

Financial Statements of

**DEAFBLIND ONTARIO  
SERVICES**

And Independent Auditor's Report thereon

Year ended March 31, 2023



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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of DeafBlind Ontario Services

### *Opinion*

We have audited the financial statements of DeafBlind Ontario Services (the Entity), which comprise:

- the statement of financial position as at March 31, 2023
- the statement of operating fund revenue and expenses for the year then ended
- the statement of community donation fund revenue and expenses for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity 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.

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 auditor's 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 opinion.



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### ***Other Information***

Management is responsible for the other information. Other information comprises:

- the information, other than the financial statements and the auditor's report thereon, included in the Annual Report 2023.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information, other than the financial statements and the auditor's report thereon, included in the Annual Report 2023 as at the date of this auditor's report.

If, based on the work we have performed in this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

### ***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 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 the 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.



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- 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.

*KPMG LLP*

Chartered Professional Accountants, Licensed Public Accountants

Vaughan, Canada

June 20, 2023

# DEAFBLIND ONTARIO SERVICES

## Statement of Financial Position

March 31, 2023, with comparative information for 2022

	2023	2022
<b>Assets</b>		
Current assets:		
Cash	\$ 1,521,387	\$ 436,909
Short-term investments/cash equivalents	–	188,374
Accounts receivable	784,987	678,456
Prepaid expenses	230,592	125,338
	<u>2,536,966</u>	<u>1,429,077</u>
Community Donation Fund net assets (note 2)	116,860	56,998
Property and equipment (note 3)	11,728,975	11,162,353
	<u>\$ 14,382,801</u>	<u>\$ 12,648,428</u>
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Bank indebtedness	\$ –	\$ 124,682
Accounts payable and accrued liabilities	2,323,568	1,155,709
Government remittances payable	176,668	77,506
Deferred revenue	–	109,142
Mortgage loans - current portion (note 5)	20,528	50,918
	<u>2,520,764</u>	<u>1,517,957</u>
Mortgage loans (note 5)	574,640	844,544
Forgivable loans (note 6)	4,909,329	4,824,539
Unamortized Community Donation Fund restricted transfers (note 7)	408,486	473,190
Unamortized Province of Ontario restricted transfers (note 7)	2,441,500	1,639,844
Net assets:		
Invested in property and equipment (note 8)	3,374,492	3,329,225
Community Donation Fund surplus	116,860	56,998
Operating Fund surplus (deficit)	36,730	(37,869)
	<u>3,528,082</u>	<u>3,348,354</u>
Lease commitments (note 9)		
Economic dependence (note 10)		
	<u>\$ 14,382,801</u>	<u>\$ 12,648,428</u>

See accompanying notes to financial statements.

On behalf of the Board:

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

# DEAFBLIND ONTARIO SERVICES

## Statement of Operating Fund Revenue and Expenses

Year ended March 31, 2023, with comparative information for 2022

	2023	2022
Revenue:		
Province of Ontario subsidy	\$ 20,891,659	\$ 19,579,745
Accommodation and care service fees	986,186	926,906
Other (note 12)	228,206	385,906
Rental income	12,875	99,629
Amortization of restricted fund transfers (note 7)	656,427	335,436
Contribution from DeafBlind Ontario Foundation	131,706	–
Gain on disposal of property and equipment	–	22,092
	<u>22,907,059</u>	<u>21,349,714</u>
Expenses:		
Salaries	12,978,758	11,902,997
Benefits	2,875,937	2,455,017
Professional fees	1,571,199	1,600,113
Administrative salaries	757,583	744,099
Programming and supplies	822,621	1,110,023
Rent	401,490	358,634
Travel	256,415	145,967
Vehicle operation and maintenance	154,203	108,410
Utilities and telephone	327,153	312,709
Training	240,384	154,021
Maintenance, repairs and replacements	521,428	406,103
Other	63,952	76,844
Advertising and promotion	84,292	142,645
Bank charges	81,848	70,632
Insurance	109,165	95,096
Board	33,619	64,160
Interest	30,593	38,530
Recruitment	81,867	150,912
Amortization of property and equipment	1,430,039	1,442,734
	<u>22,822,546</u>	<u>21,379,646</u>
Excess (deficiency) of revenue over expenses	\$ 84,513	\$ (29,932)

See accompanying notes to financial statements.

