



Financial Statements

CLH Developmental Support Services

March 31, 2020

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Independent Auditor's Report

Grant Thornton LLP
600 Hugel Avenue
Midland, ON
L4R 1W4

T +1 705 527 6555
F +1 705 528 7050
www.GrantThornton.ca

To the Directors of
CLH Developmental Support Services

Opinion

We have audited the financial statements of CLH Developmental Support Services, which comprise the statement of financial position as at March 31, 2020, and the statements of operations, 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, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2020, 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 opinion

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 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.

Independent Auditor's Report (continued)

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.

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script font.

Midland, Canada
August 26, 2020

Chartered Professional Accountants
Licensed Public Accountants

CLH Developmental Support Services

Statement of Operations

Year ended March 31

2020

2019

	2020	2019
Revenue		
Operating grants - Province of Ontario	\$ 13,091,597	\$ 13,279,817
Operating grants - County of Simcoe	4,752,086	4,518,616
Rental income	1,208,742	1,211,172
Contribution to Fowlie - Catulpa	262,635	-
Contribution to Pineview - Catulpa	80,000	80,000
Amortization of deferred capital contribution (Note 11)	45,333	44,643
	<u>19,440,393</u>	<u>19,134,248</u>
Expenditures		
Salaries	13,704,327	13,316,732
Benefits	2,826,171	2,398,036
Purchased services	1,105,180	1,157,590
Materials and supplies	572,671	521,873
Amortization	570,588	650,014
Utilities, property taxes and insurance	464,367	462,627
Rent, leases and equipment rentals (Note 15)	319,169	249,891
Repairs, maintenance and replacements	341,000	403,076
Travel	282,161	228,256
Food	239,067	235,171
Training	149,728	81,848
Transportation and vehicle	136,597	148,486
Personal Needs (net of recovery)	110,178	96,686
Sundry	31,737	65,133
Mortgage interest	23,556	26,481
	<u>20,876,497</u>	<u>20,041,900</u>
Deficiency of revenues over expenditures from operations	<u>(1,436,104)</u>	<u>(907,652)</u>
Other items		
Expense recoveries	1,117,630	934,915
Other income	21,817	5,693
Contribution from CLH Foundation	-	136,395
Gain on disposal of property, plant and equipment	-	3,871
Unrealized loss on investments	(6,607)	-
	<u>1,132,840</u>	<u>1,080,874</u>
(Deficiency) excess of revenue over expenditures	<u>\$ (303,264)</u>	<u>\$ 173,222</u>

CLH Developmental Support Services

Statement of Changes in Net Assets

Year ended March 31

	Unrestricted Net Assets	Invested in Capital Assets	Total 2020	Total 2019
Balance, beginning of year as previously stated	\$ (360,796)	\$ 5,324,482	\$ 4,963,686	\$ 4,861,699
Prior period change in presentation (Note 3)	-	-	-	(107,903)
Balance, beginning of year as restated	(360,796)	5,324,482	4,963,686	4,753,796
(Deficiency) excess of revenue over expenditures	(303,264)	-	(303,264)	173,222
Contributed net assets	-	-	-	36,668
Net change in net assets invested in capital assets	238,713	(238,713)	-	-
Balance, end of year	<u>\$ (425,347)</u>	<u>\$ 5,085,769</u>	<u>\$ 4,660,422</u>	<u>\$ 4,963,686</u>

CLH Developmental Support Services Statement of Financial Position

March 31

2020

2019

Assets

Current

Cash	\$ 349,079	\$ 523,294
Cash - restricted (Note 5)	125,337	116,366
Short term investments (Note 6)	254,700	261,307
Accounts receivable	363,936	341,226
Prepaid expenses	86,626	136,177
Due from CLH Foundation	80,618	78,125

1,260,296 1,456,495

Property, plant and equipment (Note 7)

7,241,189 7,475,183

\$ 8,501,485 \$ 8,931,678

Liabilities

Current

Accounts payable and accrued liabilities	\$ 457,734	\$ 655,154
Wages and payroll taxes payable (Note 8)	949,874	933,826
Deferred revenue and subsidies	278,035	228,311
Current portion of long-term debt (Note 10)	125,882	155,223

1,811,525 1,972,514

Long-term debt (Note 10)

648,880 741,987

Deferred capital contributions (Note 11)

