

Toujours ensemble inc.

**Independent Auditor's Report
Financial Statements**

March 31, 2023



Paquin
& associés
inc.

Independent Auditor's Report

To the members of Toujours ensemble inc.

Qualified opinion

We have audited the financial statements of **Toujours ensemble inc.** ("the Organization") which comprise the balance sheet as at **March 31, 2023**, and the statements of income, 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 Organization as at **March 31, 2023** 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.

Basis for qualified opinion

In common with many not-for-profit organizations, the Organization derives revenue from donations 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 Organization. Therefore, we were not able to determine whether any adjustments might be necessary to revenue from donations, deficiency of revenues over expenses, and cash flows from operations for the year ended **March 31, 2022 and March 31, 2023**, current assets as at **March 31, 2022 and March 31, 2023**, and net assets as at **April 1 and March 31, 2022 and 2023**. Our audit opinion on the financial statements for the year ended **March 31, 2022** 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 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 audit 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 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.

Those charged with governance are responsible for overseeing the Organization'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 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.

A handwritten signature in black ink that reads "Poirier & Associés Inc." followed by a small asterisk.

Chartered professional accountant corporation

Montreal, August 9, 2023

* By CPA auditor public accountancy permit No. A131162

Toujours ensemble inc.

Financial Statements

March 31, 2023

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Statement of income

For the year ended March 31, 2023

	2023	2022
	\$	\$
Revenues [Schedule A]		
Grants	425,903	604,686
Financial contributions	555,995	479,883
Organizations	368,379	339,690
Donations	752,652	601,809
Fundraising and other income	70,462	63,350
	2,173,391	2,089,418
Expenses [Schedule B]		
Administration	429,131	369,740
Pathways to Education program	705,995	655,650
After-school program	341,297	230,877
"Sac à dos" program	332,415	265,396
School lunches services	124,017	187,670
Summer programming	245,664	91,605
Other aid programmes (christmas campaign and school supplies)	103,285	69,183
	2,281,804	1,870,121
Excess (deficit) of revenues over expenses before expenses (revenues) related to capital assets	(108,413)	219,297
Expenses (revenues) related to capital assets		
Gain on disposal of capital asset	(1,000)	-
Amortization of capital assets	230,468	238,638
Amortization of deferred contributions related of capital assets	(11,991)	(8,351)
	217,477	230,287
Deficiency of revenues over expenses	(325,890)	(10,990)

Statement of changes in net assets

For the year ended March 31, 2023

	Invested in capital assets \$	Internally restricted \$	Unrestricted \$	2023 \$	2022 \$
Balance, beginning of the year	1,691,921	455,811	497,039	2,644,771	2,655,761
Deficiency of revenues over expenses	(218,477)	-	(107,413)	(325,890)	(10,990)
	1,473,444	455,811	389,626	2,318,881	2,644,771
Purchase of capital assets	72,868	-	(72,868)	-	-
Deferred contributions related to capital assets	(18,046)	-	18,046	-	-
	1,528,266	455,811	334,804	2,318,881	2,644,771
Repayment of long-term debt	51,682	-	(51,682)	-	-
Use and transfer of restricted net assets <i>[note 3]</i>	-	(229,645)	229,645	-	-
Balance, end of the year	1,579,948	226,166	512,767	2,318,881	2,644,771

Balance sheet

As at March 31, 2023

	2023	2022
	\$	\$
Assets		
Current assets		
Cash	94,533	102,067
Temporary investments, at cost, redeemable without penalty	716,655	1,066,087
Accounts receivable <i>[note 4]</i>	34,350	43,149
Grants receivable	72,073	9,938
Prepaid expenses	33,057	35,296
Others assets	4,200	-
	954,868	1,256,537
Capital assets <i>[note 5]</i>	1,608,949	1,766,549
	2,563,817	3,023,086
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities <i>[note 6]</i>	176,958	153,820
Deferred grants and contributions <i>[note 8]</i>	28,029	149,867
Other income received in advance	10,948	-
Current portion of long-term debt <i>[note 9]</i>	-	23,210
	215,935	326,897
Long-term debt <i>[note 9]</i>	-	28,472
Deferred contributions related to capital assets <i>[note 10]</i>	29,001	22,946
	244,936	378,315
Net assets		
Invested in capital assets	1,579,948	1,691,921
Internally restricted <i>[note 3]</i>	226,166	455,811
Unrestricted	512,767	497,039
	2,318,881	2,644,771
	2,563,817	3,023,086

