

**THE TERESA GROUP - CHILD AND FAMILY AID**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2019**

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## **Independent Auditor's Report**

To the Members of The Teresa Group - Child and Family Aid

### **Qualified Opinion**

We have audited the financial statements of The Teresa Group - Child and Family Aid (the "Teresa Group"), which comprise the balance sheet as at March 31, 2019, and the statement of revenues 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, 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 Teresa Group as at March 31, 2019, 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.

### **Basis for Qualified Opinion**

In common with many similar organizations, the Teresa Group derives revenue from fund-raising events and donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recognized in the records of the Teresa Group. Therefore, we were not able to determine whether, as at and for the year ended March 31, 2019, any adjustments might be necessary to revenues, deficiency of revenues over expenses reported in the statement of operating fund revenues and expenses and assets and net assets reported in the balance sheets. This same matter also caused us to qualify our audit opinion on the financial statement as at and for the year ended March 31, 2018.

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 Teresa Group 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 Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the ability of the Teresa Group 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 Teresa Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of the Teresa Group.

### **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 the financial statements.

## Independent Auditor's Report (continued)

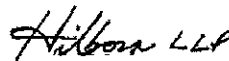
### Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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 internal control of the Teresa Group.
- 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 ability of the Teresa Group 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 Teresa Group 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Toronto, Ontario  
May 22, 2019

Chartered Professional Accountants  
Licensed Public Accountants

# THE TERESA GROUP - CHILD AND FAMILY AID

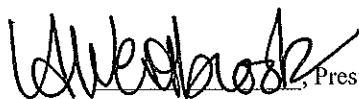
## BALANCE SHEET

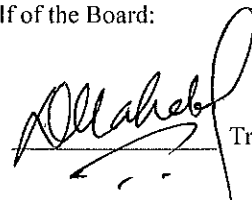
AS AT MARCH 31, 2019

	2019	2018
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents (note 6)	\$ 555,598	\$ 882,822
Short-term investments (note 3)	353,240	278,773
Accounts receivable (note 6)	19,362	16,991
Prepaid expenses	5,816	10,819
Prepaid CCABA International Coordination Projects expenses (note 6)	-	20,305
	<u>934,016</u>	<u>1,209,710</u>
Investment (note 3)	-	68,690
Property and equipment (note 4)	49,928	65,611
	<u>983,944</u>	<u>1,344,011</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities		
Accounts payable and accrued liabilities (note 6)	60,630	44,980
Deferred contributions (note 5)	24,589	62,283
Deferred CCABA International Coordination Projects revenues (note 6)	333,585	595,815
	<u>418,804</u>	<u>703,078</u>
Deferred capital contributions (note 7)	19,879	23,598
	<u>438,683</u>	<u>726,676</u>
Net assets		
Operating fund	20,212	80,321
Invested in capital assets	30,049	42,014
Contingency reserve	285,000	160,000
Program reserve	210,000	335,000
	<u>545,261</u>	<u>617,335</u>
	<u>\$ 983,944</u>	<u>\$ 1,344,011</u>

The accompanying notes are an integral part of these financial statements

Approved on behalf of the Board:

 President

 Treasurer

# THE TERESA GROUP - CHILD AND FAMILY AID

## STATEMENT OF REVENUES AND EXPENSES

YEAR ENDED MARCH 31, 2019

	2019	2018
<i>Revenues (Schedule)</i>		
Funding from Ontario Ministry of Health and Long Term Care	\$ 589,954	\$ 593,154
Public Health Agency of Canada <i>(Schedule)</i>	137,857	141,258
Human Resources and Skills Development Canada funding	3,710	-
City of Toronto grant	30,660	30,025
Private sector donations	214,612	272,053
Interest	10,669	7,157
Amortization of capital contributions <i>(note 7)</i>	3,719	1,666
Other	51,149	41,161
CCABA International coordination projects <i>(note 6)</i>	412,110	256,177
	<u>1,454,440</u>	<u>1,342,651</u>
<i>Expenses (Schedule)</i>		
Program	880,320	926,596
Administrative support and fundraising	234,084	205,583
CCABA International coordination projects <i>(note 6)</i>	412,110	256,177
	<u>1,526,514</u>	<u>1,388,356</u>
Deficiency of revenues over expenses for the year	\$ (72,074)	\$ (45,705)

