Grant Thornton

Financial Statements

Society of Saint Vincent de Paul

Toronto Central Council

March 31, 2021

Contents

Independent Auditor's Report

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To the Members of
Society of Saint Vincent de Paul Toronto Central Council

Opinion

We have audited the financial statements of Society of Saint Vincent de Paul Toronto Central Council (the "Society"), which comprise the statement of financial position as at March 31, 2021, and the statements of revenue and expenses, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with the financial reporting requirements of the specified users described in Note 2.

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 Society 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.

Emphasis of Matter – Basis of Accounting and Restriction on Use

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Society in complying with the financial reporting provisions of the agreement referred to above. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the members of the Society and the specified users as described in Note 2 of the financial statements and should not be used by parties other than those parties. Our opinion is not modified in respect of this matter.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary information included in the Schedule are presented for purposes of additional information and has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion in the audit of the financial statements taken as a whole.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting requirements of the specified users described in Note 2, 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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

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 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 Society'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 Society'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 Society 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.

Grant Thornton LLP

Toronto, Canada
June 29, 2021

Chartered Professional Accountants
Licensed Public Accountants

Society of Saint Vincent de Paul Toronto Central Council
Statement of Revenue and Expenses

Year ended March 31	**2021**	2020
Revenue		
Grants		
City of Toronto	**$ 2,857,238**	$ 3,133,977
Ministry of Children, Community and Social Services	**1,927,852**	1,846,775
Toronto Central Local Health Integration Network	**453,712**	437,290
Mental Health Program Services of Metropolitan Toronto	**314,808**	276,809
Donations and bequests		
Donations from other charities	**431,107**	656,738
Donations	**195,762**	155,970
Bequests	**176,120**	428,769
Rental income	**511,989**	573,986
Store sales	**325,825**	565,417
Particular Council contributions	**290,800**	340,841
Resident contributions	**232,538**	227,608
Amortization of deferred capital contributions (Note 7)	**172,664**	159,003
Interest income	**92,300**	66,305
Canada Emergency Wage Subsidy ("CEWS")	**41,291**	-
Other grants	**-**	33,000
Other	**-**	5,196
	8,024,006	8,907,684
Expenses (Note 8)		
Salaries and benefits (Note 10)	**5,718,891**	5,604,172
Rent, utilities, taxes	**495,207**	521,693
Maintenance and supplies	**460,363**	450,010
Amortization	**402,839**	391,610
Food	**254,790**	420,154
Insurance	**147,344**	119,398
Donations restricted to Conferences and Particular Councils	**109,557**	-
Administrative	**73,538**	72,280
Professional fees	**73,482**	69,863
Telephone	**58,980**	63,185
Resident and program supplies	**53,382**	108,173
Automobile costs	**44,825**	60,676
Contributions to Councils	**19,250**	91,506
Bank and other charges	**11,116**	9,549
Other	**11,076**	9,515
Staff travel and training	**8,025**	17,580
Mortgage interest	**7,130**	22,132
Client transportation	**2,171**	147,208
Inventory write-down	**-**	944
	7,951,966	8,179,648
Excess of revenue over expenses	**$ 72,040**	$ 728,036

Society of Saint Vincent de Paul Toronto Central Council
Statement of Financial Position

As at March 31	2021	2020
Assets		
Current		
Cash	**$ 248,468**	$ 462,539
Short-term investments (Note 3)	**3,459,301**	1,913,652
Grants and accounts receivable	**137,360**	244,666
Inventory	**34,990**	31,715
Prepaid expenses	**115,732**	102,268
	3,995,851	2,754,840
Investments (Note 3)	**394,147**	761,728
Capital assets (Note 4)	**10,583,442**	10,884,839
	$ 14,973,440	$ 14,401,407
Liabilities		
Current		
Accounts payable and accrued liabilities	**$ 1,017,219**	$ 362,779
Deferred revenue	**87,078**	75,179
Demand loans (Note 5)	**450,000**	450,000
Mortgages payable (Note 6)	**96,058**	52,017
	1,650,355	939,975
Mortgages payable (Note 6)	**154,335**	250,392
Deferred capital contributions (Note 7)	**2,938,462**	3,056,014
	4,743,152	4,246,381
Net assets		
Invested in capital assets	**6,944,587**	7,076,416
Internally restricted (Note 3)	**1,394,690**	1,280,517
Externally restricted (Note 3)	**228,534**	225,312
Unrestricted	**1,662,477**	1,572,781
	10,230,288	10,155,026
	$ 14,973,440	$ 14,401,407

Contingent liabilities (Note 9)

On behalf of the Board of Directors

Gary Valcour
Chair

John Sidle
Treasurer

See accompanying notes and schedule to the financial statements.

