

LIVEWORKPLAY

FINANCIAL STATEMENTS
MARCH 31, 2024



INDEPENDENT AUDITOR'S REPORT

To the Members,
LIVEWORKPLAY:

Qualified opinion

We have audited the financial statements of LIVEWORKPLAY ("the Entity"), which comprise the statement of financial position as at March 31, 2024, and the statements of changes in net assets, operations 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 Entity as at March 31, 2024, 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 not-for-profit organizations, the Entity derives revenue from donations and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Entity. Therefore, we were not able to determine whether any adjustments might be necessary to donation and fundraising revenue, net revenue for the year, and cash flows from operations for the years ended March 31, 2024 and 2023, current assets as at March 31, 2024 and 2023, and net assets as at January 1 and December 31 for both the 2024 and 2023 years. The audit opinion on the financial statements for the year ended March 31, 2023 was 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 Entity 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 audit opinion.

Other Matter

The financial statements for the year ended March 31, 2023 were audited by another auditor, who expressed the same qualified opinion. The audit report was dated June 1, 2023.

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 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 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 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 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 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 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.

OHCD LLP

OUSELEY HANVEY CLIPSHAM DEEP LLP

Licensed Public Accountants

Ottawa, Ontario

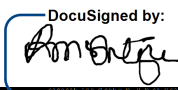
May 27, 2024

LIVEWORKPLAY

STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2024

| | 2024 | 2023 |
|--|---------------------|---------------------|
| CURRENT ASSETS | | |
| Cash | \$ 200,832 | \$ 540,256 |
| Short-term investment (note 3) | 1,011,651 | 1,012,836 |
| Accounts receivable | 84,646 | 11,330 |
| Government remittances receivable | 16,439 | 20,719 |
| Prepaid expenses | 18,552 | 22,121 |
| | <u>1,332,120</u> | <u>1,607,262</u> |
| PROPERTY AND EQUIPMENT (note 4) | <u>25,784</u> | <u>28,099</u> |
| | <u>\$ 1,357,904</u> | <u>\$ 1,635,361</u> |
| LIABILITIES | | |
| Accounts payable | \$ 84,123 | \$ 96,154 |
| Deferred revenue (note 5) | 20,860 | 240,892 |
| | <u>104,983</u> | <u>\$ 337,046</u> |
| DEFERRED CAPITAL CONTRIBUTIONS (note 6) | <u>2,853</u> | <u>4,755</u> |
| | <u>107,836</u> | <u>341,801</u> |
| NET ASSETS | | |
| Internally restricted (note 7) | 1,227,136 | 1,270,216 |
| Unrestricted | 22,932 | 23,344 |
| | <u>\$ 1,357,904</u> | <u>\$ 1,635,361</u> |

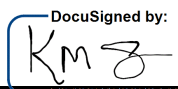
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Director

LIVEWORKPLAY

STATEMENT OF NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2024

| | 2024 | 2023 |
|--|---------------------|---------------------|
| <u>INTERNALLY RESTRICTED (note 7)</u> | | |
| Balance beginning of year | \$ 1,270,216 | \$ 1,309,426 |
| Transfer to restricted net assets | (43,080) | (39,210) |
| Balance end of year | <u>\$ 1,227,136</u> | <u>\$ 1,270,216</u> |
| <u>UNRESTRICTED</u> | | |
| Balance beginning of year | \$ 23,344 | \$ 12,456 |
| Transfer from internally restricted net assets | 43,080 | 39,210 |
| Net revenue (expenditure) for the year | (43,492) | (28,322) |
| Balance end of year | <u>\$ 22,932</u> | <u>\$ 23,344</u> |

LIVEWORKPLAY

STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2024

| | 2024 | 2023 |
|--|--------------------|--------------------|
| REVENUE | | |
| Government annual funding | \$ 2,484,549 | \$ 2,383,576 |
| Fee for service | 506,776 | 296,489 |
| Grants | 289,372 | 218,372 |
| Donations | 47,207 | 48,331 |
| Investment | 53,896 | 19,448 |
| Events | 19,147 | 10,368 |
| Amortization of deferred capital contributions | 1,902 | 1,902 |
| Other | 54,635 | - |
| | 3,457,484 | 2,978,486 |
| EXPENDITURE | | |
| Salaries and benefits | 2,730,645 | 2,343,102 |
| Program supplies | 178,191 | 197,488 |
| Professional fees | 147,841 | 128,883 |
| Strategic direction | 169,092 | 82,969 |
| Vehicle | 85,628 | 82,583 |
| Training | 30,566 | 42,135 |
| Telephone and internet | 29,163 | 39,356 |
| Events | 31,425 | 37,690 |
| Rent | 15,609 | 17,863 |
| Meetings | 20,279 | 12,217 |
| Advertising and promotion | 6,546 | 7,946 |
| Amortization | 7,224 | 6,331 |
| Bank Fees | 3,359 | 3,612 |
| Insurance | 5,555 | 3,249 |
| Office supplies | 1,904 | 1,384 |
| Other expenses | 37,949 | - |
| | 3,500,976 | 3,006,808 |
| NET REVENUE (EXPENDITURE) FOR THE YEAR | \$ (43,492) | \$ (28,322) |

LIVEWORKPLAYSTATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2024

| | 2024 | 2023 |
|---|-------------|-------------|
| CASH PROVIDED BY | | |
| OPERATING ACTIVITIES | | |
| Net revenue (expenditure) for the year | \$ (43,492) | \$ (28,322) |
| Items not requiring cash: | | |
| Amortization of capital assets | 7,224 | 6,331 |
| Amortization of deferred capital contributions | (1,902) | (1,902) |
| Change in non cash working capital items: | | |
| Accounts receivable and sales tax receivable | (69,036) | 110,957 |
| Prepaid expenses | 3,569 | (9,412) |
| Accounts payable and government remittances payable | (12,031) | 30,993 |
| Deferred revenue | (220,032) | 181,537 |
| | (335,700) | 290,182 |
| INVESTING ACTIVITIES | | |
| Change in investment | 1,185 | (9,778) |
| Acquisition of capital assets | (4,909) | (15,317) |
| | (3,724) | (25,095) |
| Increase in cash | (339,424) | 265,087 |
| CASH BEGINNING OF THE YEAR | 540,256 | 275,169 |
| CASH END OF YEAR | \$ 200,832 | \$ 540,256 |

LIVEWORKPLAY

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2024

LiveWorkPlay is a registered charity for purposes of the Income Tax Act (Canada) and is therefore exempt from income taxes under section 149(1)(f).

The mission statement is, helping the community welcome and include people with intellectual disabilities, autistic persons, and individuals with a dual diagnosis to live, work, and play as valued citizens.

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

a) Revenue recognition

The Organization follows the deferral method of accounting for grants. Unrestricted grants are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and its collection is reasonably assured. Externally restricted grants are recognized as revenue in the year in which the related expenses take place.

Fee for service revenue is recognized when the service has occurred, and collection is reasonably assured.

Investment income is recognized in the year to which it pertains.

Donation revenue is recognized when received.

Fundraising revenue is recognized in the year to which it pertains and when collection is reasonably assured.

Event revenue is recognized in the year to which it pertains and when collection is reasonably assured.

Donation revenue is recognized when received.

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

b) Property and equipment

Property and equipment are recorded at cost and are amortized on an annual basis using the following methods: Computer equipment, leasehold improvements, and furniture are amortized on a straight-line basis over a five-year period commencing in the year of acquisition at one-half the annual rate.

c) Capital contributions

Contributions received for capital assets are deferred and amortized over the same term and on the same basis as the related capital asset.

d) Financial instruments

Investments are recorded at cost plus accrued interest, which approximates fair value. Other financial instruments are initially recognized at fair value and are subsequently measured at cost, amortized cost or cost less appropriate allowances for impairment.

d) Contributed services

Board members, employees and other volunteers volunteer their time to assist in the Organization's activities. While these services benefit the Organization considerably, a reasonable estimate of their fair value cannot be made and, accordingly, these contributed services are not recognized in the financial statements.

e) 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from these estimates. These estimates are reviewed annually and as adjustments become necessary, they are recorded in the financial statements in the period in which they become known.

LIVEWORKPLAY

NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2024

2. FINANCIAL INSTRUMENTS

The Organization's financial instruments consist of cash, investments, accounts receivable, and accounts payable. Unless otherwise noted, it is management's opinion that the Organization is not exposed to significant interest rate, currency, credit, liquidity or market risks arising from its financial instruments and the carrying amount of the financial instruments approximate their fair value.

3. INVESTMENTS

Investments consist of a guaranteed investment certificate with a 5.25% annual interest rate maturing on Jan 4, 2025.

4. PROPERTY AND EQUIPMENT

| | Cost | Accumulated Amortization | NBV 2024 | NBV 2023 |
|------------------------|------------|-----------------------------|-------------|-------------|
| Computer equipment | \$ 213,559 | 187,775 | \$ 25,784 | \$ 28,099 |
| Furniture | 90,276 | 90,276 | - | - |
| Leasehold Improvements | 89,353 | 89,353 | - | - |
| Balance, end of year | \$ 393,188 | \$ 367,404 | \$ 25,784 | \$ 28,099 |

5. DEFERRED REVENUE

Deferred revenue consists of a restricted contributions of \$20,860 (2023 - \$221,642) for future expenses. Membership fees of are now billed monthly versus annually so no there is no deferral for membership fees (2023 - \$19,250) in fiscal 2024.

6. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent the unamortized amount of grants received for the purchase of capital assets. The amortization of the deferred capital contributions is recorded as revenue in the statement of operations.

LIVEWORKPLAY

NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2024

7. INTERNALLY RESTRICTED NET ASSETS

LiveWorkPlay's Board of Directors has restricted the use of these net assets as follows:

| | 2024 | 2023 |
|------------------------------|--------------|--------------|
| Strategic planning outcomes | \$ 564,000 | \$ 584,000 |
| Wage enhancements | 282,000 | 292,000 |
| Operating | 184,000 | 190,000 |
| Marketing and communications | 98,568 | 102,108 |
| Capital | 98,568 | 102,108 |
| | \$ 1,227,136 | \$ 1,270,216 |

These internally restricted funds are not to be used for other purposes without the approval of the Board of Directors.

8.ECONOMIC DEPENDENCE

The Ministry of Children, Community and Social Services provides annual funding that sustains the Organization by providing over 72% of the annual operating income (80% - 2023). The organization is economically dependent upon the Ministry of Community and Social Services.