

**Community Care
Peterborough
Financial Statements**
For the year ended March 31, 2021

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Independent Auditor's Report

To the Directors of
Community Care Peterborough

Qualified Opinion

We have audited the accompanying financial statements of Community Care Peterborough (the Organization), which comprise the statement of financial position as at March 31, 2021, and the statements of operations, changes in fund balances, reserve funds 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, 2021, 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 Organization 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 Organization. Therefore, we were not able to determine whether any adjustments might be necessary to donation and fundraising revenues, excess of revenues over expenses, and cash flows from operations for the years ended March 31, 2021 and 2020, current assets as at March 31, 2021 and 2020, and fund balances as at April 1 and March 31 for both the 2021 and 2020 years. Our audit opinion on the financial statements for the year ended March 31, 2020 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 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 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.

Chartered Professional Accountants, Licensed Public Accountants
Peterborough, Ontario
June 9, 2021

Community Care Peterborough Statement of Financial Position

March 31	LTC Funded Home Support Services	Home Support Services	Reserve Funds	Endowment Fund	Total 2021	Total 2020
Assets						
Current						
Cash and bank	\$ -	\$ 56,771	\$ -	\$ -	\$ 56,771	\$ 55,343
Short-term investments (Note 2)	-	-	879,281	68,135	947,416	751,886
Accounts receivable	98,432	-	-	-	98,432	103,873
Prepaid expense	3,421	-	-	-	3,421	25,441
Due to/(from) other funds	245,642	102,428	(345,964)	(2,106)	-	-
	347,495	159,199	533,317	66,029	1,106,040	936,543
Long-term investments (Note 2)	-	-	84,434	-	84,434	152,705
Capital assets (Note 3)	-	308,429	-	-	308,429	107,302
	\$ 347,495	\$ 467,628	\$ 617,751	\$ 66,029	\$ 1,498,903	\$ 1,196,550
Liabilities and Fund Balances						
Current						
Accounts payable and accrued liabilities (Note 4)	\$ 192,581	\$ 7,400	\$ -	\$ -	\$ 199,981	\$ 149,655
Deferred revenue (Note 5)	154,914	116,646	-	-	271,560	109,968
	347,495	124,046	-	-	471,541	259,623
Deferred contributions (Note 6)	-	60,026	-	-	60,026	65,996
	347,495	184,072	-	-	531,567	325,619
Contingent Liabilities (Note 10)						
Commitments (Note 11)						
Fund Balances						
Unrestricted	-	35,153	-	-	35,153	(79,912)
Internally restricted (Note 7)	-	-	565,048	11,047	576,095	801,095
Externally restricted (Note 8)	-	-	52,703	54,982	107,685	108,442
Invested in capital assets	-	248,403	-	-	248,403	41,306
	-	283,556	617,751	66,029	967,336	870,931
	\$ 347,495	\$ 467,628	\$ 617,751	\$ 66,029	\$ 1,498,903	\$ 1,196,550

On behalf of the Board:



Director

The accompanying notes are an integral part of these financial statements

**Community Care Peterborough
Statement of Changes in Fund Balances**

For the year ended March 31	LTC Funded Home Support Services	Home Support Services	Reserve Funds	Endowment Fund	Total 2021	Total 2020
Balance, beginning of year	\$ -	\$ (38,606)	\$ 843,508	\$ 66,029	\$ 870,931	\$ 967,427
Excess of revenue over expenses (expenses over revenue)	-	97,162	(757)	-	96,405	(96,496)
Interfund transfers Financial stability reserve fund	-	225,000	(225,000)	-	-	-
Balance, end of year	\$ -	\$ 283,556	\$ 617,751	\$ 66,029	\$ 967,336	\$ 870,931