The accompanying notes are an integral part of these financial statements

**THE TERESA GROUP - CHILD AND FAMILY AID**

**STATEMENT OF CHANGES IN NET ASSETS**

**YEAR ENDED MARCH 31, 2019**

2019	Operating Fund			Internally Restricted		
	Invested in Capital Assets	Unappropriated Balance	Total	Contingency Reserve	Program Reserve	Total
Balance - at beginning of year	\$ 42,014	\$ 80,321	\$ 122,335	\$ 160,000	\$ 335,000	\$ 617,335
Deficiency of revenues over expenses for the year	-	(72,074)	(72,074)	-	-	(72,074)
Inter-fund transfers represented by:						
Purchase of property and equipment	181	(181)	-	-	-	-
Amortization of property and equipment	(15,865)	15,865	-	-	-	-
Amortization of deferred capital contributions	3,719	(3,719)	-	-	-	-
Inter-fund transfer (note 1)	-	-	-	125,000	(125,000)	-
<b>Balance - at end of year</b>	<b>\$ 30,049</b>	<b>\$ 20,212</b>	<b>\$ 50,261</b>	<b>\$ 285,000</b>	<b>\$ 210,000</b>	<b>\$ 545,261</b>

2018	Operating Fund			Internally Restricted		
	Invested in Capital Assets	Unappropriated Balance	Total	Contingency Reserve	Program Reserve	Total
Balance - at beginning of year	\$ 56,088	\$ 111,952	\$ 168,040	\$ 160,000	\$ 335,000	\$ 663,040
Deficiency of revenues over expenses for the year	-	(45,705)	(45,705)	-	-	(45,705)
Inter-fund transfers represented by:						
Purchase of property and equipment	18,100	(18,100)	-	-	-	-
Amortization of property and equipment	(15,740)	15,740	-	-	-	-
Capital contributions received	(18,100)	18,100	-	-	-	-
Amortization of deferred capital contributions	1,666	(1,666)	-	-	-	-
<b>Balance - at end of year</b>	<b>\$ 42,014</b>	<b>\$ 80,321</b>	<b>\$ 122,335</b>	<b>\$ 160,000</b>	<b>\$ 335,000</b>	<b>\$ 617,335</b>

The accompanying notes are an integral part of these financial statements

# THE TERESA GROUP - CHILD AND FAMILY AID

## STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2019

	2019	2018
Cash flows from operating activities		
Cash received from government sources	\$ 762,181	\$ 764,437
Cash received from other contributors	370,424	655,855
Interest received	10,669	7,157
Cash paid to employees and suppliers	(1,464,541)	(1,351,484)
	(321,267)	75,965
Cash flows from investing and financing activities		
Purchase of property and equipment	(181)	(18,100)
Purchase of short term investments	(5,776)	(3,194)
	(5,957)	(21,294)
Change in cash during the year	(327,224)	54,671
Cash and cash equivalents - at beginning of year	882,822	828,151
Cash and cash equivalents - at end of year	\$ 555,598	\$ 882,822

The accompanying notes are an integral part of these financial statements

# THE TERESA GROUP - CHILD AND FAMILY AID

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2019

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The Teresa Group - Child and Family Aid (the "Teresa Group") is a registered charitable organization incorporated without share capital under the laws of Ontario. The Teresa Group advances the dignity and well-being of children and their families affected by HIV and AIDS.

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and are in accordance with Canadian generally accepted accounting principles. These financial statements have been prepared within the framework of the significant accounting policies summarized below.

#### *Basis of Accounting*

##### *General*

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations using the accrual method of accounting. Under the accrual method of accounting, revenues are recorded when earned and expenses are recorded when incurred.

##### *Operating Fund*

The operating fund accounts for the day-to-day program delivery and administrative activities funded by various government and private sector organizations and includes the CCABA international co-ordination projects. All interest income earned is recognized in the operating fund.

##### *Internally Restricted Funds*

The Program Reserve Fund was established to maintain existing client service programs in the event of unanticipated funding shortfalls.

Contingency Reserve Fund was established to ensure the long term financial security of The Teresa Group.

These two internally restricted funds are financed by appropriations from the operating fund.

During the current fiscal year, the Board of Directors approved a transfer of \$125,000 (\$NIL - 2018) from the Program Reserve Fund to the Contingency Reserve Fund.

