

PACE

LIVE **YOUR** LIFE



Meet Hank

Hank lives at the Henry Lane Supportive Housing Program.

WHO WE ARE

PACE is a non-profit community support service organization established in 1981 to provide support services to adults with disabilities who are determined to live independent lives.

PACE provides support services to more than 323 individuals, who have a variety of disabilities including multiple sclerosis, cerebral palsy, spinal cord injuries, acquired brain injuries, muscular dystrophy and Huntington Disease.

MESSAGE FROM THE CHAIR, BOARD OF DIRECTORS



2017-18 was a year of many accomplishments and a few unanticipated challenges. I'm very proud of how the PACE team worked together to overcome the challenges, while continuing to successfully advance operational and strategic priorities.

The year was also busy for the Board of Directors and I thank all of the members for their outstanding contributions. Some of the many achievements this year included:

- Identifying opportunities to diversify sources of funding for PACE service delivery
- Creating a new framework to guide consideration of future partnership opportunities
- Developing a new balanced scorecard that will enable PACE to monitor progress towards the priorities and goals outlined in the current strategic plan
- Meeting with our funders, the Toronto Central Local Health Integration Network (November) and the Central Local Health Integration Network (January), to discuss how PACE can best support the advancement of key system priorities and to ensure that the needs of adults with disabilities remain on the radar.

We did have some changes in Board composition this year with three members completing their terms: Crystal Chin, Olha Dobush and Éric Mézin. I sincerely thank each of them for their time, commitment and extremely valuable contributions to PACE. They will definitely be missed.

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2017-18 also marks the end of my tenure as Chair of the Board of Directors. Since joining the board in 2011 and becoming Chair in 2012, much has changed at PACE. At that time, PACE served 142 clients over 4 Supportive Housing programs and attendant outreach, with a budget of 8 million dollars and 212 staff. Six years later, PACE serves almost 300 clients at 8 Supportive Housing programs and attendant outreach, the Huntington Drop-in and Community programs, the ABI day programs and Community program and the Paula Cassin Learning Centre. We have a 15 million dollar budget and 323 staff. We have opened the first new supportive housing units since the 1990s: the Joanne Wilson program at the former Pan Am Games athletes' village. As a board, we

negotiated 2 successful integrations, made great strides in terms of governance, reducing our numbers from 12 to 9, rethinking and recasting the way we conduct our business, modernizing and reforming the by-laws and policies and recruiting and hiring the first new Executive Director in 25 years. I have been extremely proud to have been a part of such a fantastic board, and while I will certainly miss serving as Chair, I know that PACE is in excellent hands and is well positioned to be even more successful in the years to come under the leadership of Laura as Executive Director and Jan Dymond as our new Board Chair.

Bill Noble
Chair, Board of Directors

MESSAGE FROM THE EXECUTIVE DIRECTOR



2017-18 was our first year of delivering against our new three-year strategic plan and, as intended, the focus was on establishing a new equilibrium for PACE after recent years of growth. Through the individual

and collective contributions of PACE team members, our shared achievements included:

- Developing and implementing new recruitment strategies that successfully reduced the amount of time required to hire new frontline team members
- Continuing to implement new technology and transitioning to a technology-supported approach for scheduling frontline team members
- Pilot testing a modified program management structure that included some managers providing oversight to two PACE program locations
- Actively participating in sector and system partnership activities within the Central and Toronto Local Health Integration Networks and provincially

I am appreciative of how PACE team members worked together to achieve our annual goals and

to support those who took on new and refined responsibilities within their roles. I am also extremely proud of how team members across the organization responded to the unanticipated financial pressures that emerged during the year. It is through the combined efforts of frontline, administrative and management team members that PACE successfully balanced its budget without impacting service delivery to clients.

Throughout the past year, the PACE team remained committed to delivering on our shared promise to clients: “Live *your* life”. This promise is a public commitment that will perpetually challenge the PACE team to consider how we best deliver services so that the individuals we serve are able to live their lives as they choose. To highlight what this promise looks like in action, this report includes stories from two PACE clients (Christy and Marilyn) spotlighting how they are living *their* lives.

