

**Catholic Family Services of Simcoe County  
Financial Statements  
For the Year Ended December 31, 2020**

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Financial Statements  
For the Year Ended December 31, 2020**

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## Independent Auditor's Report

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To the Board of Directors of Catholic Family Services of Simcoe County

### Qualified Opinion

We have audited the financial statements of Catholic Family Services of Simcoe County (the Organization), which comprise the statement of financial position as at December 31, 2020, and the statement of changes in net assets, statement of operations and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effect of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Basis for Qualified Opinion

In common with many not-for-profit organizations, the Organization derives revenue from donations, fundraising activities and client fees, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, donation revenue or client fees, excess of revenues over expenses, and cash flows from operations for the years ended December 31, 2020 and 2019, current assets as at December 31, 2020 and 2019, and net assets as at January 1 and December 31 for both the 2020 and 2019 years.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.



## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*BDO Canada LLP*

**Chartered Professional Accountants, Licensed Public Accountants**

Barrie, Ontario  
March 30, 2021

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## Catholic Family Services of Simcoe County Statement of Financial Position

December 31	2020	2019
<b>Assets</b>		
<b>Current</b>		
Cash (note 2)	\$ 267,006	\$ 89,326
Short term investments (note 3)	100,335	325,303
Accounts receivable (note 4)	121,519	97,941
Grants receivable	97,216	60,813
Prepaid expenses	42,894	54,048
	628,970	627,431
<b>Capital Assets at cost less accumulated amortization (note 5)</b>	<b>166,123</b>	<b>96,086</b>
	<b>\$ 795,093</b>	<b>\$ 723,517</b>
<b>Liabilities and Net Assets</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (note 6)	\$ 154,089	\$ 105,804
Deferred contributions (note 7)	20,750	-
	174,839	105,804
<b>Deferred Contributions Related to Capital Assets (note 8)</b>	<b>1,014</b>	<b>1,268</b>
	<b>175,853</b>	<b>107,072</b>
<b>Commitments (note 9)</b>		
<b>Net Assets</b>		
Unrestricted Fund	115,463	92,667
Internally restricted funds		
Reserve Fund (note 11)	489,862	489,862
Restricted Fund (note 11)	13,915	13,915
North Simcoe Community Fund (note 11)	-	20,001
	619,240	616,445
	<b>\$ 795,093</b>	<b>\$ 723,517</b>

On behalf of the Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**Catholic Family Services of Simcoe County  
Statement of Changes in Net Assets**

<b>For the year ended December 31</b>	<b>Unrestricted Fund</b>	<b>Reserve Fund</b>	<b>Restricted Fund</b>	<b>North Simcoe Community Fund</b>	<b>2020 Total</b>	<b>2019 Total</b>
		(note 11)	(note 11)	(notes 11)		
<b>Balance, beginning of the year</b>	\$ 92,667	\$ 489,862	\$ 13,915	\$ 20,001	\$ 616,445	\$ 700,720
<b>Excess of revenues over expenses for the year</b>	2,795	-	-	-	2,795	(84,275)
<b>Fund transfer (note 11)</b>	20,001	-	-	(20,001)	-	-
<b>Balance, end of the year</b>	\$ 115,463	\$ 489,862	\$ 13,915	\$ -	\$ 619,240	\$ 616,445

The accompanying notes are an integral part of these financial statements.