#### *Financial Instruments*

##### *(i) Measurement*

The Teresa Group initially measures its financial assets and liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument. Amounts due to and from related parties are measured at the exchange amount, being the amount agreed upon by the related parties. The Teresa Group subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets and liabilities measured at amortized cost include cash and cash equivalents, short-term investments, accounts receivable and accounts payable and accrued liabilities.



# THE TERESA GROUP - CHILD AND FAMILY AID

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2019

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### *Financial Instruments (continued)*

##### *(ii) Impairment*

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in net income. The write down reflects the difference between the carrying amount and the higher of:

- the present value of the cash flows expected to be generated by the asset or group of assets;
- the amount that could be realized by selling the assets or group of assets;

When the events occurring after the impairment confirm that a reversal is necessary, the reversal is recognized in net income up to the amount of the previously recognized impairment. The amount of the reversal is recognized in income in the period that the reversal occurs.

#### *Cash and Cash Equivalents*

Cash and cash equivalents include cash on hand with Teresa Group and CCABA, as well as money market mutual funds.

#### *Investments*

Short term and long term investments include guaranteed investment certificates recorded at amortized cost.

#### *Property and Equipment*

The costs of property and equipment are capitalized upon meeting the criteria for recognition as property and equipment, otherwise, costs are expensed as incurred. The cost of property and equipment comprises its purchase price and any directly attributable cost of preparing the asset for its intended use.

Property and equipment is measured at cost less accumulated amortization and accumulated impairment losses.

Amortization is provided for, upon the commencement of the utilization of the assets, using methods and rates designed to amortize the cost of the property and equipment over their estimated useful lives. The annual amortization rates and methods are as follows:

Computers	- 25% straight line basis
Furniture and other equipment	- 10% straight line basis
Leasehold improvements	- over the term of the lease

Property and equipment is tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. If any potential impairment is identified, the amount of the impairment is quantified by comparing the carrying value of the property and equipment to its fair value. Any impairment of property and equipment is recognized in income in the year in which the impairment occurs.

An impairment loss is not reversed if the fair value of the property and equipment subsequently increases. There were no impairment indicators in 2019.

# THE TERESA GROUP - CHILD AND FAMILY AID

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2019

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### *Revenue Recognition*

The Teresa Group follows the deferral method of accounting for contributions. Contributions include funding from governments and other funding agencies. 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. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Externally restricted contributions for depreciable property and equipment are deferred and amortized over the life of the related capital assets. Externally restricted contributions for depreciable property and equipment that have not been expended are recorded as deferred capital contributions on the balance sheet.

Income from the CCABA international coordination projects is recognized as revenue when the event takes place or the service is provided.

Interest income is recognized as revenue when earned.

All other revenues are recognized when the service is provided.

Pledges receivable are not recorded in the accounts.

#### *Funding From Ontario Ministry of Health and Long Term Care*

The Teresa Group receives its core funding from the Ontario Ministry of Health and Long Term Care. Funds are advanced on the basis of an approved budget; actual expenses are reviewed by the Ministry after the end of the fiscal year and any unexpended funds are to be refunded. These financial statements reflect the expected settlement with the Ministry at the end of the fiscal year.

#### *Donated Goods and Services*

Donated goods are recorded in the financial statements provided that a reasonable estimate of fair value can be made.

Volunteers contribute significant amounts of time to assist the Teresa Group in carrying out its service delivery activities. Because of the difficulty in determining fair value, contributed services are not recorded in the financial statements.

#### *Allocation of Expenses*

The Teresa Group provides programs to assist children and families affected by HIV/AIDS. The cost of these services includes direct salaries and benefits and other expenses that are directly related to providing the programs and services. The Teresa Group also incurs general and administrative support services that are common to the administration and programs.

The Teresa Group allocates certain general support expenses to the programs as follows:

- |                          |  |
|--------------------------|--|
| Human Resources          | • Proportionately based on the direct salaries and benefits of the program |
| Occupancy                | • Based on space occupied by the personnel and/or program                  |
| Other operating expenses | • Based on usage of the program  |

The expenses reported in the Statement of Operating Fund Revenues and Expenses for programs include allocations of human resources of \$533,547 (\$523,645 - 2018), occupancy costs of \$118,164 (\$111,588 - 2018) and other operating costs of \$26,045 (\$28,361 - 2018).