On behalf of the Board of Directors

Director

Director

Statement of cash flows

For the year ended March 31, 2023

	2023	2022
	\$	\$
Operating activities		
Source of cash flow :		
Grants and financial contributions	1,166,304	1,569,653
Donations, fundraising and other income	839,591	686,873
	2,005,895	2,256,526
Use of cash flows :		
Salaries and benefits	(1,412,004)	(1,176,951)
Accounts payable and services	(845,353)	(665,483)
	(2,257,357)	(1,842,434)
Net cash from operating activities	(251,462)	414,092
Investing activities		
Purchase of capital assets	(72,868)	(20,168)
Disposal of capital assets	1,000	-
Net cash used in investing activities	(71,868)	(20,168)
Financing activities		
Repayment of long-term debt	(51,682)	(123,210)
Deferred contributions related to the purchase of capital assets	18,046	12,001
Net cash used in financing activities	(33,636)	(111,209)
Increase (decrease) in cash and cash equivalents	(356,966)	282,715
Cash and cash equivalents beginning of the year	1,168,154	885,439
Cash and cash equivalents end of the year	811,188	1,168,154
Cash and cash equivalents are comprised of :		
Cash	94,533	102,067
Temporary investments	716,655	1,066,087
	811,188	1,168,154

Notes to the financial statements

March 31, 2023

1. Status and nature of activities

Toujours ensemble inc. is a not-for-profit organization, incorporated on April 19, 1977, under Part III of the Quebec Companies Act, under the name of Théâtre du Bonhomme Sept-Heure with his name changed on August 20, 1980. The organization is a registered charity under the income tax act and can issue donation receipts for tax purposes.

The Organization is a not-for-profit organization that provides a wide array of programs and community recreational services to children and teenagers in the Verdun area.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations under Part III of the CPA Canada Handbook and include the following significant accounting policies :

Recognition of contributions

The Organization follows the deferral method of accounting for contributions. Under this method, restricted contributions are recognized as revenues in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenues when received or when receivable if the amount can be reasonably estimated and collection is reasonably assured.

Accounting for pledges

Because of the uncertainty regarding the collection of these amounts, the organization only records as revenues amount actually received before the finalization of the financial statements.

Contributed supplies and services

The Organization recognizes contributed supplies and services when the fair value of these contributions can be reasonably estimated and the Organization would have otherwise purchased these supplies and services in the normal course of its activities.

Capital assets

Capital assets are recorded at cost and are amortized over their estimated useful life using the straight-line method at the following rates. When the organization determines that capital assets can no longer provide long-term benefits, the excess of the net book value of the asset over its fair value is charged to the statement of income.

Buildings	20 years
Building improvements	10 years
Furnitures and fixtures	3 years
Vehicle	8 years
Kitchen equipment	3 years
Computer equipment	3 years

Deferred contributions related to capital assets

Deferred contributions related to capital assets are accounted for as deferred contributions and are amortized using the same method and rate as the related capital assets.

Allocation of expenses

Expenses directly related to a program or activity are allocated to the related program or activity in accordance with the budget that was allocated to the activity. Expenses of the various programs are detailed in Schedule B.

Staff costs are allocated to each program based on hours worked in each program.

Financial instruments

The Organization initially measures its financial assets and financial liabilities at fair value. Transaction costs relating to financial assets which will be subsequently measured at fair value are recognized in the statement of income in the year in which they are incurred. The Organization subsequently measures all of its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash, temporary investments, accounts receivable and grants receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Notes to the financial statements

March 31, 2023

2. Significant accounting policies (continued)**Cash and cash equivalents**

The Organization's policy is to present in cash and cash equivalents bank balances, including bank overdrafts and temporary investments whose maturity is equal to or less than three months at the time of acquisition.

Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date, and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates.

3. Internally restricted net assets

Internally restricted assets are detailed as follows :

	Balance as at March 31, 2022	Increase	Use/Transfer	Balance as at March 31, 2023
	\$	\$	\$	\$
Maintenance of the Renaud Center	149,651	-	40,331	109,320
Modernisation of the technological environment	60,000	-	15,144	44,856
Enhancement of the "Sac à dos" Program	71,160	-	54,409	16,751
Salaries of two new hirings	100,000	-	44,761	55,239
Purchase of a vehicle	75,000	-	75,000	-
	455,811	-	229,645	226,166

These amounts may not be used for other purposes without the prior consent of the Board of Directors.