The accompanying notes are an integral part of these financial statements

Community Care Peterborough Statement of Operations

For the year ended March 31	<u>Restricted Fund</u> LTC Funded Home Support Services		<u>General Fund</u> Home Support Services Reserve Funds Endowment Fund			Total	Total
	2021	2020				2021	2020
Revenue							
LHIN Base funding:							
- Operating subsidy	\$ 918,156	\$ 918,156	\$ -	\$ -	\$ -	\$ 918,156	\$ 918,156
- Supported referral funding	75,000	75,000	-	-	-	75,000	75,000
- Exercise and falls prevention	249,492	249,492	-	-	-	249,492	249,492
- Access to Primary Care	95,000	95,000	-	-	-	95,000	95,000
- PSW subsidy	4,200	4,200	-	-	-	4,200	4,200
- Home at Last funding	128,760	128,760	-	-	-	128,760	128,760
- Home First funding	118,944	118,944	-	-	-	118,944	118,944
LHIN One-time funding	43,848	75,501	-	-	-	43,848	75,501
Ontario Trillium funding	-	-	20,120	-	-	20,120	-
COVID Funding	260,632	-	-	-	-	260,632	-
United Way allocation							
and designations	55,116	55,112	293	-	-	55,409	55,510
City of Peterborough grant	42,431	48,934	-	-	-	42,431	48,934
Township grants	12,994	14,985	-	-	-	12,994	14,985
Other grants	2,380	3,471	-	-	-	2,380	3,471
County of Peterborough subsidy							
and gas tax funding	79,942	78,347	-	-	-	79,942	78,347
Donations and fundraising (Note 9)	16,741	198,514	425,131	-	-	441,872	444,820
Client fees:							
- Foot clinic revenue	-	-	10,200	-	-	10,200	21,090
- Meal revenue	256,636	223,576	-	-	-	256,636	223,576
- P.D.A. revenue	83,941	87,230	-	-	-	83,941	87,230
- CCP Van revenue	14,017	13,638	-	-	-	14,017	13,638
- Caremobile revenue	10,987	19,667	-	-	-	10,987	19,667
The Thread advertising	-	-	1,750	-	-	1,750	4,000
Investment income	-	-	7,950	-	-	7,950	16,997
Third party charges	77,725	134,450	-	-	-	77,725	134,450
Other income	10,054	13,978	-	-	-	10,054	13,978
	\$2,556,996	\$ 2,556,955	\$ 465,444	\$ -	\$ -	\$3,022,440	\$ 2,845,746

The accompanying notes are an integral part of these financial statements

Community Care Peterborough Statement of Operations

For the year ended March 31	<u>Restricted Fund</u> LTC Funded Home Support Services		<u>General Fund</u> Home Support Services Reserve Funds Endowment Fund			Total	Total
	2021	2020				2021	2020
Expenses							
Salaries	\$1,342,641	\$ 1,382,806	\$ 255,155	\$ -	\$ -	\$1,597,796	\$ 1,658,003
Benefits	211,776	216,058	41,878	-	-	253,654	258,783
Staff, volunteer and Board training and recognition	15,312	13,628	-	-	-	15,312	13,628
Travel	33,815	47,822	-	-	-	33,815	47,822
Building occupancy	180,469	179,983	20,052	-	-	200,521	199,981
Office expenses	194,582	212,297	-	-	-	194,582	212,297
Program expenses:							
- Foot clinic expenses	-	-	316	-	-	316	1,694
- Meal expenses	293,531	258,136	-	-	-	293,531	258,136
- P.D.A. expenses	41,701	44,827	-	-	-	41,701	44,827
- CCP Van expenses	9,323	13,675	-	-	-	9,323	13,675
- Caremobile expenses	15,531	22,624	-	-	-	15,531	22,624
The Thread expenses	-	-	9,600	-	-	9,600	18,034
Other operating expenses	218,315	89,598	23,377	757	-	242,449	100,145
Community investment allocation	-	75,501	-	-	-	-	75,501
	2,556,996	2,556,955	350,378	757	-	2,908,131	2,925,150
Excess of revenue over expenses (expenses over revenue) before amortization	-	-	115,066	(757)	-	114,309	(79,404)
Amortization of deferred contributions (Note 6)	-	-	21,270	-	-	21,270	18,483
Amortization of capital assets	-	-	(39,174)	-	-	(39,174)	(35,575)
Excess of revenue over expenses (expenses over revenue) for the year	\$ -	\$ -	\$ 97,162	\$ (757)	\$ -	\$ 96,405	\$ (96,496)