Society of Saint Vincent de Paul Toronto Central Council
Statement of Changes in Net Assets
Year ended March 31

	Invested in capital assets	Internally restricted (Note 3)	Externally restricted (Note 3)	Unrestricted	**2021**	2020
Balance, beginning of year	$ 7,076,416	$ 1,280,517	$ 225,312	$ 1,572,781	**$ 10,155,026**	$ 9,423,768
Excess of revenue over expenses	-	-	-	72,040	**72,040**	728,036
Amortization of capital assets net of amortization of deferred capital contributions	(230,175)	-	-	230,175	**-**	-
Increase in replacement reserve	-	-	3,222	-	**3,222**	3,222
Invested in capital assets	98,346	114,173	-	(212,519)	**-**	-
	$ 6,944,587	$ 1,394,690	$ 228,534	$ 1,662,477	**$ 10,230,288**	$ 10,155,026

See accompanying notes and schedule to the financial statements.

Society of Saint Vincent de Paul Toronto Central Council
Statement of Cash Flows

Year ended March 31	2021	2020
Increase (decrease) in cash		
Operating		
Excess of revenue over expenses	**$ 72,040**	$ 728,036
Add items not involving cash		
Amortization of capital assets	**402,839**	391,610
Amortization of deferred capital contributions	**(172,664)**	(159,003)
	302,215	960,643
Change in non-cash working capital items		
Grants and accounts receivable	**107,306**	(68,796)
Inventory	**(3,275)**	(18,138)
Prepaid expenses	**(13,464)**	15,247
Accounts payable and accrued liabilities	**654,440**	13,154
Deferred revenue	**11,899**	57,679
	1,059,121	959,789
Financing		
Increase in replacement reserve	**3,222**	3,222
Deferred capital contributions received	**55,112**	232,463
Repayments of mortgage principal	**(52,016)**	(237,084)
	6,318	(1,399)
Investing		
(Purchase) disposal of investments (net)	**(1,178,068)**	40,138
Purchase of capital assets	**(101,442)**	(603,151)
	(1,279,510)	(563,013)
(Decrease) increase in cash	**(214,071)**	395,377
Cash		
Beginning of year	**462,539**	67,162
End of year	**$ 248,468**	$ 462,539

See accompanying notes and schedule to the financial statements.

1. Nature of organization

The Society of Saint Vincent de Paul Toronto Central Council (the “Society”) is a Catholic lay organization incorporated under the laws of Ontario and is a registered charity with the Canada Revenue Agency, and thus not subject to income taxes. The Society’s mission is to live the Gospel message by serving Christ through our neighbours in need with love, respect, justice and joy.

Toronto Central Council is the coordinating body for all parish conferences and particular Councils in the Greater Toronto Area and in turn is affiliated with the Provincial, National and International Councils. Toronto Central Council operates a number of special works, programs and services funded by various ministries offering emergency and long-term assistance to persons in need.

2. Summary of significant accounting policies

Basis of accounting

The Society complies with Canadian accounting standards for not-for-profit organizations with the following exceptions for projects funded by the Ministry of Children, Community and Social Services (MCCSS):

(a) Land, building and furniture and fixture costs purchased with mortgage funds are amortized in an amount equal to the principal repaid on the related mortgage.

Amortization is not based on the estimated useful lives of the related assets;

(b) A reserve for future capital replacement, identified as replacement reserve, is appropriated from operations; and

(c) Housing capital expenditures and investment income may be charged or credited directly to the replacement reserve rather than operations.

