

# **Halton Aphasia Centre**

## **Financial Statements**

**March 31, 2025**

# Halton Aphasia Centre

March 31, 2025

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## **Independent Auditor's Report**

To the board of directors of the Halton Aphasia Centre

### **Qualified Opinion**

We have audited the financial statements of Halton Aphasia Centre (the Organization), which comprise of the statement of financial position as at March 31, 2025, the statement of operations, statement of changes in net assets, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2025, 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 (ASNPO).

### **Basis for Qualified Opinion**

In common with many not-for-profit organizations, the Organization derives revenue from fundraising activities, functions and other cash recoveries, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of this revenue was limited to the amounts recorded in the records of the Organization. Therefore, we were unable to determine whether any adjustments might be necessary to fundraising revenue, functions and other cash recoveries, excess of revenue over expenses, and cash flows from operations, current assets and net assets as at March 31, 2025. Our audit opinion on the financial statements for the year ended March 31, 2025 is modified accordingly because of the possible effects of this limitation in scope.

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 qualified 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 ASNPO, 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.

When individuals responsible for the oversight of the financial reporting process are the same as those responsible for the preparation of the financial statements, no reference to oversight responsibilities is required.

### **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.

## **Independent Auditor's Report (continued)**

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 Organization 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.

**Oakville, Canada**  
October 28, 2025

**Douglas Spence & Associates Professional Corporation**  
Authorized to practice public accounting by the  
Chartered Professional Accountants of Ontario

# Halton Aphasia Centre

## Statement of Financial Position

March 31, 2025

	Notes	2025	2024
<b>Assets</b>			
<b>Current assets</b>			
Cash		\$ 86,899	\$ 138,016
Accounts receivable		7,428	6,431
GST receivable		1,029	-
Investment	4.	50,000	-
Prepaid expenses		742	1,654
		<b>146,098</b>	<b>146,101</b>
Capital assets - net	3.	862	1,105
<b>Total assets</b>		<b>\$ 146,960</b>	<b>\$ 147,206</b>
<b>Liabilities and net assets</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities		\$ 47,976	\$ 53,827
Deferred revenue	6.	953	953
<b>Total liabilities</b>		<b>48,929</b>	<b>54,780</b>
<b>Net assets</b>			
Unrestricted		98,031	92,426
<b>Total liabilities and net assets</b>		<b>\$ 146,960</b>	<b>\$ 147,206</b>

Approved on behalf of the board

  

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

# Halton Aphasia Centre

## Statement of Operations

For the Year Ended March 31, 2025

	Note	2025	2024
<b>Revenue</b>			
Government funding and grants	5.	\$ 471,957	\$ 471,664
Fundraising		22,687	28,505
Donations		4,435	3,050
Membership fees		8,590	7,880
Other		855	-
		<b>508,524</b>	<b>511,099</b>
<b>Operating expenses</b>			
Program professional fees		493,982	506,602
Bookkeeping fees		-	8,750
Fundraising		2,070	5,395
Audit fees		4,200	4,387
Supplies		995	2,161
Telecommunications		1,997	2,447
Insurance		1,003	1,366
Amortization	3.	243	1,350
Subsidized membership fees		240	590
Bank charges		144	266
		<b>504,874</b>	<b>533,314</b>
<b>Excess/(deficiency) of revenue over expenses before other items</b>		<b>3,650</b>	<b>(22,215)</b>
<b>Other income and expenses</b>			
Interest income		1,955	1,625
Other revenue		-	85
		<b>1,955</b>	<b>1,710</b>
<b>Excess/(deficiency) of revenue over expenses</b>		<b>\$ 5,605</b>	<b>\$ (20,505)</b>

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

# Halton Aphasia Centre

## Statement of Changes in Net Assets

For the Year Ended March 31, 2025

	2025	2024
Net assets, beginning of year	\$ 92,426	\$ 112,931
Excess/(deficiency) of revenue over expenses	5,605	(20,505)
Net assets, end of year	\$ 98,031	\$ 92,426

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

# Halton Aphasia Centre

## Statement of Cash Flows

For the Year Ended March 31, 2025

	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Excess/(deficiency) of revenue over expenses	\$ 5,605	\$ (20,505)
<b>Item not affecting cash</b>		
Amortization	243	1,350
Accrued interest income	(1,955)	-
<b>Changes in non-cash working capital items</b>		
Decrease in accounts receivable	958	2,744
Increase in GST receivable	(1,029)	-
Decrease in prepaid expenses	912	152
Decrease in accounts payable and accrued liabilities	(5,851)	(14,994)
Increase in deferred revenue	-	218
<b>CASH FLOWS USED IN OPERATING ACTIVITIES</b>	<b>(1,117)</b>	<b>(31,035)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of investments	(50,000)	-
Proceeds from sale of investments	-	50,000
<b>NET CASH FROM (USED IN) INVESTING ACTIVITIES</b>	<b>(50,000)</b>	<b>50,000</b>
<b>Net increase (decrease) in cash</b>	<b>(51,117)</b>	<b>18,965</b>
Cash, beginning of year	138,016	119,051
<b>Cash, end of year</b>	<b>\$ 86,899</b>	<b>\$ 138,016</b>

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

# Halton Aphasia Centre

## Notes to the Financial Statements

For the Year Ended March 31, 2025

### 1. Nature of operations

The Halton Aphasia Centre referred to herein as the "Organization" is a not-for-profit that provides community aphasia programs to people living with communication disorders. The Organization educates the community about aphasia and provides training and support.