Looking forward, some of our goals for 2018/19 include:

- Completing our client satisfaction survey to inform the next phase of continuous quality



Christy (left) with her ABI Community Coach

PACE ACQUIRED BRAIN INJURY COMMUNITY CLIENT

Christy had a motorcycle accident 11 years ago and she sustained an acquired brain injury. Before her accident, Christy was a high school teacher for nine years. She is also the proud owner of a 97-year old home.

Meet Christy

- improvement initiatives.
- Establishing a working group (including frontline team members) to recommend a refreshed approach to employee appreciation and recognition at PACE.
- Sustaining the practices needed to ensure PACE delivers another balanced budget.

I want to extend a special thanks to Bill for his leadership and dedication to the Board of Directors and PACE. During the six years that Bill has served as Chair of the Board, PACE has undergone significant growth and change. I would also like to thank our clients, the PACE team, the Board of Directors and partners for your support during my first full year at PACE.

I look forward to partnering with all of you again this year to build on our successes and to continue delivering excellent support services and client experiences.

Laura Visser
Executive Director

“After the accident – it was difficult – because I kept waiting to shake my head and be better.” After funding ran out for her private rehabilitation support services, Christy was without support for six years.

“Even though I had money in the bank I hadn’t paid a bill in years. I hadn’t done anything. I was drowning in my inability to function. I couldn’t pay my bills, I couldn’t eat, I wasn’t going to my doctor’s appointments. I was quite ill. I didn’t have the wherewithal – even if I made lists - I would leave them somewhere and walk away –and that is still a problem today. There is a real fess up when I don’t use my strategies! I was drowning. I was beyond halted and paralyzed with fear. I had solved all sorts of other great parts of life – I had overcome a drinking problem and I was going to AA.”

The PACE ABI Community program started three years ago and Christy was one of the first clients supported. Christy shares, “PACE helped me be me to get where I needed to get to – which was not possible. I wouldn’t have remained independent if it wasn’t for PACE.”

By spring 2017, with supports in place addressing her personally identified goal areas for daily living, Christy decided to pursue her dream of renovating her home. She didn’t have the finances to do it all through professionals and so she decided to project manage it herself and to do whatever she could on her own. “Somehow I went from wheelchair to a walker, to walking with canes, to wearing braces every day, I can’t lift my arm more than 90 degrees – to building a house – I don’t know how it is possible but, I am doing it!”

Christy shares, “The supports are pieces of a puzzle – A puzzle I was unable to find let alone complete on my own. With support, I found the puzzle, identified which pieces were in the box, which were missing, how to replace them, decipher the image and then fashion a full set; from which a lovely complete image is being constructed. While I wish to become as able to live on my own as possible, I am not the best judge of how I am doing. Another aspect of what supports PACE provides to me is that they are an impartial and professional set of eyes: eyes which I trust. There have been times since my accident when I resisted assistance. There were other times when I chose assistance inappropriate to my needs and or ineffective. During each of those intervals I thought I was making appropriate choices.”

“Most people do not know that PACE is an integral part of my life. I believe that is because I am able to present a more comprehensive and complete self because of the work we do.”

PACE Strategic Plan

VISION Independence and choice – options for everyone.

MISSION To deliver excellent support services to people with disabilities so they can live their lives.

OUR PRIORITIES

DELIVER TOP QUALITY SERVICES

CREATE THE STRONGEST TEAM

SUSTAIN ORGANIZATIONAL VITALITY

DEMONSTRATE SERVICE LEADERSHIP

PROVIDE SYSTEM LEADERSHIP & PARTNERSHIP

OUR GOALS

- Recognized by clients for consistently providing excellent and safe client experiences.
- Staff and management to work together as a team – demonstrating trust, healthy dialogue as well as shared commitment, accountability and results.
- Maximize the amount of service that can be delivered without compromising quality.
- Achieve sustainable and optimized Human Resources.
- Enhance organizational resilience through efficient, effective and responsive corporate support.
- Increase access to address unmet attendant service needs in the Central and Toronto Central LHIN.
- Evolve and expand services in response to emerging client needs and support requests.
- Increase attendant service capacity through the creation of solutions to existing system gaps.
- Actively participate in advancing integrated and population-based health care initiatives in a manner that respects PACE's commitment to client-choice.

VALUES

RESPECT

We embrace all differences and treat every person with dignity and courtesy.

CLIENT CHOICE

We honour each client's right to direct their services to the extent that they can.

COURAGE

We make the choices needed to evolve and thrive.