## Catholic Family Services of Simcoe County Statement of Operations

For the year ended December 31	2020	2019
<b>Revenue</b>		
Catholic Charities - regular contribution	\$ 680,796	\$ 680,796
Catholic Charities - special project	67,800	78,000
Wendat Community Programs	729,756	790,624
Wendat Community Programs - special project	31,694	100,000
Ministry of the Attorney General	396,293	375,101
United Way	96,804	13,750
Canada Emergency Wage Subsidy	226,448	-
Employment and Social Development Canada	13,083	8,805
Purchased services	431,800	464,710
Client fees	31,426	53,308
Donations and fundraising	25,444	18,369
Employee Assistance Programs	2,933	6,105
Amortization of deferred capital contributions related to capital assets (note 8)	254	314
Other income	40,483	26,994
	<u>2,775,014</u>	<u>2,616,876</u>
<b>Expenses</b>		
Advertising and promotion	15,349	25,718
Agency dues and fees	14,318	14,356
Amortization	34,455	22,623
Bad Debt Expense	-	2,168
Board expenses	7,450	26,247
Charitable donations (note 12)	20,000	-
Fundraising expenses	310	2,125
Insurance	14,818	13,732
Interest and bank charges	3,427	4,009
License fees, computer and internet expenses	50,101	40,297
Moving expenses	1,112	-
Occupancy cost	288,478	233,243
Office supplies, equipment leases and maintenance	9,488	19,653
Professional fees	87,057	86,614
Program expenses	51,078	128,345
Telephone	14,572	8,455
Training and education	7,982	10,121
Travel	12,891	39,542
Wages and benefits	2,139,333	2,023,903
	<u>2,772,219</u>	<u>2,701,151</u>
<b>Excess (deficiency) of revenues over expenses for the year</b>	<b>\$ 2,795</b>	<b>\$ (84,275)</b>

The accompanying notes are an integral part of these financial statements.

## Catholic Family Services of Simcoe County Statement of Cash Flows

For the year ended December 31	2020	2019
<b>Cash flows from operating activities</b>		
Excess of revenues over expenses for the year	\$ 2,795	\$ (84,275)
Adjustment for items not involving cash		
Amortization of capital assets	34,455	22,623
Amortization of deferred capital contributions related to capital assets	(254)	(314)
	<u>36,996</u>	<u>(61,966)</u>
Changes in non-cash working capital balances related to operations		
Accounts receivable	(23,578)	13,424
Grants receivable	(36,403)	69,063
Prepaid expenses	11,154	(29,637)
Accounts payable and accrued liabilities	48,285	(44,984)
Deferred contributions	20,750	(63,056)
	<u>20,208</u>	<u>(55,190)</u>
<b>Cash flows from investing activities</b>		
Net changes in investments	224,968	(112,824)
Acquisition of capital assets	(104,492)	(57,083)
	<u>120,476</u>	<u>(169,907)</u>
<b>Net increase (decrease) in cash during the year</b>	<b>177,680</b>	<b>(287,063)</b>
Cash, beginning of the year	<u>89,326</u>	<u>376,389</u>
<b>Cash, end of the year</b>	<b>\$ 267,006</b>	<b>\$ 89,326</b>

The accompanying notes are an integral part of these financial statements.

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# Catholic Family Services of Simcoe County

## Notes to Financial Statements

For the year ended December 31, 2020

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### 1. Significant Accounting Policies

<b>Nature and Purpose of Organization</b>	Catholic Family Services of Simcoe County is a non-profit organization incorporated without share capital under the laws of the Province of Ontario. The organization provides counselling services to those who could not otherwise afford these services in Simcoe County, Ontario.
<b>Basis of Accounting</b>	The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.
<b>Revenue Recognition</b>	<p>The Organization follows the deferral method of accounting for contributions which includes donations and grants.</p> <p>Unrestricted contributions consist of grants, donations and fundraising revenue and are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.</p> <p>Restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred.</p> <p>Restricted net investment income is recognized as revenue in the year in which the related expenses are incurred as a direct increase in net assets. Unrestricted net investment income is recognized as revenue when earned.</p> <p>Externally restricted contributions are recognized in revenue in the year in which the related expenses are recognized.</p> <p>Client fees and purchased services are recognized once services have been provided.</p> <p>Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a declining balance rate corresponding with the amortization rate for the related capital assets.</p> <p>Rental income is recorded in the period earned.</p>

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# Catholic Family Services of Simcoe County

## Notes to Financial Statements

For the year ended December 31, 2020

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### 1. Significant Accounting Policies (continued)

**Tangible Capital Assets** Purchased tangible capital assets are stated at cost less accumulated amortization. Contributed tangible capital assets are recorded at fair value at the date of contribution and are amortized, unless fair value is not determinable in which case contributed tangible capital assets are recorded at nominal value at the date of contribution.

