settlement Corporation

Financial position

	2021 $	2020 $
	(in thousands of dollars)	
Assets		
Cash	3,265	2,118
Capital assets – net	4,856	5,017
Other	6,693	7,119
	14,814	14,254
Liabilities	1,505	1,709
Fund Balances		
Internally restricted	13,309	12,545
	14,814	14,254

Results of operations

	2021 $	2020 $
	(in thousands of dollars)	
Revenue	1,068	1,157
Expenses	304	286
Excess of revenue over expenses for the year	764	871

Cash flows

	2021 $	2020 $
	(in thousands of dollars)	
Operating activities	1,239	720
Investing activities	35	1,143
Financing activities	(127)	148
Change in cash during the year	1,147	2,011
Cash – Beginning of year	2,118	107
Cash – End of year	3,265	2,118

The WoodGreen Foundation

Financial position

	2021 $	2020 $
	(in thousands of dollars)	
Assets		
Cash	2,560	3,484
Other	7,077	5,895
	9,637	9,379
Liabilities		
Other liabilities	66	2,036
Fund Balances		
Restricted	8,140	6,630
Unrestricted	1,431	713
	9,637	9,379

Results of operations

	2021 $	2020 $
	(in thousands of dollars)	
Revenue	3,173	2,593
Expenses	284	612
	2,889	1,981
Change in fair value of investments	541	(99)
Donations to WoodGreen Community Housing Inc.	-	(79)
Donations to WoodGreen Community Services	(1,265)	(1,645)
Acquisition of AIS	63	-
Excess of revenue over expenses for the year	2,228	158

Cash flows

	2021 $	2020 $
	(in thousands of dollars)	
Operating activities	(496)	1,640
Investing activities	(428)	440
Change in cash during the year	(924)	2,080
Cash – Beginning of year	3,484	1,404
Cash – End of year	2,560	3,484

9 City of Toronto child care grants

Grants from the City for the child care program consist of the following:

	2021			2020
	Provincial wage enhancement **$**	**General operating grant** **$**	**Total** **$**	**Total** **$**
Received in the year	280,026	1,357,753	1,637,779	1,876,314
Wage subsidies expensed in the year	(280,026)	(1,357,753)	(1,637,779)	(1,876,314)
Wage subsidies deferred to future years	-	-	-	-

	2021 $	2020 $
Wage subsidies expensed in the year	1,637,779	1,876,314
Special needs resourcing	98,066	97,032
Health and Safety	43,600	31,307
Safe Re-Start Funding	673,865	-
One time Stability Funding	587,928	-
Total City of Toronto – child care grants	3,041,238	2,004,653

10 Mental health homelessness program

Revenue in the non-consolidated statement of operations includes the following amounts pertaining to the Mental Health Homelessness Initiative Rent Supplements Program funded by the Ontario Ministry of Health and Long-Term Care:

	2021 $	2020 $
Tenant rents	47,199	43,978
Ontario government grants	71,762	47,270

Included in cash is an amount of $59,000 (2020 – 55,400) that is held as a reserve for the mental health homelessness program.

11 Lease commitments

The following are the future minimum annual lease payments under operating leases:

	$
2022	2,135,788
2023	2,159,718
2024	2,180,734
Thereafter	3,935,729
	10,411,969

Future minimum lease payments include commitments entered into with related parties (note 8).

12 Contingent liabilities

WCS has provided a guarantee to secure a loan owed by WSC, which was advanced in fiscal 2005 to finance capital costs of the Debbie Yeung Child Care Centre. The loan is also secured by a general security agreement provided by WSC. The loan has a 20-year amortization. The principal and interest payments on this loan are being paid by WSC and WSC is recovering the cost of these payments from WCS. The outstanding balance of the loan as at March 31, 2021 was $98,986 (2020 – $126,463).

WCS has provided a guarantee to secure a loan owed by WSC, which was advanced in fiscal 2009 to finance the capital costs of 1491 Danforth Avenue. The loan is also secured by a general security agreement provided by WSC. The loan has a 15-year amortization. The outstanding balance of the loan as at March 31, 2021 was $216,666 (2020 – $316,666).

In the normal course of operations, various claims are brought against WCS. WCS contests the validity of these claims as appropriate and management believes any settlement amount required will not have a material effect on the results and financial position of WCS.

13 Financial instruments

The main risks to which WCS's instruments are exposed are interest rate risk, credit risk and market risk. It is management's opinion that WCS is not exposed to significant liquidity, currency and other price risks.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the value of term deposits and investments held by WCS. However, there is limited exposure to interest rate risk due to their short-term maturities, fixed interest rates and lower risk investments.

Credit risk

Credit risk is the risk one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. WCS is exposed to credit risk primarily through its investments with various financial institutions and grants and accounts receivable. Management considers the credit risk to be low as WCS only places its investments with reputable and financially stable organizations. The risk is considered to be low as the receivables are either based on contractual agreements or are with various levels of government. WCS closely monitors the levels of other receivables.

Market risk

Market risk arises from the possibility that changes in market prices will affect the value of the financial instruments of WCS. WCS manages the risk by investing in savings accounts and guaranteed investment certificates.

14 Economic dependence

WCS relies on funding from the federal, provincial and municipal governments.

15 Government remittances

Government remittances consist of amounts, such as property taxes, harmonized sales taxes, health taxes, workers' safety insurance premiums and payroll taxes, required to be paid to government authorities and are recognized when the amounts come due. In respect of government remittances, $79,690 (2020 – $109,185) is included in accounts payable and accrued liabilities.

16 Pension plans

WCS has a registered retirement savings plan (RRSP) agreement with selected employees. WCS will contribute to an employee's RRSP at a range of 3% to 6% of their earnings (employee's portion is fixed at 3%) based on the length of time the employee has been employed by WCS. During the year, WCS made required contributions under this plan of $836,374 (2020 – $803,745).

17 United Way grant for the CEE Centre for Young Black Professionals (CEE)

During the year, $226,491 (2020 – $348,865) was received from the United Way of Toronto and York Region and other foundations on behalf of CEE. The full amount was disbursed to CEE and has been netted against the amount received.

18 Accommodation Information and Support Inc.

During the fiscal year ended March 31, 2020, WCS and AIS signed a memorandum of understanding, in furtherance of their respective missions, to integrate their operations and continue serving their clients by way of an asset transfer agreement (ATA), effective as of April 1, 2020. Consideration given to AIS was $nil on the transfer. As a result of the transaction WCS acquired the following:

	$
Cash	152,397
Grants and accounts receivable	72,338
Prepaid expenses	21,932
Accounts payable and accrued liabilities	71,170

19 Subsequent events

In May 2021, WCS announced that it would be signing a voluntary integration agreement with JobStart, in furtherance of their respective missions, to integrate their operations and continue serving their clients by way of an asset transfer agreement (ATA) effective July 1, 2021. The impact of the ATA is considered to be a non-adjusting event as at the non-consolidated statement of financial position date and, accordingly, WCS has not reflected these subsequent conditions in the measurements of its assets as at March 31, 2021.