INTEGRITY

We keep our promises and meet our commitments.

TEAMWORK

We work together and with partners to provide the best client experience.

PROMISE TO CLIENTS

**Live
Your
Life**



ENABLERS

COMMUNICATION AND ENGAGEMENT

PARTNERSHIP AND COLLABORATION

CHANGE MANAGEMENT

PERFORMANCE MONITORING AND REPORTING

BY THE NUMBERS

CLIENT DEMOGRAPHICS

Gender



48%
MALE



52%
FEMALE

Age

21%

18-39

50%

40-64

28%

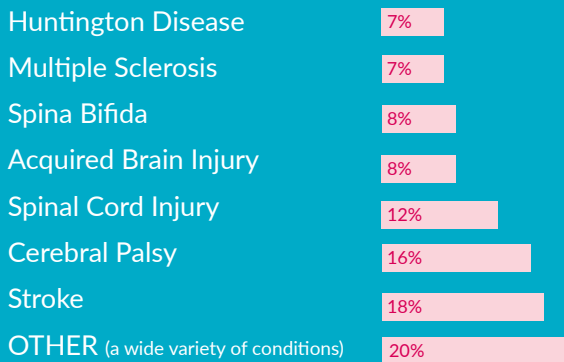
65 +



Meet Jeff

Jeff is an Outreach Client that says, "without PACE he would struggle with daily living."

PRIMARY CLIENT DISABILITIES



NUMBER OF CLIENTS SUPPORTED* BY PROGRAMS TOTAL

294



TOTAL NUMBER OF EMPLOYEES **323**

(*NOTE: Some clients receive services through more than one program.)



BUDGET FOR 2017/18

\$14,596,875

For detailed financial information, see pages 10 through 20.

WHAT WE DO

Supportive Housing Services

The Supportive Housing Program provides essential support services to eligible individuals living in one of PACE's designated supportive housing locations. This program supports adults with disabilities to live independently in the community.

PACE staff are available to provide support 24-hours per day seven days a week for pre-booked daily services as well as unscheduled, urgent services in all of our supportive housing sites. Clients live in their own apartments and a landlord/tenant relationship exists so the Client maintains a lease not connected to PACE services.

Attendant Outreach Services

PACE provides personal support services associated with the activities of daily living (similar to those provided at the Supportive Housing sites) at the Client's home, school or workplace. These services are provided throughout Toronto from 6:00 a.m. to midnight. Services are provided on a pre-booked basis.

FEE FOR SERVICE PROGRAM

These personal support services are pre-scheduled on a temporary basis to meet the needs of people with disabilities.

Enhanced Services at Bello Horizonte

The PACE Bello Horizonte location supports two groups of people:

- those with Huntington Disease (HD)(this part of the program is unique in Toronto and Canada)
- and people who require enhanced services as well as support services.

PACE staff provide information to Clients to assist them to make healthy and safe decisions about their services. Also, life skills - such as banking, shopping, nutrition, social/recreational, education/volunteering are taught. Assistance connecting with community agencies and resources is also provided to Clients who want it.

HUNTINGTON DISEASE (HD) DROP-IN PROGRAM

This is a free monthly event for people living with HD and their family members to socialize and connect with other members of the HD community.

HUNTINGTON DISEASE (HD) COMMUNITY PROGRAM

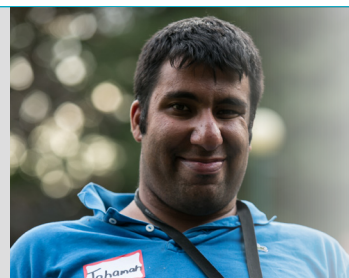
PACE provides community-based support services for adults living with the effects of HD. Services are provided in clients' homes throughout Toronto and on a pre-booked basis.

Specific to HD support, services are provided that are customized to address individual needs. These could include physical, cognitive and psychiatric challenges that a person with HD may experience.



Meet Stephen

Stephen is a Huntington Disease Community Program Client.



Meet Tohamah

Tohamah lives at the Caboto Supportive Housing Program.

Services for individuals living with the effects of an Acquired Brain Injury (ABI)

PACE offers day programs, supportive housing and community-based support services for adults living with the effects of an acquired brain injury.