# DEAFBLIND ONTARIO SERVICES

## Statement of Community Donation Fund Revenue and Expenses

Year ended March 31, 2023, with comparative information for 2022

	2023	2022
Revenue:		
Fundraising activities (note 12)	\$ 90,076	\$ 42,773
Donations	10,000	10,000
Other	32,136	—
	<u>132,212</u>	<u>52,773</u>
Expenses:		
Operating	17,990	74,098
Fundraising activities	2,800	650
Contributions to DeafBlind Ontario Foundation (note 12)	15,362	—
Other	845	—
	<u>36,997</u>	<u>74,748</u>
<b>Excess (deficiency) of revenue over expenses</b>	<b>\$ 95,215</b>	<b>\$ (21,975)</b>

See accompanying notes to financial statements.



# DEAFBLIND ONTARIO SERVICES

## Statement of Changes in Net Assets

Year ended March 31, 2023, with comparative information for 2022

				2023	2022
	Invested in property and equipment	Community Donation Fund	Operating Fund	Total	Total
Net assets, beginning of year	\$ 3,329,225	\$ 56,998	\$ (37,869)	\$ 3,348,354	\$ 3,400,261
Excess (deficiency) of revenue over expenses	–	95,215	84,513	179,728	(51,907)
Funds transfers	–	(35,353)	35,353	–	–
Change in net assets invested in property and equipment (note 8)	45,267	–	(45,267)	–	–
Net assets, end of year	\$ 3,374,492	\$ 116,860	\$ 36,730	\$ 3,528,082	\$ 3,348,354

See accompanying notes to financial statements.

# DEAFBLIND ONTARIO SERVICES

## **DRAFT** Statement of Cash Flows

Year ended March 31, 2023, with comparative information for 2022

	2023	2022
Cash provided by (used in):		
Operating activities:		
Excess (deficiency) of revenue over expenses	\$ 179,728	\$ (51,907)
Items not involving cash:		
Amortization of property and equipment	1,430,039	1,442,734
Amortization of restricted fund transfers	(656,427)	(335,436)
Gain on disposal of property and equipment	–	(22,092)
Gain on disposal - restricted transfers	(1,324,377)	–
Change in non-cash operating working capital:		
Accounts receivable	(106,531)	(109,375)
Prepaid expenses	(105,254)	43,790
Accounts payable and accrued liabilities	1,167,859	(272,489)
Deferred revenue	(109,142)	105,701
Government remittances payable	99,162	(235,105)
	<u>575,057</u>	<u>565,821</u>
Financing activities:		
Repayment of mortgage loans	(300,294)	(106,583)
Increase in forgivable loans	84,790	–
Net transfers from Community Donation Fund	(59,862)	2,368
Increase in unamortized restricted transfers	1,393,380	84,205
	<u>1,118,014</u>	<u>(20,010)</u>
Investing activities:		
Additions to property and equipment	(2,672,283)	(1,036,854)
Proceeds on disposal of property and equipment	2,000,000	58,417
	<u>(672,283)</u>	<u>(978,437)</u>
Increase (decrease) in cash	1,020,788	(432,626)
Cash, beginning of year	500,599	933,225
Cash, end of year	<u>\$ 1,521,387</u>	<u>\$ 500,599</u>

See accompanying notes to financial statements.

# DEAFBLIND ONTARIO SERVICES

Notes to Financial Statements

Year ended March 31, 2023

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DeafBlind Ontario Services (the "Organization") is a not-for-profit organization incorporated without share capital under the laws of the Province of Ontario. The Organization is a registered charity focused on individuals who are Deaf, hard of hearing, non-verbal and deafblind. DeafBlind Ontario Services offers an array of services that support people to live their best lives.

The Organization maintains a Community Donation Fund for the purpose of funding programs or purchasing property and equipment for which provincial funding is not available.

## 1. Significant accounting policies:

### (a) Basis of presentation:

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations using deferral method of revenue recognition with fund presentation.

### (b) Reporting controlled and related entity:

The Organization controls DeafBlind Ontario Foundation (the "Foundation") by virtue of the governance structure. The Organization has elected to not consolidate this entity and provides the required note disclosure in note 12.

### (c) Revenue recognition:

Province of Ontario subsidy revenue is recognized based on the annual service contract. Service revenue is recognized when the service is rendered to the individuals supported, collection is reasonably assured and all significant obligations have been fulfilled. Revenue from donations is recorded when collected.