1,380,658 1,253,491

3,841,063 3,967,992

Net assets

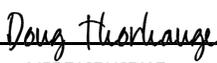
Unrestricted net assets	(425,347)	(360,796)
Invested in capital assets	5,085,769	5,324,482

4,660,422 4,963,686

\$ 8,501,485 \$ 8,931,678

On behalf of the board

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Director

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Director

CLH Developmental Support Services

Statement of Cash Flows

Year ended March 31

2020

2019

Increase (decrease) in cash

Operating

(Deficiency) excess of revenue over expenditures	\$ (303,264)	\$ 173,222
Items not affecting cash		
Amortization of property, plant and equipment	570,588	650,014
Gain on disposal of property, plant and equipment	-	(3,871)
Amortization of deferred capital contributions	(45,333)	(44,643)
Unrealized loss on investments	6,607	-
	<u>228,598</u>	<u>774,722</u>
Change in non-cash working capital items		
Accounts receivable	(22,710)	77,984
Prepaid expenses	49,551	(60,230)
Accounts payable and accrued liabilities	(197,420)	(17,663)
Wages and payroll taxes payable	16,048	114,602
Deferred revenue and subsidies	49,724	(101,019)
	<u>123,791</u>	<u>788,396</u>

Financing

Repayment of long-term debt	(122,448)	(119,416)
Acquisition of net assets of Simcoe Standard Condominium Corporation No. 320	-	36,668
Advances to CLH Foundation	(2,493)	(136,395)
Contributions restricted for capital asset purchases	172,500	192,915
	<u>47,559</u>	<u>(26,228)</u>

Investing

Purchase of short term investments	-	(110,260)
Purchase of property, plant and equipment	(336,594)	(856,064)
Proceeds on disposal of property, plant and equipment	-	7,000
	<u>(336,594)</u>	<u>(959,324)</u>

Decrease in cash (165,244) (197,156)

Cash

Beginning of year	<u>639,660</u>	<u>836,816</u>
End of year	<u>\$ 474,416</u>	<u>\$ 639,660</u>

Cash consists of:

Cash	\$ 349,079	\$ 523,294
Cash - restricted	<u>125,337</u>	<u>116,366</u>
	<u>\$ 474,416</u>	<u>\$ 639,660</u>

CLH Developmental Support Services

Notes to the Financial Statements

March 31, 2020

1. Organization

CLH Developmental Support Services ("CLH") (formerly Community Living Huronia) is incorporated under the Ontario Corporations Act as a not-for-profit organization and is a registered charity under the Canadian Income Tax Act. The Organization is exempt from income tax pursuant to the Canadian Income Tax Act.

The CLH mission is to facilitate the community's acceptance, inclusion and support of individuals with developmental disabilities as valued citizens. CLH strives to ensure the availability of supports and services which address the needs of the individuals and their families.

2. Summary of significant accounting policies

Basis of presentation

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are detailed as follows:

Revenue recognition

CLH follows the deferral method of accounting for contributions which include grants and donations. Under this method, 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 related to future periods are deferred and recognized as revenue in the year in which the related expenses are incurred.

The amortization of deferred capital contributions is recorded as revenue on the statement of operations on the same basis as the amortization of the underlying capital assets.

Rental income is recognized as revenue on the first day of each month.

Expense recoveries are recognized as revenue once the related expenditures have been incurred and the recoveries are earned.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated amortization and impairment. They are amortized on a straight-line basis over their estimated useful lives at the following rates:

Buildings	2.5%
Equipment	10%
Equipment - video conferencing	20%
Leasehold Improvements	20%
Paving	4%
Vehicles	15%

Property, plant and equipment are tested for impairment when events or changes in circumstances indicate that an asset might be impaired. The assets are tested for impairment by comparing their net carrying value to their fair value or replacement cost. If the asset's fair value or replacement cost is determined to be less than its net carrying value, the resulting impairment is reported on the statement of operations.

CLH Developmental Support Services

Notes to the Financial Statements

March 31, 2020

2. Summary of significant accounting policies (continued)

Contributed materials and services

Due to the difficulty of determining their fair value, contributed materials and services are not recognized in the financial statements.

Deferred capital contributions

Deferred capital contributions represent restricted contributions relating to the purchase of capital assets.

Use of estimates

Management reviews the carrying amounts of items in the financial statements at each balance sheet date to assess the need for revision or any possibility of impairment. Many items in the preparation of these financial statements require management's best estimate. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action.