The specified users of these financial statements are as follows:

- MCCSS
- Toronto Central Local Health Integration Network
- City of Toronto
- Canada Mortgage and Housing Corporation

Fund balances

Unrestricted fund

The Unrestricted fund accounts for the Society’s normal operations. This fund reports unrestricted resources in excess of operating requirements.

Invested in capital assets reports the assets, liabilities, revenue and expenses related to capital assets.

2. Summary of significant accounting policies (continued)

Fund balances (continued)

Internally restricted funds

The Society's Board of Directors (the “Board”) have created six internally restricted funds by transfer from the Unrestricted fund.

(i) Internally restricted fund for future cash flows

This fund is to be used for future debt retirement, capital investments or operating cash flow purposes as approved by the Board. The Board has approved the maintenance of a reserve of approximately one month's operating budget.

(ii) Internally restricted fund for the Durham store

This fund is to be used for future major capital replacement and improvements to the Durham Store (15 Albert Street, Oshawa).

(iii) Internally restricted fund for capital budget

The Board established this fund for specific budgeted capital projects. In each year, funds are used for capital purchases and projects as previously approved by the Board and funds are derestricted if the planned purchase or project does not occur or was under budget.

(iv) Internally restricted fund for conference assistance

In fiscal 2014, due to the continuing economic difficulties, the Board restricted $75,000 from the unrestricted fund for conferences that require financial assistance.

(v) Internally restricted for systemic changes

This fund is to be used to support individuals who may benefit from additional support such as education, employment or housing assistance.

Externally restricted funds

(i) Marygrove Camp

The Society is required to restrict the surplus from Marygrove Camp operations. These funds and any specified fundraising for Marygrove Camp is to be used for the purpose of continuing to develop the camp.

(ii) Replacement reserve

This fund is an appropriation annually from operations for DePaul and Vincent Houses as approved by the MCCSS.

2. Summary of significant accounting policies (continued)

Revenue recognition

The Society follows the deferral method of accounting for contributions. Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Revenue received for the purchase of capital assets is deferred and amortized over the useful lives of the related capital assets so that revenue recognition corresponds with the related amortization expense.

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.

Store sale revenue is recognized at the point of sale to the consumer.

Rental income, resident contributions, particular council contributions and interest income are recognized as earned.

CEWS relates to government assistance and is recognized in the statement of revenue and expenses when received or receivable in the year to which it relates.

In-kind contributions and donated goods and services

In-kind contributions for assets normally purchased by the Society are recorded at their fair market value.

The work of the Society benefits from the voluntary services and the donation of used goods by many individuals. Since these used goods and services are not normally purchased by the Society and because of the difficulty of determining their fair value, donated used goods and services are not recognized in these financial statements.

Financial instruments

The Society considers any contract creating a financial asset, liability, or equity instrument as a financial instrument. The Society accounts for the following as financial instruments:

- cash
- short-term investments
- grants and accounts receivable
- investments
- accounts payable
- demand loans
- mortgages payable

The Society initially measures its financial assets and financial liabilities at fair value. The Society subsequently measures all its financial assets and financial liabilities at amortized cost, except for short-term investments and investments in equities which are measured at fair value. Changes in fair value are recognized in the statement of revenue and expenses.

2. Summary of significant accounting policies (continued)

Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis.

Capital assets

Capital assets are recorded at cost net of accumulated amortization.

Amortization is calculated at the following annual rates:

Buildings	5% declining balance
Leasehold improvements	5% declining balance
Computers and software	30% declining balance
Furniture and fixtures	20% declining balance
Vehicles	30% declining balance

Capital assets are tested for impairment when events or changes in circumstances indicate that an asset might be impaired. The assets are tested for impairment by comparing the net carrying value to its fair value or replacement cost. If the asset's fair value or replacement cost is determined to be less than its net carrying value, the resulting impairment is reported in the statement of revenue and expenditures. Any impairment recognized is not reversed.

Use of estimates

Management reviews the carrying amounts of items in the financial statements at each statement of financial position date to assess the need for revision or the recognition of any possibility of impairment.

Certain items in the preparation of these financial statements require management's best estimate. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action. These estimates are reviewed periodically and adjustments are made to the excess of revenue over expenses in the year they become known.