# THE TERESA GROUP - CHILD AND FAMILY AID

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2019

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### *Foreign Currency Translation*

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the rate of exchange prevailing at the year end. Revenues and expenses are translated from foreign currencies at the rate of exchange prevailing on the transaction date. Any resulting gains or losses are included in income for the year.

#### *Use of Estimates*

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 amounts 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 year.

Key areas where management has made difficult, complex or subjective judgments include useful lives of property and equipment. Actual results could differ from these and other estimates, the impact of which would be recorded in future affected periods.

### 2. FINANCIAL INSTRUMENT RISK MANAGEMENT

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The following disclosures provide information to assist users of the financial statements in assessing the extent of risk related to the Teresa Group's financial instruments.

#### *Credit Risk*

Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The Teresa Group's main credit risks relate to accounts receivable. The Teresa Group is not exposed to significant credit risk.

#### *Liquidity Risk*

Liquidity risk is the risk that the Teresa Group cannot repay its obligations when they become due to its creditors. The Teresa Group is exposed to this risk mainly in respect of its accounts payable and accrued liabilities and commitments. The Teresa Group expects to meet these obligations as they come due by generating sufficient cash flow from operations.

#### *Market Risk*

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Teresa Group is not exposed to significant other price risks. The Teresa Group is exposed to interest rate and currency risks.

#### *Interest Rate Risk*

Interest rate risk arises from the possibility that changes in interest rates will affect the value of fixed income securities held by the Teresa Group. The value of fixed income investments will generally rise if interest rates fall and decrease if interest rates rise. The Teresa Group is exposed to interest rate risk on its short term and long term investments.

# THE TERESA GROUP - CHILD AND FAMILY AID

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2019

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### 2. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

#### Market Risk (continued)

##### Currency Risk

Currency risk is the risk that changes in foreign exchange rates will cause fluctuations to the fair values and cash flows of the Teresa Group's financial instrument holdings. The Teresa Group receives a portion of its funding for the CCABA projects in US dollars and pays some of its direct expenses in US dollars. Currency risk is minimized by monitoring foreign currency cash flows.

##### Changes in risks

There have been no changes in the Teresa Group's risk exposure from the prior year.

### 3. INVESTMENTS

Short-term investments include guaranteed investment certificates earning interest from 1.85% to 2.50% (2018 - 1.6% to 2.2%) with maturity dates of March 22, 2020 to March 27, 2020 (2018 - March 22, 2019).

### 4. PROPERTY AND EQUIPMENT

Details of property and equipment are as follows:

2019	Cost	Accumulated Amortization	Net Book Value
Computers	\$ 92,645	\$ 75,747	\$ 16,897
Furniture and other equipment	51,920	46,394	5,527
Leasehold improvements	100,032	72,528	27,504
	<u>\$ 244,597</u>	<u>\$ 194,669</u>	<u>\$ 49,928</u>

2018	Cost	Accumulated Amortization	Net Book Value
Computers	\$ 92,463	\$ 71,698	\$ 20,765
Furniture and other equipment	51,920	44,582	7,338
Leasehold improvements	100,032	62,524	37,508
	<u>\$ 244,415</u>	<u>\$ 178,804</u>	<u>\$ 65,611</u>

# THE TERESA GROUP - CHILD AND FAMILY AID

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2019

### 5. DEFERRED CONTRIBUTIONS

Deferred contributions represent the amount of funding received in the current fiscal year that is related to a subsequent fiscal year. Details of the deferred contributions balance are as follows:

	2019	2018
Foundations	\$ 14,589	\$ 49,000
City of Toronto	-	12,010
Other	10,000	1,273
	<u>\$ 24,589</u>	<u>\$ 62,283</u>

### 6. CCABA INTERNATIONAL CO-ORDINATION PROJECTS

The Coalition for Children Affected by Aids ("CCABA") is an international project co-ordinated by the Teresa Group. Certain revenues have been shared with the Teresa Group and certain expenses have been incurred in preparation for upcoming events. These are recorded on the balance sheet as deferred revenues and prepaid expenses respectively. Details of the amounts related to the projects included on the balance sheet are as follows:

	2019	2018
Assets		
Cash	\$ 357,670	\$ 595,653
Accounts receivable	1,572	-
GST/HST receivable	54	16
Prepaid expenses		
Meeting costs, communications and other expenses	-	20,305
Total	<u>359,296</u>	<u>615,974</u>
Liabilities		
Accounts payable	25,711	20,159
Deferred revenues	333,585	595,815
Total	<u>359,296</u>	<u>615,974</u>

Details of the amounts related to the projects included on the statement of revenues and expenses are as follows:

	2019	2018
Revenues	412,110	256,177
Expenses	412,110	256,177
Excess of revenues over expenses for the year	<u>\$ -</u>	<u>\$ -</u>

# THE TERESA GROUP - CHILD AND FAMILY AID

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2019

### 6. CCABA INTERNATIONAL CO-ORDINATION PROJECTS (continued)

Details of the amounts related to the projects included on the cash flow statement are as follows:

	2019	2018
Cash flows from operating activities		
Cash received from contributors	\$ 148,307	\$ 392,077
Cash paid to suppliers	(386,290)	(249,136)
Change in cash during the year	(237,983)	142,941
Cash - at beginning of year	595,653	452,712
Cash - at end of year	\$ 357,670	\$ 595,653

### 7. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent the unamortized amount of contributions received for the purchase of property and equipment. The changes in deferred capital contributions are as follows:

	2019	2018
Balance - at beginning of year	\$ 23,598	\$ 7,164
Capital contributions received	-	18,100
Amortization of deferred capital contributions	(3,719)	(1,666)
Balance - at end of year	\$ 19,879	\$ 23,598

# THE TERESA GROUP - CHILD AND FAMILY AID

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2019

### 8. FUNDING FROM ONTARIO MINISTRY OF HEALTH AND LONG TERM CARE

In the 2019 and 2018 fiscal years, actual expenses were equal to or exceeded the approved funding from the Ontario Ministry of Health and Long Term Care, and it is not anticipated that any portion will be refundable to the Ministry. Details of the approved funding and amounts spent are as follows:

	2019		2018	
	Approved Funding	Expenses Incurred	Approved Funding	Expenses Incurred
General operations				
Salaries	\$ 254,042	\$ 254,042	\$ 249,042	\$ 249,042
Benefits	19,378	19,378	19,378	19,378
Rent and utilities	51,302	51,302	51,302	51,302
Supplies and other expenses	11,006	11,006	11,006	11,006
Protected allocations - staff development	1,000	1,000	1,000	1,000
	<b>336,728</b>	<b>336,728</b>	<b>331,728</b>	<b>331,728</b>
Infant formula				
Formula	253,226	253,226	233,483	233,483
Salaries	-	-	18,223	18,223
Benefits	-	-	2,120	2,120
Review of program	-	-	7,600	7,600
	<b>253,226</b>	<b>253,226</b>	<b>261,426</b>	<b>261,426</b>
One-time allowance	-	-	18,100	18,100
	<b>\$ 253,226</b>	<b>\$ 253,226</b>	<b>\$ 279,526</b>	<b>\$ 279,526</b>

### 9. GENERAL AND ADMINISTRATION EXPENSE

Details of these expenses are as follows:

	2019	2018
Salaries and benefits	\$ 23,976	\$ 23,555
Rent and hydro	9,120	8,002
Telephone and fax	1,972	1,843
Office supplies	4,977	3,557
Professional fees	6,946	2,521
Equipment maintenance	8,478	3,172
Insurance and bonding	6,445	6,794
Postage	218	285
Staff development	1,178	1,099
Miscellaneous	976	(1,286)
	<b>\$ 64,286</b>	<b>\$ 49,542</b>

# THE TERESA GROUP - CHILD AND FAMILY AID

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2019

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### 10. LEASE COMMITMENT

The Teresa Group has entered into a lease for office premises, expiring December 31, 2021, with an option to renew for a further five years. The minimum annual rental payments in the next three years are as follows:

2020	\$	64,005
2021		64,005
2022		48,004

In addition, The Teresa Group is liable to pay for its share of operating costs which amounted to \$54,200 in 2019 (\$53,200 - 2018).