Externally restricted donations are deferred until the funds have been used for the restricted purposes.

Forgivable loans have restrictive covenants which require that eligibility criteria be assessed upon expiry of the loan term, as such no forgiveness amounts are recognized annually. The full loan values will be recognized in revenue at the end of each agreement, should the conditions have continued to be met throughout the term and upon expiry.

# DEAFBLIND ONTARIO SERVICES

Notes to Financial Statements (continued)

Year ended March 31, 2023

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## 1. Significant accounting policies (continued):

### (d) Property and equipment:

Property and equipment are recorded at cost less accumulated amortization. Amortization is provided on a straight-line basis at annual rates calculated to write off the assets over their estimated useful lives as follows:

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Buildings	5%
Building improvements	10%
Furnishings and equipment	20%
Vehicles	20%

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Leasehold improvements are amortized over the lesser of the term of the lease or their useful life. Construction in progress is not amortized until the asset is available for productive use.

Capital assets are written down to fair value or replacement cost to reflect partial impairments when conditions indicate that the assets no longer contribute to the Organization's ability to provide services, or that the value of future economic benefits or service potential associated with the capital assets are less than their net carrying amounts.

### (e) Donated property, equipment, materials and services:

The work of the Organization is dependent on the voluntary service of many individuals. Since these services are not normally purchased by the Organization and because of the difficulty of determining their fair value, donated services are not recognized in the financial statements.

Donated property, equipment and materials are recorded at fair values at the time of receipt when fair values can be reasonably estimated, the items are used in operations and would otherwise be purchased.

### (f) Restricted fund transfers:

Monies received to purchase property and equipment are deferred and amortized in the statement of operating fund revenue and expenses on the same basis as the related property and equipment is amortized.

# DEAFBLIND ONTARIO SERVICES

Notes to Financial Statements (continued)

Year ended March 31, 2023

## 1. Significant accounting policies (continued):

(g) Use of estimates:

The preparation of financial statements 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 revenue and expenses during the year. Actual amounts could differ from these estimates.

## 2. Community Donation Fund net assets:

	2023	2022
Cash	\$ 267,346	\$ 120,364
Accounts receivable	1,175	3,903
Prepaid expenses	–	1,113
Accounts payable and accrued liabilities	(151,661)	(68,382)
	<u>\$ 116,860</u>	<u>\$ 56,998</u>

## 3. Property and equipment:

	2023		2022	
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 1,688,811	\$ –	\$ 1,688,811	\$ 1,753,810
Buildings	6,139,446	3,418,398	2,721,048	3,573,339
Building improvements	8,579,561	4,720,892	3,858,669	4,203,899
Furnishings and equipment	1,582,463	1,233,138	349,325	771,710
Vehicles	1,334,378	663,264	671,114	514,415
Leasehold improvements	882,370	73,048	809,322	345,180
Construction in progress	1,630,686	–	1,630,686	–
	<u>\$ 21,837,715</u>	<u>\$ 10,108,740</u>	<u>\$ 11,728,975</u>	<u>\$ 11,162,353</u>

# DEAFBLIND ONTARIO SERVICES

Notes to Financial Statements (continued)

Year ended March 31, 2023

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### 3. Property and equipment (continued):

The Ministry of Children, Community and Social Services has an interest on title for the land and buildings located at 41 Ridgeview Crescent, Waterloo, Ontario, 154 Old Chicopee Drive, Kitchener, Ontario, 61 Alexander Boulevard, Jackson's Point, Ontario, 2009 Craig Road, Innisfil, Ontario and 925 Water Street, Peterborough, Ontario. The Regional Municipality of York has an interest on title for the land and buildings located at 61 Alexander Blvd., 1 Joel Ave. and 22 St. George St., Georgina, Ontario; the City of London has an interest on title for the land and buildings located at 1166 Sandbar Ave. and 2514 Tokala Tr., London, Ontario; The Regional Municipality of Waterloo has an interest on title for the land and buildings at 123 Northumberland Dr., Ayr, Ontario; the County of Simcoe has an interest on title for the land and buildings at 7 Forestwood Lane, Barrie, Ontario, and the City of Peterborough has an interest on title for the land and building at 86 Earlwood Drive, Peterborough, Ontario.