ABI SUPPORTIVE HOUSING

Supportive Housing project for adults living with the effects of an acquired brain injury is provided at our Edwards Manor location. This is an integrated community apartment complex in south Etobicoke where PACE provides 24-hour support to these individuals living in their own studio apartment.

Support services include personal, general and wellness assistance. Specific to ABI support, enhanced services are provided that are customized to address individual life skill, cognitive and behavioural needs.

We work with each individual to set goals that determine the scope of the individual supports to be provided. Individuals learn or relearn ways to live independently again.

ABI DAY PROGRAMS

Our day programs are held at the wheelchair accessible Paula Cassin Learning Centre and offer learning opportunities/training, recreational activities and social support. Our programs are designed to meet the needs of our Clients and are created with Client and staff

input. The programs provide opportunities to learn and practice new skills and/or to “re-learn” and practice old skills and information impacted by the ABI.

Clients are partnered with Coaches, who help define clear goals, keep them on track, and provide extra support if needed. Once a Client has successfully acquired their skill they can then apply (if they choose to) for our Community program to work with a Coach to help them transfer that skill to their home or community.

ABI COMMUNITY-BASED SUPPORT SERVICES

Following the assessment process, recommendations, and a plan for specific individualized service needs and goals are developed. Depending on the goals that have been established, the length of the program could be 6-12 weeks long. Further assessments may be conducted on an as-needed basis. Service is provided in the home or community once or twice a week (depending on the needs).

Client Resource Services

PACE provides practical support to its Clients. The support provided can be system navigation, information, resources, education, and support in the adjustment to having an evolving disability. Staff meet with Clients in their home or in the community, wherever assistance is required.

BOARD OF DIRECTORS

Bill Noble
Board Chair

Todd Kilpatrick
Treasurer

Asher Alkoby
Director

Marsha Joseph
Director

Jan Dymond
Vice-Chair

Eric Mézin
Secretary

Olha Dobush
Director

Laura Tamblyn Watts
Director



Meet Marilyn

PACE BROADWAY SUPPORTIVE HOUSING PROGRAM CLIENT

Marilyn had a motorcycle accident 25 years ago and spent 3 months in the hospital, 7 months in rehab and then she transitioned into attendant support services. Marilyn shares, “I was lucky to get my apartment at Yonge and Eglinton as I work at Canadian Tire which is also at Yonge and Eglinton.”

In April, Marilyn celebrated 30 years of service with Canadian Tire. Currently, she is a part-time Human Resources Administrator that oversees their continuing education program. Marilyn has the flexibility to work remotely which allows her to juggle the many things that she does. “I hate not doing things. Even before my accident my mom always called me the “social convener.” I was always the one making plans to do everything. So, I guess that hasn’t changed.”

Marilyn likes to travel. “Last year, we drove to Newfoundland. The year before California.” shares Marilyn. This year’s travel included Los Angeles, Hawaii and a trip that she won through

work to the Pyeong Chang 2018 Paralympics. She has her sights set on Slovenia for next year.

When Marilyn isn’t away travelling, she has a cottage in Haliburton that she goes to as much as possible. When in the city, she goes to the gym two to three times a week. She likes to spend two hours cooking on Tuesdays so she has meals to take with her on days she is volunteering. Marilyn volunteers once a week at Lyndhurst Centre in their Resource Office and she also helps with peer support.

Marilyn shares proudly, “my favourite accomplishment was my last peer match. My friend had health issues and had to use a power chair. We (my boyfriend, Greg and I) were helping her and she was becoming so needy for us all the time. It was actually Greg that told her, “You’re going to have to get out there and do things on your own.” “After that things changed. When I call her now and she is too busy for us! That is always the ultimate goal – to get people back on track – and realize that life goes on – and you will be okay.”

