

**LANDLORD'S SELF-HELP CENTRE**  
**Financial Statements**  
**Year Ended March 31, 2022**



**LANDLORD'S SELF-HELP CENTRE**  
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**Year Ended March 31, 2022**

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## INDEPENDENT AUDITOR'S REPORT

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To the Board of Directors of Landlord's Self-Help Centre

### **Opinion**

We have audited the financial statements of Landlord's Self-Help Centre (the organization), which comprise the statement of financial position as at March 31, 2022, and the statements of operations and fund balances 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, 2022, and the results of its operations and 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 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.

### **Other Matter**

The financial statements for the year ended March 31, 2021 were audited by another firm of Chartered Professional Accountants who expressed an unmodified opinion on those financial statements on July 21, 2021.

### **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.

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**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.

Richmond Hill, Ontario  
July 27, 2022

*Truster Zweig LLP*


Chartered Professional Accountants  
Licensed Public Accountants



**LANDLORD'S SELF-HELP CENTRE**  
**Statement of Financial Position**  
**March 31, 2022**

	General Fund	Capital Fund	Other Sources Fund	2022	2021
<b>ASSETS</b>					
<b>CURRENT</b>					
Cash	\$ 16,175	\$ -	\$ 226,399	\$ 242,574	\$ 165,353
Short-term deposits (Note 3)	-	-	43,214	43,214	43,041
Amounts receivable	607	-	-	607	3,427
Government remittances	4,667	-	27	4,694	4,265
Prepaid expenses	6,237	-	-	6,237	6,272
Interfund receivable (Note 4)	-	-	-	-	2,814
	27,686	-	269,640	297,326	225,172
<b>CAPITAL ASSETS</b>	-	-	-	-	384
	\$ 27,686	\$ -	\$ 269,640	\$ 297,326	\$ 225,556
<b>LIABILITIES AND FUND BALANCES</b>					
<b>CURRENT</b>					
Accounts payable and accrued liabilities	\$ 53,537	\$ -	\$ -	\$ 53,537	\$ 40,699
Interfund payable (Note 4)	-	-	-	-	2,814
	53,537	-	-	53,537	43,513
<b>FUND BALANCES (DEFICIT)</b>	(25,851)	-	269,640	243,789	182,043
	\$ 27,686	\$ -	\$ 269,640	\$ 297,326	\$ 225,556

**ON BEHALF OF THE BOARD**

 Director

See notes to financial statements



# LANDLORD'S SELF-HELP CENTRE

## Statement of Operations and Fund Balances

Year Ended March 31, 2022

	General Fund	Capital Fund	Other Sources Fund	2022	2021
<b>REVENUES</b>					
Legal Aid Ontario - Direct receipts	\$ 569,263	\$ -	\$ -	\$ 569,263	\$ 550,336
Legal Aid Ontario - Indirect receipts (Note 5)	29,666	-	-	29,666	22,291
Memberships and donations	-	-	118,076	118,076	119,099
Kit recoveries	-	-	21	21	74
Government subsidy	-	-	-	-	6,875
Other income	47	-	-	47	9
	598,976	-	118,097	717,073	698,684
<b>EXPENSES</b>					
Accommodations	74,239	-	-	74,239	76,203
Amortization	-	384	-	384	4,005
Communications	4,614	-	-	4,614	4,187
Equipment	690	-	-	690	1,037
Indirect payments (Note 5)	29,666	-	-	29,666	22,291
Library	491	-	-	491	-
Professional dues	4,998	-	-	4,998	5,174
Professional fees	6,098	-	562	6,660	3,149
Project expenses	-	-	-	-	978
Salaries and benefits	523,175	-	-	523,175	512,119
Supplies and services	9,993	-	-	9,993	3,762
Travel	417	-	-	417	299
	654,381	384	562	655,327	633,204
<b>NET EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	(55,405)	(384)	117,535	61,746	65,480
<b>FUND BALANCES (DEFICIT) - BEGINNING OF YEAR</b>	(16,446)	384	198,105	182,043	116,563
	(71,851)	-	315,640	243,789	182,043
Transfer to General Fund	46,000	-	(46,000)	-	-
<b>FUND BALANCES (DEFICIT) - END OF YEAR</b>	\$ (25,851)	\$ -	\$ 269,640	\$ 243,789	\$ 182,043