These estimates are reviewed periodically and adjustments are made to net income as appropriate in the year they become known.

Items subject to significant management estimates include the useful life of property, plant and equipment.

Financial instruments

Financial assets or liabilities obtained in arm's length transactions are initially measured at their fair value. All financial instruments are subsequently measured at amortized cost less impairment, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. The initial fair value is adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption.

A financial asset (or group of similar financial assets) measured at cost or amortized cost is tested for impairment when there are indicators of impairment. Impairment losses are recognized in the statement of operations. The amounts of any write-downs or reversals are recognized in net income.

Financial instruments include cash, investments, receivables, due from CLH Foundation, accounts payable and accrued liabilities, wages and payroll taxes payable and current and long term debt.

CLH Developmental Support Services

Notes to the Financial Statements

March 31, 2020

3. Prior year change in presentation

CLH has determined that the externally restricted net asset balance should be presented as deferred revenue as these funds have not yet been utilized for their intended purpose. As a result, the April 1, 2019 externally restricted net asset balance has been reduced to \$Nil, and the March 31, 2019 financial statements have been restated to present this balance as part of deferred revenue. The details of the adjustments and their effect on the March 31, 2019 financial statements are outlined below:

	<u>Previously reported</u>	<u>Adjustment</u>	<u>Restated</u>
Statement of financial position			
Deferred revenue and subsidies	\$ 111,945	\$ 116,366	\$ 228,311
Statement of changes in net assets			
Net assets, beginning of year	\$ 4,861,699	\$ (107,903)	\$ 4,753,796
Excess of Housing Reserve revenue over expenditures	8,463	(8,463)	-
Net assets, end of year	5,080,052	(116,366)	4,963,686
Statement of cash flows			
Deferred revenue and subsidies	\$ (109,482)	\$ 8,463	\$ (101,019)
Excess of Housing Reserve revenue over expenditures	8,463	(8,463)	-

CLH Developmental Support Services

Notes to the Financial Statements

March 31, 2020

4. Adoption of new accounting standards

On April 1, 2019, the Organization adopted new accounting standards Section 4433 Tangible capital assets held by not-for-profit organizations and Section 4434 Intangible assets held by not-for-profit organizations (the "standards"). The most significant requirements include:

- Tangible capital assets must be separated into their component parts, when practicable, and when estimates can be made of the lives of the separate components;
- Tangible capital assets and intangible assets are written down to fair value or replacement cost to reflect partial impairments when conditions indicate that the assets no longer contribute to an organization's ability to provide goods and services, or that the value of future economic benefits or service potential associated with the tangible capital assets are less than their net carrying amounts; and
- Additional disclosures when an impairment has occurred.

The adoption of the new accounting standards was applied prospectively, except the Organization was permitted to recognize an adjustment to opening net assets at April 1, 2019 to reflect partial impairments of tangible and intangible assets existing at that date. The adoption of these standards did not have any impact on the statement of financial position as at April 1, 2019 and the changes in financial position for the current period.

5. Cash - restricted

These restricted funds can only be used for capital improvements to houses funded under the Ministry of Community and Social Services (MCSS) - Dedicated Supportive Housing contract.

	<u>2020</u>	<u>2019</u>
Balance, beginning of year	\$ 116,366	\$ 107,903
Annual contribution by Province of Ontario	6,663	6,663
Interest earned	<u>2,308</u>	<u>1,800</u>
	<u>\$ 125,337</u>	<u>\$ 116,366</u>

6. Short term investments

Short term investments held by CLH consist entirely of a mutual fund measured at fair market value.

CLH Developmental Support Services

Notes to the Financial Statements

March 31, 2020

7. Property, plant and equipment

			<u>2020</u>	<u>2019</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Land	\$ 798,028	\$ -	\$ 798,028	\$ 798,028
Buildings	8,816,927	3,537,161	5,279,766	5,378,380
Equipment	4,754,864	4,139,101	615,763	598,615
Leasehold improvements	507,229	417,098	90,131	95,760
Paving	43,996	38,065	5,931	7,544
Vehicles	996,205	544,635	451,570	596,856
	<u>\$ 15,917,249</u>	<u>\$ 8,676,060</u>	<u>\$ 7,241,189</u>	<u>\$ 7,475,183</u>

Included in land and buildings above are two residential properties, 239 Jeanne Street, Midland and 816 Ottawa Street, Midland, with a net book value of \$368,671 (2019 - \$380,114) that were assumed by CLH in prior years from another organization. Although CLH has title to these properties, the other organization retains the right to reacquire them should CLH decide, with Ministry approval, to sell them. This first right of refusal can be exercised at amounts ranging from \$1 - \$10. However, due to the large amount of capital and maintenance costs incurred by CLH and the Ministry over the years, it is unclear whether the option would ever be exercised.