### 4. Credit facility:

The Organization entered into a lending facility consisting of \$660,000 (2022 - \$660,000) available. The lending facility bears interest at prime rate plus 0.75% (2021 - prime rate plus 0.75%) and is secured by a general security agreement, an assignment of the fire insurance and a collateral mortgage on one of the Organization's properties. The Organization is subject to certain financial and non-financial covenants as part of the lending facility. As at March 31, 2023, the Organization was in compliance with these covenants.

As at March 31, 2023, no amount (2022-nil) has been advanced against this lending facility.

As at March 31, 2023, no amount (2022-nil) of letters of credit were outstanding.

# DEAFBLIND ONTARIO SERVICES

Notes to Financial Statements (continued)

Year ended March 31, 2023

## 5. Mortgage loans:

Property	Due date	Monthly payment	Rate	2023	2022
7 Forestwood Lane, Barrie	November 30, 2041	\$ 2,429	4.25%	\$ 377,601	\$ 390,511
86 Earlwood Drive, Peterborough	November 28, 2043	1,270	3.85%	217,567	224,338
192 Hunter Street West, Peterborough	April 5, 2030	3,335	3.33%	–	280,613
				595,168	895,462
Less current portion				(20,528)	(50,918)
				\$ 574,640	\$ 844,544

Future principal payments required on all long-term debt for the next five years and thereafter are as follows:

2024	\$ 20,528
2025	21,444
2026	22,333
2027	23,260
2028	24,171
Thereafter	483,432
	\$ 595,168

The mortgages are secured by a general security agreement, which include a general security agreement representing a first charge on all Organization's present and after acquired personal property. In addition, the security requires an assignment of fire and liability insurance. Furthermore, the mortgages are secured by continuing collateral mortgages in the aggregate principal amount of \$1,776,400 which represent a first charge on the underlying real properties located at 7 Forestwood Lane, 41 Ridgeview Crescent, 86 Earlwood Drive and 2009 Craig Road.

# DEAFBLIND ONTARIO SERVICES

Notes to Financial Statements (continued)

Year ended March 31, 2023

## 6. Forgivable loans:

Municipality/organization	Effective date	Term	2023	2022
City of London	February 2, 2016	25 years	\$ 460,000	\$ 460,000
City of London	August 21, 2013	25 years	412,000	412,000
County of Simcoe	December 7, 2016	20 years	600,000	600,000
The Regional Municipality of York	October 13, 2010	20 years	264,181	264,181
The Regional Municipality of York	September 12, 2011	20 years	480,000	480,000
The Regional Municipality of York	November 29, 2013	20 years	640,428	640,428
The Regional Municipality of Waterloo	July 22, 2014	25 years	552,820	552,820
City of Peterborough	June 25, 2018	20 years	250,000	250,000
City of Ottawa	December 31, 2018	35 years	847,900	763,110
CMHC Seed Funding	June 5, 2019	2 years	7,000	7,000
CMHC National Housing Co-Investment Fund	March 6, 2020	20 years	395,000	395,000
			\$ 4,909,329	\$ 4,824,539

Funds have been advanced as forgivable loans to assist in the completion of new residences located in the municipalities that advanced the funds. The municipalities have placed mortgages on the properties in question in the amount of the loan balances.

The loan agreements require that management be in compliance with various operational terms and that the residences continue to operate as stated in the Affordable Housing/Investment in Affordable Housing Contribution Agreements with The Regional Municipality of York, City of London, The Regional Municipality of Waterloo, the County of Simcoe, the City of Peterborough and the City of Ottawa for the entire term of the agreement.

Forgivable loans are non-interest bearing with no specific terms of repayment.

During the year, the Organization received \$84,790 in funds (2022 - nil).



# DEAFBLIND ONTARIO SERVICES

Notes to Financial Statements (continued)

Year ended March 31, 2023

## 7. Unamortized restricted transfers:

The unamortized restricted transfers relate to subsidies and donations received that restrict the use of the funds to the purchase of capital assets. These restricted contributions are deferred and amortized into revenue on the same basis as the amortization of the purchased capital asset. The balances at year end consist of the following:

Unamortized Community Donation Fund restricted transfers:

	2023	2022
Balance, beginning of year	\$ 473,190	\$ 560,877
Amortization	(64,704)	(87,687)
Balance, end of year	\$ 408,486	\$ 473,190

Unamortized Province of Ontario restricted transfers:

	2023	2022
Balance, beginning of year	\$ 1,639,844	\$ 1,803,388
Additional restricted amounts received	1,393,380	84,205
Amortization	(591,724)	(247,749)
Balance, end of year	\$ 2,441,500	\$ 1,639,844

Unamortized Province of Ontario additions in the current year include \$1,324,277 related to the Hunter property sale for which the net proceeds were restricted for capital purchases.