The accompanying notes are an integral part of these financial statements

Community Care Peterborough Statement of Cash Flows

For the year ended March 31	LTC Funded Home Support Services	Home Support Services	Reserve Funds	Endowment Fund	Total 2021	Total 2020
Cash provided (used in)						
Operating activities						
Excess of revenue over expenses (expenses over revenue)	\$ -	\$ 97,162	\$ (757)	\$ -	96,405	\$ (96,496)
Items not involving cash:						
Amortization of deferred contributions	-	(21,270)	-	-	(21,270)	(18,483)
Amortization of capital assets	-	39,174	-	-	39,174	35,575
	-	115,066	(757)	-	114,309	(79,404)
Change in non-cash working capital balances						
Accounts receivable	5,441	-	-	-	5,441	6,900
Prepaid expenses	22,020	-	-	-	22,020	(149)
Accounts payable and accrued liabilities	60,675	(10,350)	-	-	50,325	10,423
Deferred revenue	126,810	34,782	-	-	161,592	25,273
Due to/from fund	(214,946)	(138,070)	352,857	159	-	-
	-	1,428	352,100	159	353,687	(36,957)
Investing activities						
Reserve and Endowment fund investments	-	-	(127,100)	(159)	(127,259)	865
Purchase of capital assets	-	(240,300)	-	-	(240,300)	(10,121)
Transfers	-	225,000	(225,000)	-	-	-
	-	(15,300)	(352,100)	(159)	(367,559)	(9,256)
Financing activities						
Deferred contributions received	-	15,300	-	-	15,300	2,372
Increase (decrease) in cash resources	-	1,428	-	-	1,428	(43,841)
Cash and bank, beginning of year	-	55,343	-	-	55,343	99,184
Cash and bank, end of year	\$ -	\$ 56,771	\$ -	\$ -	\$ 56,771	\$ 55,343

The accompanying notes are an integral part of these financial statements

Community Care Peterborough Statement of Reserve Funds

For the year ended March 31	Facilities & Services Development Fund	Financial Stability Reserve Fund	Transportation Fund	Special Contribution Fund	Restricted Contribution Fund	Total 2021	Total 2020
Balance, beginning of year	\$ 266,374	\$ 361,598	\$ 158,374	\$ 3,702	\$ 53,460	\$ 843,508	\$ 826,293
Client subsidy	-	-	-	-	(757)	(757)	(6,785)
	266,374	361,598	158,374	3,702	52,703	842,751	819,508
Interfund transfers	(225,000)	-	-	-	-	(225,000)	24,000
Balance, end of year	\$ 41,374	\$ 361,598	\$ 158,374	\$ 3,702	\$ 52,703	\$ 617,751	\$ 843,508

The accompanying notes are an integral part of these financial statements

Community Care Peterborough Notes to the Financial Statements

March 31, 2021

1. Summary of Significant Accounting Policies

a) Nature of the Organization

Community Care Peterborough (previously, Senior Citizens Council Peterborough) was formed on April 1, 1993 by Letters Patent of Amalgamation under the Ontario Corporations Act to amalgamate Peterborough Senior Citizens Council and Peterborough County Community Care Inc. The organization is a registered charity and, as such, is exempt from income tax and may issue income tax receipts to donors.

Powered by Volunteers and Staff, Community Care Peterborough supports the health and wellbeing of individuals, caregivers and communities. As a trusted health care partner, their high-quality programs allow people across their rural and urban region to maintain their independence and dignity.

The corporation shall be carried on without the purpose of gain for its members and any profits or other accretions to the corporation shall be used in promoting its objects.

b) Basis of Accounting

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

c) Fund Accounting

Community Care Peterborough maintains its accounts in accordance with the principles of fund accounting. Resources are classified for accounting and reporting purposes into funds according to the activity or objective specified.

The Restricted Fund accounts for the home support services funded by the Ministry of Health and Long-Term Care for Ontario. On April 1, 2007, the Local Health Integration Networks (LHINs) assumed full responsibility as managers of the local health system.

The General Fund accounts for the organization's operating activities with respect to unrestricted resources and restricted operating grants.

The Reserve Funds account for contributions and fundraising revenues which are subject to the restrictions on use of case resources imposed from within the organization by resolution of the Board of Directors.

The Endowment Fund reports resources contributed for endowment. Investment income earned on resources of the Endowment Fund is reported in the Endowment Fund or General Funds depending on the nature of any restrictions imposed by contributors of funds for endowment.

d) Government Financial Assistance

The Home Support Program is eligible for funding based upon a Community Accountability Planning Submission (CAPS) and a budget submitted to, and approved by, the Minister of Health and Long-Term Care for Ontario and managed by the Central East Local Health Integration Network (CE LHIN). The Ministry of Health, pursuant to a Multi-Sectoral Accountability Agreement, has agreed to fund the Approved Agency (Community Care Peterborough) to provide or ensure the provision of the Services as set out in the schedules of the Service Accountability Agreement and the Budget. Community Care Peterborough has agreed to provide or ensure the provision of the Services in accordance with the terms of the Agreement.

Community Care Peterborough

Notes to the Financial Statements

March 31, 2021

1. Summary of Significant Accounting Policies (continued)

e) Revenue Recognition

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the Restricted Fund.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Fundraising and event gross proceeds are included in revenue when the amount can be reasonably estimated and collection is reasonably assured.