Employee pension plan

The Society has established a company sponsored, compulsory, defined contribution registered pension plan for its eligible employees. Under the plan, the Society contributes 7% of each eligible employee's annual pay to the plan. The Society has no ongoing commitment under the plan other than the annual contributions per employee.

Allocation of expenses

The Society allocates certain of its general support expenses to MCCSS funded homes Martineau House, DePaul House and Vincent House. These general support expenses include a portion of the Central Council's head office salaries, benefits and administrative costs.

This allocation is based upon an estimate of the labour time spent on the program and usage of materials and is limited to a maximum of 10% of approved funder costs. This method is applied consistently each year.

3. Investments

Short-term investments consist of the following:

	2021	2020
Money market fund	$ 1,667,105	$ 991,653
Guaranteed investment certificates	1,066,618	896,134
PIMCO short-maturity fund	699,713	-
Annuity, remaining guaranteed term: 12 years, 9 months	25,865	25,865
	$ 3,459,301	$ 1,913,652

Investments consist of the following:

	2021	2020
Guaranteed investment certificates	$ 100,000	$ 315,151
Equities	110,839	253,996
Annuity, remaining guaranteed term: 12 years, 9 months	183,308	192,581
	394,147	761,728
	$ 3,853,448	$ 2,675,380

Guaranteed investment certificates mature between August 2021 and August 2022 and earn interest at rates between 0.55% and 2.24%.

Total investments are allocated as follows:

	2021	2020
Unrestricted	$ 1,679,356	$ 669,747
Deferred capital contributions (Note 7)		
Camp Ozanam	422,868	417,756
St. Francis Residence	52,500	56,548
Ozanam House	25,500	25,500
Mary's Home	25,000	-
Elisa House	25,000	-
	550,868	499,804
Internally restricted (Note 2)		
Future cash flows	$ 700,000	$ 700,000
Capital budget	574,600	459,000
Conference assistance	81,000	81,000
Durham store	23,090	24,517
Systemic change	16,000	16,000
	1,394,690	1,280,517
Externally restricted (Note 2)		
Replacement reserve	117,007	113,785
Marygrove Camp development	111,527	111,527
	228,534	225,312
	$ 3,853,448	$ 2,675,380

3. Investments (continued)

Included in investments is $550,868 (2020 - $499,804) of donations received for the purchase of capital assets related to Camp Ozanam, St. Francis Residence, Ozanam House, Mary's Home and Elisa House. These monies are subject to externally imposed restrictions and are not available for general use. These amounts are included in deferred capital contributions (Note 7) and will be recognized in revenue over the life of the related asset when spent.

4. Capital assets

	Cost	Accumulated Amortization	**2021 Net Book Value**	2020 Net Book Value
Land, buildings and furniture and fixtures (MCCSS funded)	$ 999,783	$ 800,490	**$ 199,293**	$ 251,308
Land	4,810,053	-	**4,810,053**	4,810,053
Buildings	7,557,126	2,971,473	**4,585,653**	4,741,277
Leasehold improvements	1,844,133	1,095,672	**748,461**	783,720
Computers and software	166,366	161,765	**4,601**	1,114
Furniture and fixtures	1,577,982	1,420,104	**157,878**	186,648
Vehicles	583,246	505,743	**77,503**	110,719
	$ 17,538,689	$ 6,955,247	**$ 10,583,442**	$ 10,884,839

Included in the cost balance of buildings and leasehold improvements are assets of $3,761 (2020 - $Nil) and $3,927 (2020 - $Nil), respectively, which are not yet in use, and as such, are not being amortized.

The Society and MCCSS entered into an agreement regarding Martineau House (102 Ascolda Boulevard) where the Society is required to distribute any proceeds received on a sale to the MCCSS in proportion to its share of the approved costs paid on acquisition and renovation.

5. Demand loans

In fiscal 2017, the Society received two loans totalling $450,000 from the Catholic Charities of the Archdiocese of Toronto ($250,000) and Roman Catholic Episcopal Corporation for the Diocese of Toronto ($200,000). The proceeds of these loans were to assist with the purchase of Camp Ozanam. The loans are non-interest bearing, secured by the land at 3665 Eagle Lake Road to the value of the loans, and due on demand, particularly should the Society cease to operate Camp Ozanam. As of April 1, 2041, the loans will be forgiven.