## 8. Net assets invested in property and equipment:

The net assets invested in property and equipment consist of the following:

	2023	2022
Net book value	\$ 11,728,975	\$ 11,162,353
Mortgage loans used for purchases	(595,168)	(895,555)
Forgivable loans used for purchases	(4,909,329)	(4,824,539)
Unamortized Community Donation Fund restricted transfers	(408,486)	(473,190)
Unamortized Province of Ontario restricted transfers	(2,441,500)	(1,639,844)
Net assets invested in property and equipment	\$ 3,374,492	\$ 3,329,225

# DEAFBLIND ONTARIO SERVICES

Notes to Financial Statements (continued)

Year ended March 31, 2023

## 8. Net assets invested in property and equipment (continued):

The change in net assets invested in property and equipment is calculated as follows:

	2023	2022
Purchases	\$ 2,672,283	\$ 1,036,854
Amortization of property and equipment	(1,430,039)	(1,442,734)
Disposals	(675,622)	(36,326)
Amortization of restricted fund transfers	656,428	335,436
Restricted fund transfers	(1,393,380)	(84,205)
Loan activity for loans used to purchase property and equipment	215,597	106,490
Change in net assets invested in property and equipment	\$ 45,267	\$ (84,485)

## 9. Lease commitments:

Future minimum annual commitments are as follows:

2024	\$ 302,000
2025	217,000
2026	102,000
2027	83,000

## 10. Economic dependence:

The Organization receives 86% (2022 - 91%) of its revenue from the Province of Ontario. The Organization's continuing operations are dependent on the continuance of these grants.

## 11. Risk management:

Liquidity risk:

Liquidity risk is the risk that the Organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Organization manages its liquidity risk by monitoring its operating requirements. The Organization prepares a budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change in the risk exposure since 2022.

# DEAFBLIND ONTARIO SERVICES

Notes to Financial Statements (continued)

Year ended March 31, 2023

## 12. Related party transactions and balances:

During the year, the Organization paid for and charged back certain expenses and administrative services on behalf of the Foundation. The Foundation also rents office space from the Organization for a fee. Included in other revenue is nil (2022 - \$1,846) related to rental of office space. Included in accounts receivable is \$76,774 (2022 - 133,549) of amounts due from the Foundation.

Effective April 1, 2020, the Organization entered into various lease agreements with the Foundation to rent these properties and provide certain administrative support services to the Foundation in exchange for a service fee at an exchange amount agreed upon by both parties. Included in rent expense is \$123,000 (2022 - \$90,000) paid to the Foundation during the year.

During the year, DeafBlind Ontario Foundation contributed \$132,925 (2022 - \$57,000) to the Organization towards expenses and capital purchases.

During the year, DeafBlind Ontario Services contributed \$39,447 (2022 - nil) of restricted contributions to the Foundation.

Amounts due to/from DeafBlind Ontario Foundation are unsecured, non-interest bearing with no fixed terms of repayment. Transactions are measured at the exchange amount of consideration established and agreed to by the related parties.

A summary of the financial information for the Foundation for the year ended March 31, 2023 is as follows:

	2023	2022
Statement of financial position:		
Total assets	\$ 5,024,011	\$ 3,731,651
Total liabilities	3,618,593	2,464,578
<b>Net assets</b>	<b>\$ 1,405,418</b>	<b>\$ 1,267,073</b>
Statement of revenue and expenses:		
Revenue	\$ 698,462	\$ 474,262
Expenses	560,117	349,839
<b>Excess of revenue over expenses</b>	<b>\$ 138,345</b>	<b>\$ 124,423</b>
Statement of cash flows:		
Cash flows from operating activities	\$ 217,022	\$ 495,134
Cash flows used in investing activities	(1,289,315)	–
Cash flows from (used in) financing activities	1,158,373	(35,191)