See notes to financial statements



**LANDLORD'S SELF-HELP CENTRE**  
**Statement of Cash Flows**  
**Year Ended March 31, 2022**

	2022	2021
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	\$ 61,746	\$ 65,480
Item not affecting cash:		
Amortization	384	4,005
	<b>62,130</b>	<b>69,485</b>
Changes in non-cash working capital:		
Amounts receivable	2,820	(3,427)
Government remittances	(429)	985
Prepaid expenses	35	(2,351)
Accounts payable and accrued liabilities	12,838	(8,377)
	<b>15,264</b>	<b>(13,170)</b>
Cash flow from operating activities	<b>77,394</b>	<b>56,315</b>
<b>FINANCING ACTIVITY</b>		
Short-term deposits	(173)	(502)
<b>INCREASE IN CASH FLOW</b>	<b>77,221</b>	<b>55,813</b>
Cash - beginning of year	<b>165,353</b>	<b>109,540</b>
<b>CASH - END OF YEAR</b>	<b>\$ 242,574</b>	<b>\$ 165,353</b>

See notes to financial statements



**LANDLORD'S SELF-HELP CENTRE**  
**Notes to Financial Statements**  
**Year Ended March 31, 2022**

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**1. PURPOSE OF THE ORGANIZATION**

Landlord's Self-Help Centre (the "organization"), is incorporated without share capital under the laws of the Province of Ontario. The organization was formed to provide information and support for landlords and homeowners on a not-for-profit basis, to educate members of the community in landlord and tenant relations, to assist such persons in their dealings at various government levels and is primarily funded by Legal Aid Ontario.

The organization qualifies as a not-for-profit organization under the Income Tax Act and is exempt from corporate income tax.

**2. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations. These standards are in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

Financial instruments

The organization initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions, which are recorded at the carrying or exchange amount depending on the circumstances. The organization subsequently measures all financial assets and financial liabilities at cost or amortized cost, except for short-term deposits which are measured at fair value. Change in fair value are recognized in net earnings.

Financial assets measured at cost consist of cash, accounts receivable, government remittances and interfund receivable.

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

Fund accounting

The organization follows the restricted fund method of accounting for contributions. The funds described below, except as noted, are restricted under various agreements between the organization and Legal Aid Ontario ("LAO") and title to the organization assets vests with the funder.

*General Fund*

These funds are used to provide a range of legal and paralegal services, to provide information, support, and educational initiatives to landlords, homeowners, and members of the community.

*Capital Fund*

This fund holds the capital assets of the organization that have been funded by Legal Aid Ontario.

*Other Sources Fund*

These funds are composed of government grants, receipts from individuals and corporations and sales of self-help kits. The funds are used to enhance the activities of the organization as directed by the board of directors.

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**LANDLORD'S SELF-HELP CENTRE**  
**Notes to Financial Statements**  
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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

Revenue recognition

Restricted contributions, consisting of LAO direct receipts, are recognized as revenue of the appropriate fund and deferred until expended for its intended purpose. Unrestricted contributions are recognized as revenue in the year in which they are received or receivable and collection is reasonably assured.

Membership and donations are recorded in revenue when received.

Short-term deposits

Short-term deposits consist of term deposits and guaranteed investment certificates with maturity dates less than twelve months from the date of acquisition.

Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles 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 for the reporting period. Significant areas requiring the use of estimates include the measurement of revenue recognition and accounts payable and accrued liabilities.

Interfund transfers

Transfers between funds are made when resources of one fund have been authorized by the Board of Directors to finance activities and acquisitions in another fund.