4. Accounts receivable

	2023	2022
	\$	\$
Contributions receivable	15,027	24,756
Amount receivable from the State	19,323	18,393
	34,350	43,149

5. Capital assets

	Cost	Accumulated amortization	Net book value	
	\$	\$	2023	2022
	\$	\$	\$	\$
Land - Carolyn Hayes Renaud center (CCHR)	45,000	-	45,000	45,000
Land - Marcelle and Jean Coutu Perseverance Center (CPSMJC)	155,800	-	155,800	155,800
Building - Carolyn Hayes Renaud Center (CCHR)	876,012	838,564	37,448	81,248
Building - Marcelle and Jean Coutu Perseverance Center (CPSMJC)	2,777,023	1,518,265	1,258,758	1,397,609
Building improvements	231,205	226,094	5,111	11,797
Furnitures and fixtures	57,171	36,911	20,260	20,848
Vehicle	79,065	20,064	59,001	19,852
Kitchen equipment	35,184	29,093	6,091	13,945
Computer equipment	150,665	129,185	21,480	20,450
	4,407,125	2,798,176	1,608,949	1,766,549

Notes to the financial statements

March 31, 2023

	2023	2022
	\$	\$
6. Accounts payable and accrued liabilities		
Accounts payable and accrued liabilities	74,438	78,738
Salaries payable	33,194	18,910
Accrued vacations	69,326	56,172
	176,958	153,820

7. Line of credit

The Organization has a line of credit of \$50,000, at prime rate plus 1.00%, secured by all movable and immovable properties of the Organization, renewable annually. As at March 31, 2023, the line of credit was unused.

8. Deferred grants and contributions

Deferred grants and contributions represent unspent resources which, by virtue of external restrictions, represent earmarked funding received in the current year and intended to cover the expenses of the following year. Changes between opening and closing balances of deferred grants and contributions are as follows :

	Balance as at March 31, 2022	Received (receivable)	Recognized as deferred income or capital assets	Balance as at March 31, 2023
	\$	\$	\$	\$
Pathways to Education Canada	71,820	502,221	574,041	-
Ministère de l'Éducation et de l'Enseignement supérieur	53,047	262,808	287,826	28,029
Toujours Ensemble Foundation	25,000	-	25,000	-
	149,867	765,029	886,867	28,029

	2023	2022
	\$	\$
9. Long-term debt		
Term credit facility, repaid in full during the year	-	51,682
Current portion of long-term debt	-	23,210
	-	28,472

	2023	2022
	\$	\$
10. Deferred contributions related to capital assets		
Balance, beginning of the year	22,946	19,296
New contributions during the year. Pathways to Education Canada	18,046	12,001
Amortization for the year	(11,991)	(8,351)
Balance, end of the year	29,001	22,946

Notes to the financial statements**March 31, 2023**

11. Financial instruments

The Organization is exposed to various risks related to its financial instruments. The following analysis provides a measure of the organization's risks as at March 31, 2023.

Credit risk

For grants receivable, the Organization continuously assesses the amounts receivable on the basis of the amounts it is almost certain to receive, based on their estimated realizable value.

For pledges, the Organization recognizes at closing only the amounts that are received prior to the finalization of the financial statements.

For other receivables, the Organization continuously assesses probable losses and establishes a provision for losses based on their estimated realizable value.

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 includes three types of risk : currency risk, interest rate risk and other price risk. The organisation primary's market risk is the interest rate risk. The organization is principally exposed to intent rate risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The Organization is exposed to interest rate risk with respect to its fixed rate and floating rate financial instruments. Fixed interest rate instruments subject the organization to fair value risk and floating rate instruments to cash flow risk.

12. Corresponding amounts

Certain comparative amounts have been reclassified to conform to the current year's financial statement presentation.