8. Wages and payroll taxes payable

Included in wages and payroll taxes payable is \$156,237 (2019 - \$161,510) owing with respect to government remittances.

9. Bank indebtedness

CLH maintains an unsecured operating line of credit of \$500,000 and is charged interest at the bank's prime rate of lending plus .75%. The operating line of credit was unused at March 31, 2020.

CLH signed an agreement with the Toronto-Dominion bank on December 8, 2009 for a committed revolving facility. This agreement can be utilized in the form of fixed rate term loans and/or floating rate term loans for the purpose of buying out leases on existing vehicles and for further vehicle purchases. The limit of this committed revolving facility is \$150,000. This credit facility was unused at March 31, 2020.

CLH Developmental Support Services

Notes to the Financial Statements

March 31, 2020

10. Long-term debt

	<u>2020</u>	<u>2019</u>
RBC Royal Bank loan bearing interest at 2.99% per annum, repayable in monthly blended payments of \$843. The loan matures on August 1, 2023 and is secured by a residential property with a net book value of \$191,226.	\$ 32,823	\$ 41,881
MCAP loan bearing interest at 1.85% per annum, repayable in monthly blended payments of \$3,381. The loan matures on May 1, 2021 and is secured by residential properties with a net book value of \$679,753.	245,344	281,035
MCAP loan bearing interest at 1.85% per annum, repayable in monthly blended payments of \$1,242. The loan matures on May 1, 2021 and is secured by a residential property with a net book value of \$209,649.	81,238	94,509
MCAP loan bearing interest at 2.54% per annum, repayable in monthly blended payments of \$1,825. The loan matures on December 1, 2022 and is secured by residential properties with a net book value of \$439,351.	58,131	78,289
TD Canada Trust - Aberdeen loan bearing interest at 3.75% per annum, repayable in monthly blended payments of \$4,881. The loan matures on February 27, 2027 and is secured by commercial property including all chattels and equipment with a carrying value of \$1,498,809, and a general security agreement.	<u>357,226</u>	<u>401,496</u>
	774,762	897,210
Less current portion	<u>125,882</u>	<u>155,223</u>
Due beyond one year	<u>\$ 648,880</u>	<u>\$ 741,987</u>
Estimated principal repayments are as follows:		
2021	\$ 125,882	
2022	355,263	
2023	75,625	
2024	55,381	
2025	53,385	
Subsequent years	<u>109,226</u>	
	<u>\$ 774,762</u>	

Mortgages were arranged by the Ministry of Municipal Affairs and Housing and are secured by residential properties purchased with Ministry of Housing funding. Payments are funded by MCSS - Dedicated Supportive Housing.

CLH Developmental Support Services

Notes to the Financial Statements

March 31, 2020

11. Deferred capital contributions

Deferred capital contributions represent the unamortized amount of government funding or donations received for the purchase of capital assets. The changes in the deferred capital contributions balance are as follows:

	<u>2020</u>	<u>2019</u>
Balance, beginning of the year	\$ 1,253,491	\$ 1,105,219
Add: contributions received restricted for capital asset purchases	172,500	192,915
Less: amortization of deferred capital contributions	<u>(45,333)</u>	<u>(44,643)</u>
	<u>\$ 1,380,658</u>	<u>\$ 1,253,491</u>

12. Net assets invested in capital assets

The net change in net assets invested in capital assets is calculated as follows:

	<u>2020</u>	<u>2019</u>
Acquisition of capital assets	\$ 336,594	\$ 856,064
Capital asset purchases funded by restricted contributions	(172,500)	(192,915)
Amortization of capital assets	(570,588)	(650,014)
Amortization of deferred capital contributions	45,333	44,643
Gain (loss) on disposal of vehicles	-	(3,129)
Repayment of long term debt	122,448	119,416
Repayment to CLH Foundation	<u>-</u>	<u>58,270</u>
Net change in net assets invested in capital assets	<u>\$ (238,713)</u>	<u>\$ 232,335</u>

13. Economic dependence

The operations of CLH are funded primarily through grants provided directly by MCSS. During the current year, these grants were 72% of total revenues (2019 - 74%).