STAFF YEARS OF SERVICE

35
YEARS

Richard Preston *Windward*

30
YEARS

Merle Yearwood *Windward*
Vivia Cameron *Caboto*
Patricia Layne *Caboto*

25
YEARS

Phyllis Chin *Outreach*
Michele Brown *Caboto*

20
YEARS

Gracia Reyes *Bello1*
Beverley Guthrie *Outreach*
Lincoln Mundell *Outreach*

15
YEARS

Melanie Esquivel-Dauz *Joanne Wilson*
Esther Marshall *Outreach*
Isidra Dael *Caboto*
Jennifer Thomas *Bello 2*
Niasha McKenzie *Windward*
Ledum Barikor *Windward*
Martin Chidiebere Erondu *Caboto*
Cara Reid *Bello 2*
Ronald Costales *Bathurst*
Olufemi Charles Akinsola *Caboto*

10
YEARS

Tonya Girimonte *Bello2*
Stephen Fadipe *Caboto*
Segun Ogunbayo *Bathurst*
Lauren Hutton *Bello 2*
Alfred Dzokoto *Bathurst*

5
YEARS

Misrak Babu *Broadway*
Madu-Bala Patel *Windward*
Agnes Garvida *Outreach*
Nicole Hull *Bathurst*
Zeituna Osman *Outreach*

Retiring Tom Riley *Head Office*

PACE
LIVE YOUR LIFE

210 – 970 Lawrence Avenue West
Toronto, ON M6A 3B6
416-789-7806
pace-il.ca

Charitable number:10782 0441 RR0001



INDEPENDENT AUDITORS' REPORT

To the Board of Directors of PACE Independent Living

We have audited the accompanying financial statements of PACE Independent Living which comprise the statement of financial position as at March 31, 2018 and the statements of operations and changes in net assets and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of PACE Independent Living as at March 31, 2018, 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.

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Canada LLP is a limited liability partnership that provides public accounting services and is the Canadian member firm of RSM International, a global network of independent audit, tax, and consulting firms. Visit rsmcanada.com/aboutus for more information regarding RSM Canada LLP and RSM International.

Other Matter

The financial statements of PACE Independent Living for the year ended March 31, 2017 were audited by another auditing firm whose report thereon, dated June 12, 2017, expressed an unqualified opinion on those statements.

RSM Canada LLP

Chartered Professional Accountants
Licensed Public Accountants
June 11, 2018
Toronto, Ontario

PACE Independent Living
Statement of Financial Position
As at March 31, 2018

	2018	2017
Assets		
Current		
Cash and cash equivalents	\$ 1,385,632	\$ 1,562,663
Accounts receivable	102,116	76,934
Prepaid expenses	40,132	88,436
	1,527,880	1,728,033
Capital assets (Note 3)	15,074	26,866
	\$ 1,542,954	\$ 1,754,899



Liabilities

Current		
Accounts payable and accrued liabilities	\$ 1,337,174	\$ 1,468,298
Due to Ministry of Health and Long-Term Care - Local Health Integration Network	233,673	340,912
	1,570,847	1,809,210
Deferred contributions		
Expenses of future periods (Note 4)	173,602	136,090
Capital assets (Note 4)	15,074	26,866
	1,759,523	1,972,166

Net Assets

Unrestricted	(216,569)	(217,267)
	\$ 1,542,954	\$ 1,754,899

Commitments and contingencies (Note 7)

Approved by the Board  Director  Director

PACE Independent Living
Statement of Operations
Year Ended March 31, 2018

	Supportive Housing	Attendant Outreach	Acquired Brain Injury	Administration and Other	Total 2018	Total 2017
Revenue						
Ministry of Health and Long-Term Care - Local Health Integration Network	\$ 7,930,140	\$ 3,042,684	\$ 1,349,568	\$ 2,005,783	\$ 14,328,175	\$ 14,481,264
Personal support services recovery	-	-	-	-	-	(119,245)
Interest	-	-	-	12,932	12,932	10,469
Other	49,983	161,548	2,224	30,221	243,976	219,673
Amortization of deferred contributions related to capital assets	-	-	-	11,792	11,792	11,792
	7,980,123	3,204,232	1,351,792	2,060,728	14,596,875	14,603,953
Expenses						
Employee salaries and wages	6,327,841	2,577,217	1,029,743	1,263,675	11,198,476	11,069,525
Employee benefits	1,283,232	500,290	129,150	241,528	2,154,200	2,112,311
Supplies and sundry	148,265	30,465	49,093	284,728	512,551	656,717
Equipment	82,492	27,967	40,403	83,148	234,010	198,703
Building and grounds	138,020	68,179	84,433	175,666	466,298	532,116
Contracted out	-	-	18,850	-	18,850	21,935
	7,979,850	3,204,118	1,351,672	2,048,745	14,584,385	14,591,307
Excess of revenue over expenses before amortization of capital assets	273	114	120	11,983	12,490	12,646
Amortization of capital assets	-	-	-	(11,792)	(11,792)	(11,792)
Excess of revenue over expenses	\$ 273	\$ 114	\$ 120	\$ 191	\$ 698	\$ 854