Service revenues are recognized in the period in which the goods and services are provided by the organization. Revenues received for a future period are recorded as deferred revenue in these financial statements until the goods or services are provided.

f) Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods cash and bank and investments are reported at fair value. All other financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Unless otherwise noted, management does not believe the organization is subject to significant credit, liquidity or interest rate risks.

g) Capital Assets

Purchased capital assets are recorded at acquisition cost. Amortization is provided on a straight line basis as follows:

Vehicles	- 4 years
Furniture and equipment	- 10 years
Computers	- 3 years
Telephone system	- 5 years
Leaseholds	- Over the term of the lease

In the year of acquisition, amortization is provided using the half year method.

Deferred contributions relating to capital assets are amortized using the same rate as the related assets.

h) Contributed Materials and Services

Volunteers contribute significant hours each year to assist the organization in carrying out its activities. Because of the difficulty of determining their fair value, these services are not recognized in the financial statements.

Contributed materials and services which are used in the normal course of the organizations operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if the fair value can be reasonably estimated.

Community Care Peterborough

Notes to the Financial Statements

March 31, 2021

1. Summary of Significant Accounting Policies (continued)

i) Use of Estimates

The preparation of financial statements in accordance 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 at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The principal estimate used in the preparation of these financial statements is the determination of the estimated useful life of capital assets. Actual results could differ from management's best estimates as additional information becomes available in the future.

2. Investments

	Reserve Fund	Endowment Fund	2021	2020
Cash	\$ 499,079	\$ 68,135	\$ 567,214	\$ 389,853
Fixed income	154,636	-	154,636	324,738
GICs	310,000	-	310,000	190,000
	963,715	68,135	1,031,850	904,591
Less short term	879,281	68,135	947,416	751,886
Long term	\$ 84,434	\$ -	\$ 84,434	\$ 152,705

Reserve fund fixed income securities consist of guaranteed investment certificates and bonds bearing interest rates ranging from 2.22% to 2.83% and maturity dates from June 2021 to June 2022.

GICs bear an interest rate of 0.40% with maturity dates of April 2021 to August 2021.

Community Care Peterborough Notes to the Financial Statements

March 31, 2021

3. Capital Assets

	2021		2020	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Vehicles	\$ 44,673	\$ (44,673)	\$ 44,673	\$ (44,673)
Furniture and equipment	36,934	(17,815)	36,934	(15,470)
Leasehold improvements	351,234	(75,536)	126,234	(43,513)
Computer equipment	74,723	(61,973)	59,423	(57,415)
Telephone system	20,263	(19,401)	20,263	(19,154)
	<u>\$ 527,827</u>	<u>\$ (219,398)</u>	<u>\$ 287,527</u>	<u>\$ (180,225)</u>
Net book value		<u>\$ 308,429</u>		<u>\$ 107,302</u>

4. Account Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are government remittances amounting to \$7,572 (2020 - \$9,232).

5. Deferred Revenue

Deferred revenue is comprised of amounts received for services to be provided, events to occur, and expenses to be incurred in the subsequent fiscal period. Deferred revenue in the Home Support Services Fund represents restricted donations received in the current year for operating expenses to be incurred in the subsequent fiscal period.

6. Deferred Contributions

Deferred contributions relate to funding that was provided specifically to purchase capital assets. These restricted contributions are amortized into revenues over the life of the capital assets that they purchased. The changes for the year in the deferred contributions balance reported are as follows:

	2021	2020
Balance, beginning of year	\$ 65,996	\$ 82,107
Funding received in the year related to capital assets	15,300	2,372
Revenue recognized in the year related to capital assets	<u>(21,270)</u>	<u>(18,483)</u>
Balance, end of year	<u>\$ 60,026</u>	<u>\$ 65,996</u>

Community Care Peterborough Notes to the Financial Statements

March 31, 2021

7. Internally Restricted Fund Balances

The Internally Restricted Reserve funds aggregating \$565,048 (2020 - \$790,048) have been internally restricted by the Board of Directors for the following purposes. The restriction on the use of these cash resources has been imposed from within the corporation by resolution of the Board of Directors. These funds are not available for other purposes without approval of the Board of Directors.

The Facilities and Services Development Fund is restricted to provide the organization with a reserve of cash sufficient to fund the potential purchase of property, relocation expenses, expand or enhance client services or other administrative capital purchases as approved by the Board.

The Financial Stability Reserve Fund is restricted to provide the organization with a reserve of cash sufficient to handle major operational emergencies or opportunities.

The Transportation Fund is restricted to provide an investment to fund the organization's vehicles.

The Special Contribution Reserve Fund is restricted to hold special bequests and money from the sale of financial or non-financial assets donated to the organization.

8. Externally Restricted Fund Balance

Externally imposed restrictions on the fund balances consist of the Restricted Contribution Fund and Endowment Fund.