6. Mortgages payable

Details of the mortgages are as follows:

	2021	2020
(a) First mortgage, Vincent House (12 Adams Drive): Interest at 1.397% per annum, compounded semi-annually, monthly principal and interest payment of $2,680 maturing maturing July 1, 2025. (Scotiabank)	**$ 132,640**	$ 162,471
(b) First mortgage, DePaul House (14 Haileybury Drive): Interest at 2.195% per annum, compounded semi-annually, monthly principal and interest payment of $2,199 maturing January 1, 2022. (Scotiabank)	**65,553**	87,738
(c) First mortgage, 240-242 Church Street: Interest at 6% per annum, monthly interest payments only, renewal at the option of the Society every 5 years, unless in default, maturing June 21, 2024. (Archdiocese of Toronto)	**52,200**	52,200
	250,393	302,409
Current portion	**96,058**	52,017
	$ 154,335	$ 250,392

The estimated principal portion of the mortgages due for the next five years is:

2022	$ 96,058
2023	30,933
2024	83,569
2025	31,810
2026	8,023
	$ 250,393

7. Deferred capital contributions

Deferred capital contributions are derived as follows:

	2021	2020
Balance, beginning of the year	**$ 3,056,014**	$ 2,982,554
Deferred capital contributions received	**55,112**	232,463
Amortization of deferred capital contributions	**(172,664)**	(159,003)
Balance, end of the year	**$ 2,938,462**	$ 3,056,014

8. Allocation of expenses

General support expenses have been allocated as follows:

	2021	2020
Martineau House	**$ 39,552**	$ 39,552
DePaul House	**33,132**	33,132
Vincent House	**33,132**	33,132
	$ 105,816	$ 105,816

9. Contingent liabilities

The following contingencies exist with respect to funding received from various granting agencies:

(a) Ministry of Children, Community and Social Services Grant - Vincent House

The Society and MCCSS entered into an agreement regarding a renovation at Vincent House (12 Adams Drive) in fiscal 2015 where MCCSS has the option to transfer or force the sale of the premises and net proceeds of the sale of the premises are to be distributed to the Society and to MCCSS in accordance with the proportionate share of the parties. The agreement will continue to be in effect until superseded or replaced by a subsequent agreement or the premises are disposed of.

(b) Federal SCPI Grants

(i) In 2002, the Society received a conditional grant from the City of Toronto in the amount of $1,200,000 to assist in the purchase of the property at St. Clare's Residence (3410 Bayview Avenue). Of this amount, $1,000,000 related to land and has been reflected as an increase in net assets invested in capital assets. The remaining $200,000 was included in deferred capital contributions and is being taken into income on the same basis as the building is being amortized.

A collateral mortgage ($2,000,000) in favour of the City of Toronto has been arranged on the property to secure this advance.

In the event of default under the terms of the grant agreement, the full amount of the grant plus interest commencing at the date of default is repayable to the City of Toronto. The terms of the SCPI agreement are in effect until October 3, 2036.

9. Contingent liabilities (continued)

(ii) In 2003, the Society received a conditional grant from the City of Toronto in the amount of $400,000 to assist in the purchase of Mary's Home (70 Gerrard Street East). Of this amount, $300,000 related to land and has been reflected as an increase in net assets invested in capital assets. The remaining $100,000 was included in deferred capital contributions and is being taken into income on the same basis as the building is being amortized.

The terms of the grant are in effect until October 28, 2027. In the event of default under the terms of the grant agreement, the Society shall repay to the City of Toronto an amount equal to the following plus interest:

a. 100% of the grant if the agreement is terminated on or before October 29, 2017; or

b. 75% of the grant if the Agreement is terminated at any time from October 30, 2017 to October 28, 2022; or

c. 50% of the grant if the agreement is terminated from October 29, 2022 to October 28, 2027.