### 11. GUARANTEES AND INDEMNIFICATION OF OFFICERS AND DIRECTORS

The Teresa Group has indemnified its past, present and future directors, officers and employees and volunteers against expenses (including legal expenses), judgments, suits or proceedings in which they are sued as a result of their involvement with The Teresa Group, if they acted honestly and in good faith with a view to the best interest of The Teresa Group. The Teresa Group has purchased directors' and officers' liability insurance with respect to this indemnification. The maximum amount of any potential future payment cannot be reasonably estimated; however, there have been no claims against The Teresa Group's liability insurance in the past.

In the normal course of business, The Teresa Group has entered into agreements that include indemnities in favour of third parties, either express or implied, such as in service contracts, lease agreements or sales and purchase contracts. In these agreements, The Teresa Group agrees to indemnify the counterparties in certain circumstances against losses or liabilities arising from the acts or omissions of The Teresa Group. The maximum amount of any potential liability cannot be reasonably estimated.



**THE TERESA GROUP - CHILD AND FAMILY AID**  
**SCHEDULE OF REVENUES AND EXPENSES BY PROJECT**  
**YEAR ENDED MARCH 31, 2019**

	2019		2018		
	General Operations	CCABA International Coordination Projects	Total	CCABA International Coordination Projects	Total
<b>Revenues</b>					
Funding from Ontario Ministry of Health and Long Term Care					
General operations (note 8)	\$ 336,728	\$ -	\$ 336,728	\$ -	\$ 331,728
Infant formula (note 8)	253,226	-	253,226	-	261,426
Public Health Agency of Canada (Schedule)	137,857	-	137,857	-	141,258
Human Resources and Skills Development Canada funding	3,710	-	3,710	-	-
City of Toronto grant	30,660	-	30,660	-	30,025
Private sector donations - cash	211,356	-	211,356	-	266,847
- donations-in-kind	3,256	-	3,256	-	5,206
Interest	10,669	-	10,669	-	7,157
Amortization of capital contributions (note 7)	3,719	-	3,719	-	1,666
Other	51,149	-	51,149	-	41,161
CCABA International coordination projects (note 6)	-	412,110	412,110	256,177	256,177
	1,042,330	412,110	1,454,440	1,086,474	1,342,651
<b>Expenses</b>					
Program					
Family support	159,621	-	159,621	-	180,863
Counselling	268,779	-	268,779	-	263,902
Infant formula (note 8)	253,226	-	253,226	-	261,472
Volunteer support	68,032	-	68,032	-	72,250
Tutoring	-	-	-	-	18,832
Summer and day camps	101,729	-	101,729	-	92,416
Scholarships	7,783	-	7,783	-	16,636
Women's exchange	411	-	411	-	-
CCABA projects	20,739	-	20,739	-	20,225
	880,320	-	880,320	-	926,596
Administrative support and fundraising					
Fundraising	102,220	-	102,220	-	93,905
General and administration (note 9)	64,286	-	64,286	-	49,542
Communication and education	44,374	-	44,374	-	40,125
Amortization of capital assets	15,865	-	15,865	-	15,740
Donated goods	3,256	-	3,256	-	5,206
Summer student	3,712	-	3,712	-	-
Board expenses	371	-	371	-	1,065
CCABA International coordination projects (note 6)	234,084	412,110	412,110	205,583	256,177
	1,114,404	412,110	1,526,514	1,132,179	1,388,356
Total expenses	\$ (72,074)	\$ -	\$ (72,074)	\$ (45,705)	\$ (45,705)
Deficiency of revenues over expenses for the year					

# THE TERESA GROUP - CHILD AND FAMILY AID

## SCHEDULE OF REVENUE AND EXPENDITURES

### HIV AND HEPATITIS C COMMUNITY ACTION FUND

PROJECT NUMBER 1718-HQ-000680

FUNDED BY THE PUBLIC HEALTH AGENCY OF CANADA

YEAR ENDED MARCH 31, 2019

	2019		2018	
	Budget	Actual	Budget	Actual
Revenue				
Public Health Agency of Canada				
- funding for operations	\$ 137,857	\$ 137,857	\$ 141,258	\$ 141,258
Expenditures				
Personnel	119,130	112,271	120,737	109,715
Materials and equipment costs	2,560	3,867	4,512	10,429
Rent and utilities	11,283	17,750	11,275	17,140
Evaluation	3,799	3,199	3,734	3,118
Other	1,085	770	1,000	856
	137,857	137,857	141,258	141,258
Excess of revenue over expenditures for the year	\$ -	\$ -	\$ -	\$ -

# HILBORN

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