PACE Independent Living
Statement of Changes in Net Assets
Year Ended March 31, 2018

	Unrestricted	Invested in Capital Assets	2018 Total	2017 Total
		(Note 5)		
Net assets, beginning of year	\$ (217,267)	\$ -	\$ (217,267)	\$ (218,121)
Excess of revenue over expenses	698	-	698	854
Net assets, end of year	\$ (216,569)	\$ -	\$ (216,569)	\$ (217,267)

PACE Independent Living
Statement of Cash Flows
Year Ended March 31, 2018

	2018	2017
Cash provided by (used in)		
Operations		
Excess of revenue over expenses	\$ 698	\$ 854
Items not affecting cash		
Amortization of capital assets	11,792	11,792
Amortization of deferred contributions related to capital assets	(11,792)	(11,792)
Net changes in non-cash working capital		
Accounts receivable	(25,182)	61,777
Prepaid expenses	48,304	9,290
Accounts payable and accrued liabilities	(131,124)	150,381
Deferred contributions relating to expenses of future periods	37,512	46,949
Due to Ministry of Health and Long-Term Care - Local Health Integration Network	(107,239)	(10,423)
	(177,031)	258,828
Investing		
Acquisition of capital assets	-	(25,535)
Financing		
Deferred capital contributions received	-	25,535
Net change in cash and cash equivalents	(177,031)	258,828
Cash and cash equivalents, beginning of year	1,562,663	1,303,835
Cash and cash equivalents, end of year	\$ 1,385,632	\$ 1,562,663

1. ORGANIZATION AND NATURE OF OPERATIONS

PACE Independent Living (the "Organization") is a charity incorporated as a corporation without share capital in the Province of Ontario. The Organization provides support services to adults with disabilities.

As provided under the Local Health System Integration Act 2006, effective July 1, 2010, the Ministry of Health and Long-Term Care ("MOHLTC") assigned to the Local Health Integration Network ("LHIN") all its rights, duties and obligations under its Multi-Sector Accountability Agreement ("M-SAA") with the Health Service Providers ("HSP"). M-SAA is aligned with the MOHLTC's transforming agenda and will enable the LHIN to take on full responsibility for planning, funding and integrating health services in the LHIN area, which includes the HSP. The Organization is assigned into the Central LHIN and Toronto Central LHIN.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

(a) Revenue recognition

The Organization follows the deferral method of accounting for grants and contributions.

The Organization's programs are principally funded through MOHLTC-LHIN under program budgets subject to annual review. Grants are received on a monthly basis from the MOHLTC-LHIN and are recognized as revenue in the period the expenditure relating to the grant is incurred. Grants relating to expenditures to be incurred in periods subsequent to year end are recorded as deferred contributions. Grants are provided for each program of the Organization (Supportive Housing, Attendant Outreach and Acquired Brain Injury). Any amount under-spent in a program from the approved grant is returned to the MOHLTC-LHIN in the next fiscal year. Any expenses incurred by a program in excess of the approved grant are borne by the program.

Contributions related to the purchase of capital assets are deferred and amortized into revenue on a straight-line basis, at a rate corresponding with the amortization rate for the related capital assets.

(b) Cash and cash equivalents

Cash and cash equivalents include cash and term deposits with an initial maturity of 90 days or less.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Financial instruments

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Organization has not elected to carry any such financial instruments at fair value.

The financial assets subsequently measured at amortized cost include cash and cash equivalents and accounts receivable. The financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Organization expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(d) Capital assets

Capital assets are recorded cost less accumulated amortization. Amortization of office furniture and fixtures and computer equipment is provided using the straight-line method over the estimated useful life of five years and three years, respectively.

(e) Donated capital assets, materials and services

Donated capital assets are recorded at fair value at the time of receipt when fair value can be reasonably estimated. Donated materials and services are not recorded.

(f) 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. Amounts subject to such estimates and assumptions include useful lives of capital assets. Actual results could differ from those estimates.