CLH Developmental Support Services

Notes to the Financial Statements

March 31, 2020

14. Economic interest

CLH has an economic interest in another not-for-profit organization, CLH Foundation ("the Foundation"). An economic interest exists when the Foundation holds resources for the benefit of CLH. The purpose of the Foundation is to receive and maintain a fund or funds and to apply all or part of the principal and income, from time to time, to CLH. The Foundation is incorporated under the Ontario Corporations Act as a not-for-profit organization and is a registered charity under the Canadian Income Tax Act.

The Foundation contributed \$47,272 (2019 - \$136,395) to CLH during the year. This amount has been recognized as an addition to deferred capital contributions as the purpose of the contribution was for the purchase of capital assets. In the prior year, it was recognized as a contribution from CLH Foundation on the statement of operations.

CLH has signed a contract to provide certain administrative services to the Foundation for a total annual fee of \$22,100 (2019 - \$22,100). This contract may be terminated by either party at any time. During the current year, the annual fee of \$22,100 was waived due to the impact of COVID-19 on the Foundation.

CLH employs staff who work for the Foundation. The Foundation reimburses CLH for these expenses. During the current year, the reimbursed payroll expenses totaled \$125,413 (2019 - \$nil) and was recognized as an expense recovery on the statement of operations.

CLH has agreed to lease the land and building at 283 King Street, Midland from the Foundation for \$3,000 per month. The lease agreement expires May 2024. Rent payments to the Foundation during the year were \$36,000 (2019 - \$36,000).

15. Commitments

CLH leases office space at a number of different locations.

Future minimum lease payments as at March 31, 2020 for the next five years are as follows:

2021	226,503
2022	157,818
2023	136,984
2024	114,541
2025	51,785

16. Contributed net assets

During the prior year, CLH received assets and assumed liabilities from Simcoe Standard Condominium Corporation No. 320. This corporation was dissolved and because CLH owns all of the units in the building, it received the net assets.

CLH Developmental Support Services

Notes to the Financial Statements

March 31, 2020

17. Financial instruments

Risk management

CLH manages its exposure to the risks associated with financial instruments that have the potential to affect its operating and financial performance in accordance with its Risk Management Policy. The objective of the policy is to reduce volatility in cash flow and earnings. The Board of Directors monitors compliance with risk management policies and reviews these policies and procedures on an annual basis. CLH does not use derivative financial instruments to manage its risks.

CLH has exposure to the following risks associated with financial instruments:

Credit risk:

CLH is exposed to credit risk resulting from the possibility that parties may default on their financial obligations, or if there is a concentration of transactions carried out with the same party. CLH does not directly hold any collateral as security for financial obligations.

Credit risk at CLH is limited as rents are generally collectible as tenants are supported, and revenue is assured as majority of amounts are from government agencies with contracts negotiated in advance.

Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security or its issuer, or factors affecting all securities traded in the market. The significant market risk to which CLH is exposed is interest rate risk. Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates.

The interest rate exposure of CLH arises from its interest bearing long term debt.

CLH manages its exposure to the interest rate risk of its long term debt by negotiating terms of at least 5 years in duration, thereby minimizing the short term fluctuations in interest rates and stabilizing cash flow requirements. The majority of long term debt is negotiated by the Ministry of Housing, in consultation with CLH.

Liquidity risk

Liquidity risk is the risk that CLH will not be able to meet a demand for cash or fund its obligations as they come due. Liquidity risk also includes the risk of CLH not being able to liquidate assets in a timely manner at a reasonable price.

CLH meets its liquidity requirements by preparing and monitoring detailed forecasts of cash flows from operations and anticipated investing and financing activities and holding assets that can be readily converted into cash. CLH has a short term unsecured bank financing facility in place should it be required to meet temporary fluctuations in cash requirements.

Risk exposure has not changed from the prior year.

CLH Developmental Support Services

Notes to the Financial Statements

March 31, 2020

18. COVID-19

Since December 31, 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences as well as their impact on the financial position and results of the organization for future periods. In the meantime, management continues to manage the budget and provide continuing levels of operations and service.

19. Comparative figures

Certain comparative figures have been adjusted to conform to changes in the current year presentation.