The Restricted Contribution Fund includes the following:

Buckhorn Bequest Fund: special bequest, with a direction to the organization's Buckhorn Office

Apsley Reserve Fund: special donation, with a direction to the organization's Apsley Office

The Endowment fund, named the Michelle Fund, was established by a contribution in the amount of \$54,982. The income from the Endowment fund is unrestricted and recorded in the operating fund. No unrealized gains or losses exist at year end.

Community Care Peterborough Notes to the Financial Statements

March 31, 2021

9. Donations and Fundraising Revenue

Donation and fundraising revenue consist of the following:

	2021	2020
Donations received	\$ 317,515	\$ 257,654
Bequests received	28,258	29,361
Fundraising revenue	100,716	206,533
Nevada revenue	1,343	2,687
Sponsorships	12,025	13,350
	<u>459,857</u>	<u>509,585</u>
Fundraising expenses	17,584	63,952
Nevada expenses	401	813
	<u>17,985</u>	<u>64,765</u>
Net donations and fundraising revenues generated	<u>\$ 441,872</u>	<u>\$ 444,820</u>

Donations and fundraising activities are first allocated to the LTC Funded Home Support Services to cover any funding shortfalls and the remaining balance is allocated to the non-Ministry funded programs.

The allocation of the net donations and fundraising revenue on the statement of operations is as follows:

LTC Funded - Home Support Services	\$ 16,741	\$ 198,514
General Fund - Home Support Services	425,131	246,306
	<u>\$ 441,872</u>	<u>\$ 444,820</u>

10. Contingent Liabilities

The organization's employees are eligible for sick leave credits for each month that they have worked. As at March 31, 2021, the aggregate accumulated sick leave amounts to \$90,618 (2020 - \$82,574). Under the organization's sick leave policy, no cash payment is required to be paid upon resignation, retirement, etc. The sick leave accumulation represents a liability only if the employees are on sick leave. As such, no amount has been accrued as at March 31, 2021.

Community Care Peterborough Notes to the Financial Statements

March 31, 2021

11. Lease Commitments

The organization's administrative business premises and the Peterborough district office are rented pursuant to an occupancy agreement to June 30, 2023 at a rate of \$6,000 monthly.

The organization also leases various district offices pursuant to agreements with the following terms:

Apsley	\$4,700 monthly expiring December 31, 2021
Chemung	\$500 monthly on a month to month basis
Buckhorn	\$375 monthly on a month to month basis
Havelock	\$2,544 monthly on a month to month basis
Lakefield	\$550 monthly on a month to month basis
Millbrook	\$750 monthly on a month to month basis
Norwood	\$500 monthly on a month to month basis
Treasure Trove	approximately \$1,000 annually expiring December 31, 2021

12. Economic Dependence

The Organization derives a significant portion of its revenues from the Central East Local Health Integration Network (LHIN). The nature and extent of this revenue is of such significance as to affect the viability of the organization and, accordingly, the organization is economically dependent on the Government of Ontario as a source of funding.

Community Care Peterborough Notes to the Financial Statements

March 31, 2021

13. Financial Instrument Risk

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 market interest rates. The organization is exposed to interest rate risk arising from the possibility that changes in interest rates will affect the value of fixed income denominated investments as described in Note 2.

There have not been any changes in this risk from the prior year.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The organization is exposed to credit risk resulting from the possibility that a customer or counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The organization's financial instruments that are exposed to concentrations of credit risk relate primarily to the accounts receivable.

Although COVID-19 has altered the broader economic conditions in Ontario, the organization does not believe there is any change in this risk from the prior year as the counterparties to their accounts receivable is primarily government funded organizations.

14. Uncertainty due to COVID-19

On January 30, 2020, the World Health Organization announced a global health emergency because of a new strain of coronavirus, the "COVID-19 outbreak". In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve throughout the world including Canada. Specifically, the organization continues to operate as they are deemed to be an essential service by the provincial government. Services such as foot care clinics and transportation have either been deferred or reduced based on local restrictions in place as a result of the COVID-19 outbreak. Fundraising for the organization has been greatly reduced as a result of these local health restrictions. The organization has received grant funding from various levels of government and local agencies to address the impacts of the COVID-19 outbreak on the organization. This funding includes temporary wage enhancements for front-line workers from the Central East LHIN and the Temporary Wage Subsidy from the Government of Canada.

Although the organization cannot estimate the length or gravity of the impact of the COVID-19 outbreak at this time, if the pandemic continues, it may have an adverse effect on the organization's results of future operations, financial position, and liquidity in fiscal year 2022.