PACE Independent Living
Notes to Financial Statements
March 31, 2018

3. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2018	Net 2017
Office furniture and fixtures	\$ 68,630	\$ 62,069	\$ 6,561	\$ 9,842
Computer equipment	25,535	17,022	8,513	17,024
	\$ 94,165	\$ 79,091	\$ 15,074	\$ 26,866

4. DEFERRED CONTRIBUTIONS

Expenses of future periods

Deferred contributions related to expenses of future periods represent unspent externally restricted grants.

	2018	2017
Balance, beginning of year	\$ 136,090	\$ 89,141
Contributions received	82,143	52,249
Amount recognized as income	(44,631)	(5,300)
Balance, end of year	\$ 173,602	\$ 136,090

Capital assets

Deferred contributions related to capital assets represent the unamortized amount of restricted contributions received for, and expended on, the purchase of capital assets.

	2018	2017
Balance, beginning of year	\$ 26,866	\$ 13,123
Contributions received	-	25,535
Amount recognized as income	(11,792)	(11,792)
Balance, end of year	\$ 15,074	\$ 26,866

5. NET ASSETS INVESTED IN CAPITAL ASSETS

Net assets invested in capital assets are calculated as follows:

	2018	2017
Capital assets	\$ 15,074	\$ 26,866
Amounts financed by deferred capital contributions	(15,074)	(26,866)
	\$ -	\$ -

Change in net assets invested in capital assets is calculated as follows:

	2018	2017
Excess of revenue over expenses:		
Amortization of deferred contributions related to capital assets	\$ 11,792	\$ 11,792
Amortization of capital assets	(11,792)	(11,792)
	\$ -	\$ -

6. EMPLOYEE FUTURE BENEFITS

- (a) The Organization has a defined contribution pension plan which began in May 1997. The plan is for the employees of the UNIFOR, Local 40 and is administered by the Canada-Wide Industrial Pension Plan. The plan provides benefits based on the contributions of the Organization and investment income related by the plan. Benefit levels can change depending on a change in the collective agreement or on the performance of the pension fund. The cost of the plan is recognized based on contributions made during the year. The current year contributions made by the Organization were \$105,411 (2017 - \$91,198).
- (b) The Organization has joined a defined contribution multi-employer pension plan for employees who are members of the Local 1 Service Employees International Union commencing December 1998. It is administered by the Nursing Home and Related Industries Pension Plan. The cost of the plan is recognized based on contributions made during the year. The current year contributions made by the Organization were \$104,701 (2017 - \$102,073).
- (c) The Organization has a Registered Retirement Savings Plan of certain employees of the Ontario Public Service Employees Union Local 593. Employees transferred as part of the new services on September 1, 2015 from Clarendon Foundation are enrolled in this plan. The current year contributions made by the Organization were \$34,406 (2017 - \$32,989).
- (d) The Organization has a defined contribution plan providing pension benefits to eligible management and administrative employees, which began on August 1, 2004. The cost of the plan is recognized based on contributions made during the year. The current year contributions made by the Organization were \$98,400 (2017 - \$105,481).

7. COMMITMENTS AND CONTINGENCIES

Commitments

The Organization is committed to minimum payments under operating leases for premises and office equipment as follows:

2019	\$	350,983
2020		184,310
2021		14,290
		<hr/>
		\$ 549,583

Contingencies

The Organization has an outstanding claim relating to retroactive pay equity legislation relating to the years 2005 to 2009. There is an agreement with the applicable unions (SEIU and UNIFOR) that the amount will only be paid if and when the MOHLTC-LHIN makes funds available for this purpose. Payments made to the remaining outstanding claim during the current year were \$Nil (2017 - \$201,934). A review of pay equity completed during the fiscal year identified the potential for payments of \$870,165 at March 31, 2018.

8. ECONOMIC DEPENDENCE

The Organization's principal funder is the MOHLTC-LHIN. The funding is subject to budget review. In management's opinion, the Organization's ability to continue its programs is dependent on this funding.

Annually, the MOHLTC-LHIN performs a reconciliation between the Organization's allowable expenditures and funds paid during the previous year. The balance due to or from the MOHLTC-LHIN for the year ended will not be determined until the MOHLTC-LHIN has reviewed the Organization's financial and statistical returns. The management of the Organization considers the amounts reported to include all proper adjustments for non-allowable costs.

9. COMPARATIVE INFORMATION

Certain figures were reclassified to conform with the current year's presentation.