Detailed results

For the year ended March 31, 2023

	2023	2022
	\$	\$
Revenues		
Grants		
Canada Emergency Wage Subsidy	-	245,749
Canada Summer Employment Program	20,455	28,770
"Ministère de l'Éducation et de l'Enseignement supérieur"		
Programme d'action communautaire sur le terrain de l'éducation (PACTE)		
Mission support	287,826	206,750
"Opération projets"	-	23,967
"Centre intégré universitaire de santé et de services sociaux du Centre-Sud-de-l'Île-de-Montréal - Milieux de vie favorables (MVFJ)"	20,698	17,883
"Ministère du Travail, de l'Emploi et de la Solidarité sociale"		
Wage subsidies	8,829	-
"Emploi Québec - Programme d'aide et d'accompagnement social (PAAS)"	897	4,828
Ville-MTESS - Fonds québécois d'initiatives sociales dans le cadre des alliances pour la solidarité	48,692	44,692
Marguerite-Bourgeoys School board	34,006	26,701
Volunteer support program	4,500	5,346
	425,903	604,686
Financial contributions		
Pathways to Education Canada	555,995	479,883
Organizations		
Centraide of Greater Montreal		
Pathways to Education program	150,000	175,767
Mission support	128,386	99,036
Project DATAide	5,000	-
Réseau Réussite Montreal	37,970	33,145
Cantine pour tous	47,023	31,742
	368,379	339,690
Donations		
Marcelle and Jean Coutu Foundation	156,000	129,985
Stratus Foundation	22,000	25,000
Toujours Ensemble Foundation	25,000	25,000
Foundation of Greater Montreal	12,510	12,460
Donations for the financing of the Marcelle and Jean Coutu perseverance center (CPSMJC)	75,000	-
Other foundations	174,985	237,230
Corporate donations	84,883	40,449
Other donors	108,613	103,070
Contributions received in the form of supplies and services	93,661	28,615
	752,652	601,809
Fundraising and other income		
Youth participation rights	26,433	18,411
Entrepreneurial income	397	16,028
Fundraising	1,695	498
Rental income	23,916	23,220
Interest income	18,021	5,193
	70,462	63,350
Total of revenues	2,173,391	2,089,418

Detailed results

For the year ended March 31, 2023

	ADMINISTRATION	PATHWAYS TO EDUCATION PROGRAM	AFTER- SCHOOL PROGRAM	SAC À DOS PROGRAM	SUMMER PROGRAMMING	SCHOOL LUNCHES SERVICES	OTHERS AID PROGRAMS (CHRISTMAS CAMPAIGN AND SCHOOL SUPPLIES)	2023	2022
Expenses	\$	\$	\$	\$	\$	\$	\$	\$	\$
Human resources									
Salaries and benefits	247,479	492,599	244,412	258,416	108,363	76,060	12,113	1,439,442	1,177,201
Training	4,681	2,747	231	970	137	329	12	9,107	6,915
	252,160	495,346	244,643	259,386	108,500	76,389	12,125	1,448,549	1,184,116
Organization									
Professional fees	45,919	3,283	4,207	1,823	545	518	2,997	59,292	149,121
Office expenses	26,110	21,667	7,198	7,601	3,892	1,469	463	68,400	54,128
Activities	-	6,136	11,021	-	-	17,426	-	34,583	21,370
Mentoring activities	-	-	-	-	-	-	-	-	11,448
Equipment	613	9,599	7,986	2,386	6,525	2,091	17,529	46,729	40,487
School supplies	-	947	-	-	-	-	-	947	8,211
Family support	-	24,440	-	-	-	-	-	24,440	7,257
Transport	286	38,800	2,814	1,404	385	5,107	464	49,260	30,378
Accommodation	140	1,548	3,960	-	-	889	-	6,537	1,601
Food	313	16,541	8,169	3,096	64,303	6,560	61,392	160,374	91,291
Donations	9,601	-	900	-	27,525	3,000	6,281	47,307	29,509
Vehicle expenses	2,992	929	625	524	300	100	14	5,484	4,264
Advertising and promotion	6,148	1,747	1,242	1,386	702	283	46	11,554	5,939
Other expenses	4,132	1,863	968	1,323	505	193	39	9,023	6,239
	96,254	127,500	49,090	19,543	104,682	37,636	89,225	523,930	461,243
Administration									
Audit and accounting services	11,173	23,092	14,219	15,995	8,250	3,047	633	76,409	55,545
Insurance	4,371	8,838	5,509	6,142	3,118	1,170	194	29,342	31,123
Energy	3,895	7,937	4,955	5,555	3,792	1,058	204	27,396	24,022
Maintenance and repairs	52,863	34,878	18,283	19,964	14,883	3,802	753	145,426	82,473
Telecommunications	1,571	3,896	1,723	2,674	841	314	56	11,075	11,386
Municipal taxes	2,234	4,508	2,835	3,156	1,598	601	95	15,027	14,050
Interest on long-term debt	1,632	-	-	-	-	-	-	1,632	3,366
Other financial expenses	2,978	-	40	-	-	-	-	3,018	2,797
	80,717	83,149	47,564	53,486	32,482	9,992	1,935	309,325	224,762
Total of expenses	429,131	705,995	341,297	332,415	245,664	124,017	103,285	2,281,804	1,870,121