The Organization is incorporated under the Ontario Corporations Act and is tax exempt as a not-for-profit organization.

### 2. Significant Accounting Policies

#### a. Basis of preparation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO"), which is in accordance with Canadian generally accepted accounting principles.

#### b. Cash

Cash consists of balances with the bank.

#### c. Financial instruments

Financial assets and financial liabilities are initially recognized at fair value when the Organization becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are recorded at cost or amortized cost.

Transaction costs related to financial instruments measured at fair value subsequent to initial recognition are expensed as incurred. Transaction costs related to other financial instruments are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the straight-line method. Any premium or discount related to an instrument measured at amortized cost is amortized over the expected life of the item using the straight-line method and recognized in net earnings as interest income or expense.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net earnings. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net earnings.

#### d. Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Key components of the financial statements requiring management to make estimates include accrued liabilities and deferred revenue. Actual results could differ from these estimates.

# Halton Aphasia Centre

## Notes to the Financial Statements

For the Year Ended March 31, 2025

### 2. Significant Accounting Policies (continued)

#### e. Capital assets

Capital assets are amortized over their useful life at the following rate:

Computers	55% on the declining balance method
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In the year of acquisition, these rates are reduced by 50%. Capital assets acquired during the year but not placed into use during this time are not amortized in the year of acquisition.

#### f. Revenue recognition

The Organization follows the deferral method of accounting for contributions. The unrestricted fund accounts for the Organization's current operations and programs as well as other administrative activities.

The Organization 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 in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Donations are recorded when the cash is received. No amounts have been recognized for pledged donations.

Government grants are recorded when there is a reasonable assurance that the Organization had complied with and will continue to comply with, all the necessary conditions to obtain the grants.

Government grants, membership fees and fundraising revenue are recognized on an accrual basis and are deferred until performance has been achieved and the funds are earned.

#### g. Contributed services

Volunteers contribute an undeterminable number of hours per year. Because of the difficulty of determining their fair value contributed services are not recognized in the financial statements.

# Halton Aphasia Centre

## Notes to the Financial Statements

For the Year Ended March 31, 2025

### 3. Capital assets

Capital assets consist of the following:

			2025	2024
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computers	\$ 3,387	\$ (2,525)	\$ 862	\$ 1,105

During the year, amortization of \$243 (2024 - \$1,350) was recorded.

### 4. Investments

In the fiscal 2025 year, this amount represents a \$50,000 twelve-month Guaranteed Investment Certificate (GIC) which matured on April 16, 2025, bearing interest at 4.1% per annum. Total investment income earned for the fiscal 2025 year was \$1,955 (2024 - \$1,625).

### 5. Government funding and grants

	2025	2024
<b>Government grants</b>		
Ontario Health Central Local Health Integration Network (LHIN)	\$ 299,193	\$ 299,193
Ontario - Central West LHIN	77,577	77,577
Adult Recreation Therapy Centre (ARTC) - funded by Hamilton Niagara Haldimand Norfolk Brant (HNHB) LHIN	57,404	56,205
Joseph Brant Memorial Hospital - funded by Hamilton Niagara Haldimand Norfolk Brant (HNHB) LHIN	29,083	27,964
City of Mississauga	8,700	10,725
	<b>\$ 471,957</b>	<b>\$ 471,664</b>

### 6. Deferred revenue

Deferred revenue represents funds received in respect of future fiscal periods.

	2025	2024
Membership fees	\$ 953	\$ 953

# Halton Aphasia Centre

## Notes to the Financial Statements

For the Year Ended March 31, 2025

### 7. Financial instruments

The organization is exposed to various risks through its financial instruments. The following analysis provides information about the organization's risk exposure and concentration as of March 31, 2025.

#### Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from accounts receivable, and GST receivable balances, and on the GIC investment.

Credit risk associated with accounts receivables is mitigated by the review and evaluation of balances beyond a particular age. GST receivable balance is receivable from a government regulatory authority, therefore it carries low risk.

The risk on the GIC investment is managed by ensuring the asset is placed with a Canadian financial institution that has been assigned a high credit rating.

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. As at March 31, 2025 the organization has a GIC investment with a fixed interest rate. Therefore, there is no material interest rate risk.

#### Liquidity risk

The organization's objective is to have sufficient liquidity to meet its liabilities when due. The Organization monitors its cash balances and cash flows generated from operations to meet its requirements. As at March 31, 2025, the most significant financial liabilities are accounts payable and accrued liabilities.

The extent of the organization's exposure to the above risks did not change significantly from the prior year.