Employee benefit plan

The organization offers a defined contribution plan to its employees, where it is required to fund up to a maximum of 5.5% of employees' annual earnings. The organization's total expense under this plan during the year was \$23,868 (2021 - \$23,755) and is included in salaries and benefits.

**3. SHORT-TERM DEPOSITS**

Short-term deposits have effective interest rates ranging from 0.20% to 2.00% (2021 - 0.20% to 0.90%) and maturity dates ranging from June 14, 2022 to March 25, 2023 (2021 - June 12, 2021 to March 25, 2022).

**4. INTERFUND RECEIVABLE AND INTERFUND PAYABLE**

The amounts owing between funds are non-interest bearing, unsecured and have no fixed terms of repayment.



**LANDLORD'S SELF-HELP CENTRE**  
**Notes to Financial Statements**  
**Year Ended March 31, 2022**

**5. INDIRECT RECEIPTS AND INDIRECT PAYMENTS**

LAO administered and made payments on behalf of the organization for the following expenses:

	2022	2021
Pension and benefits	\$ 49	\$ 289
Supplies and services	29,617	22,002
	<b>\$ 29,666</b>	<b>\$ 22,291</b>

**6. COMMITMENTS AND CONTINGENT LIABILITIES**

- a) The organization has indemnified its past, present and future directors, officers, employees and volunteers against expenses (including legal expenses), judgments and any amount actually or reasonably incurred by them in connection with any action, suit or proceeding in which the directors and officers are sued as a result of their service, if they acted honestly and in good faith with a view to the best interests of the organization.

The nature of the indemnity prevents the organization from reasonably estimating the maximum exposure. The organization has purchased directors' and officers' liability insurance with respect to this indemnification. Historically, the organization has not made any payments under such or similar indemnification agreements. At this time, the organization is not aware of any claims under these guarantees and, therefore, no amount has been accrued in the financial statements with respect to these guarantees.

- b) The organization is committed under an operating lease expiring August 31, 2031 for the rental of office space. Base rent (exclusive of other occupancy costs) for the next five years is as follows:

2023	\$ 35,483
2024	35,483
2025	35,483
2026	35,483
2027	36,383

- c) The organization is a member of the Co-operative of Specialty Legal Clinics of Ontario Inc. (the Co-op") located at 55 University Avenue, Toronto, Ontario. In addition to the rental of shared office space, the organization is committed to paying certain joint expenses on a cost recovery basis along with other members of the Co-op.



**LANDLORD'S SELF-HELP CENTRE**  
**Notes to Financial Statements**  
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**7. FINANCIAL RISK MANAGEMENT**

The organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the organization's risk exposure and concentration as of March 31, 2022.

**(a) 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 meet its obligation. The organization is not exposed to credit risk.

**(b) Liquidity risk**

Liquidity risk is the risk that an organization will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly with respect to its accounts payable and accrued liabilities. The organization maintains adequate cash reserves and generally settles its liabilities within thirty days.

**(c) 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 comprises three types of risk: currency risk, interest rate risk, and other price risk. The organization is not exposed to any of these risks.

**8. COVID-19 PANDEMIC**

Coronavirus, specifically identified as "COVID-19", has resulted in a widespread health crisis that has affected economies and financial markets around the world resulting in a global economic downturn. The effects of this pandemic on the organization may include decrease in revenue, interruptions to supply chains, and increased government relations or interventions, including shutdown of non-essential services, travel restrictions, barring of gatherings of people, and requirements to stay home.

The organization has considered the impact of COVID-19 in its assessment of the organization's assets, liabilities and its ability to continue as a going concern. The organization has determined that adjustments to the financial statements are not required as a result of these events. Accordingly, the financial position and result of operations as of and for the year ending March 31, 2022 have not been adjusted to reflect their impact.

The duration and impact of the COVID-19 pandemic remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as the impact on the financial position and results of the organization for future years.

**9. COMPARATIVE FIGURES**

The prior year comparative figures were audited by another firm of Chartered Professional Accountants. Some of the comparative figures have been reclassified to conform to the current year's presentation.