(c) Social Housing Renovation and Retrofit Program

The Society and the Ministry of Municipal Affairs and Housing (MMAH) have entered into two agreements to provide funding as follows:

Project Name and Type of Work	Approved Amount	Term of Agreement
Vincent House		
Sprinklers, heat sensors	$ 15,000	February 26, 2010 - February 26, 2021
Flooring	12,000	October 18, 2010 - October 18, 2021
DePaul House		
Flooring	15,000	February 26, 2010 - February 26, 2021
Roof	12,000	October 18, 2010 - October 18, 2021
	$ 54,000	

The MMAH has the right to terminate the agreement and/or demand repayment of funds if the Society defaults on the agreement. Events of default on the agreement include, but are not limited to, the following:

(i) The Society changes the nature of its operations or corporate status so that it no longer meets the eligibility criteria for the funding;

(ii) The Society ceases to operate; and

(iii) The Society sells the relevant project(s) during the ten year period following receipt of the funds.

10. Employee pension plan

The Society’s contribution to its pension plan for the year amounted to $195,057 (2020 - $206,994) and is included in salaries and benefits in the statement of revenue and expenses.

11. Financial instruments

The Society has a risk management framework to monitor, evaluate and manage the principal risks assumed with its financial instruments. The risks that arise from financial instruments include credit risk, liquidity risk, interest rate risk and other price risk. It is management's opinion that the Society is not exposed to significant currency risk arising from its financial instruments.

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 meet its obligation. This risk is mitigated by the Society through ensuring revenue is derived from qualified sources. The allowance for doubtful accounts in relation to grants and accounts receivable is $Nil (2020 - $Nil).

Liquidity risk

Liquidity risk is the risk the Society will encounter difficulty in meeting the obligations associated with its financial liabilities. The Society is exposed to this risk mainly in respect of its accounts payable, demand loans, and mortgages payable. The Society reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due and maintains adequate cash reserves to pay creditors.

Interest rate risk

Interest rate price risk is the risk that the fair value of an interest bearing financial instrument will fluctuate due to changes in market interest rates. Interest rate cash flow risk is the risk that the cash flows of the Society fluctuate due to changes in market interest rates.

The Society's exposure to interest rate price risk is limited to its fixed interest bearing assets and liabilities. The Society's interest rate cash flow risk is limited to its variable interest bearing assets and liabilities. It is management's opinion that the Society is not exposed to significant interest rate risks arising from its financial instruments as management has developed an investment policy to ensure its portfolio meets specific requirements to limit such risk.

Other price risk

The Society is exposed to certain price risks which cause the fair value of its investments to fluctuate. To protect against this risk, management has developed an investment policy which requires diversified investments to ensure its portfolio meets specific requirements to limit such risk.

12. COVID-19

The outbreak of a novel strain of coronavirus (“COVID-19”) was declared a global pandemic by the World Health Organization in March 2020. COVID-19 has severely impacted many economies around the globe. In many countries, including Canada, businesses were forced to cease or limit operations for long periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

The duration and impact of the COVID-19 pandemic, as well as the effectiveness of Government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Society for future periods. While the Society has been forced to cease its camp operations and limit its store operations, all other aspects of its operations were deemed essential. The Society’s main funding agreements have remained relatively unchanged, although the Society is active in considering its options available to adjust its operations should there be any changes in its revenue streams or needs of those it serves.

Society of Saint Vincent de Paul Toronto Central Council
Schedule to the Financial Statements
March 31, 2021

Schedule of Operating Fund Surplus (Deficiency) by Division

	2021	2020
Central Council	$ 354,558	$ 397,386
Stores	(44,180)	83,560
Residential Housing Programs		
DePaul and Vincent House - Haileybury and Adams Drive	(76,890)	41,924
Martineau House - Ascolda Blvd.	(13,331)	45,190
St. Francis Residence	36,636	6,972
Ozanam House	7,872	(12,092)
Vincenpaul Homes	(85,706)	(44,078)
Amelie House	-	8,914
Elisa House	-	28,001
Mary's Home	-	162,214
St. Clare's Residence	(36,953)	1,259
Transitional Support Program	(5,451)	-
	(173,823)	238,304
Camps		
Camp Ozanam	(64,515)	8,786
	$ 72,040	$ 728,036