Amortization based on the estimated useful life of the asset is calculated as follows:

Computer equipment	30% declining balance basis
Computer software	20% declining balance basis
Furniture and equipment	20% declining balance basis
Leasehold improvements	6-10 years straight line basis

**Impairment of Long Lived Assets** In the event that facts and circumstances indicate that the Organization's long lived assets may be impaired, an evaluation of recoverability would be performed. Such an evaluation entails comparing the estimated future undiscounted cash flows associated with the asset to the asset's carrying amount to determine if a write down to market value or discounted cash flow is required. The Organization considers that no circumstances exist that would require such an evaluation.

**Employee Future Benefits** The Organization participates in a multi-employer defined benefit pension plan, however, sufficient information is not available to use defined benefit accounting. Therefore, the Organization accounts for the plan as if it were a defined contribution plan, recognizing contributions as an expense in the year to which they relate.

**Income Taxes** The Organization is not subject to federal or provincial income taxes pursuant to exemptions accorded to registered charities in the income tax legislation.

**Use of Estimates** The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. The principal estimates used in the preparation of these financial statements are the useful life of capital assets and the valuation of other assets and liabilities. Actual results could differ from management's best estimates as additional information becomes available in the future.

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## Catholic Family Services of Simcoe County Notes to Financial Statements

For the year ended December 31, 2020

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### 1. Significant Accounting Policies (continued)

#### Financial Instruments

Financial Instruments are recorded at fair value at initial recognition. In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any unrealised gains and losses reported in operations. All other financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each statement of financial position date and charged to the financial instrument for those measured at amortized cost.

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## Catholic Family Services of Simcoe County Notes to Financial Statements

**For the year ended December 31, 2020**

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### 2. Cash

The Organization's bank accounts are held at a Canadian chartered bank. The bank account earns interest at a variable rate dependent on the monthly minimum balance.

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### 3. Restricted Investments

The carrying amounts of investments are comprised of the following:

	2020	2019
RBC Non Redeemable GIC, interest at 2.50%, interest paid when redeemed, due September 24, 2020	-	100,671
RBC Non Redeemable GIC, interest at 2.50%, interest paid when redeemed, due November 6, 2020	-	100,377
RBC Non Redeemable GIC, interest at 2.50%, interest paid when redeemed, due November 6, 2020	-	100,377
RBC Redeemable GIC, interest at 1.75%, interest paid monthly, due November 21, 2020	-	23,878
RBC Redeemable GIC, interest at 0.75%, interest paid when redeemed, due July 21, 2021	<b>100,335</b>	-
	<b>\$ 100,335</b>	<b>\$ 325,303</b>

Subsequent to year-end, the Organization purchased two redeemable guaranteed investment certificates with a principal balance totalling \$200,000 interest rates of 0.5% each, both maturing January 27, 2022.

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### 4. Accounts Receivable

	2020	2019
Accounts receivable	<b>\$ 96,361</b>	<b>\$ 79,177</b>
HST recoverable	<b>25,158</b>	<b>18,764</b>
	<b>\$ 121,519</b>	<b>\$ 97,941</b>

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## Catholic Family Services of Simcoe County Notes to Financial Statements

For the year ended December 31, 2020

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### 5. Tangible Capital Assets

	2020		2019	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Computer equipment	\$ 116,250	\$ 72,010	\$ 86,246	\$ 59,479
Computer software	74,218	37,173	74,218	27,912
Furniture and equipment	74,460	53,726	70,714	49,011
Leasehold improvements	81,049	16,945	10,307	8,997
	<b>\$ 345,977</b>	<b>\$ 179,854</b>	<b>\$ 241,485</b>	<b>\$ 145,399</b>
Net book value		<b>\$ 166,123</b>		<b>\$ 96,086</b>

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### 6. Government Remittances

Included in accounts payable and accrued liabilities are government remittances payable of \$23,157 (2019 - \$23,683).

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### 7. Deferred Contributions

Deferred contributions reported in the Fund represent restricted operating funding received in the current period that is related to expenses of a subsequent period. Changes in deferred contributions balance are as follows:

	2020	2019
Beginning balance	\$ -	\$ 63,056
Contributions received	676,260	1,243,948
Amounts amortized to revenue	(655,510)	(1,307,004)
Ending balance	<b>\$ 20,750</b>	<b>\$ -</b>

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## Catholic Family Services of Simcoe County Notes to Financial Statements

**For the year ended December 31, 2020**

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### 8. Deferred Contributions Related to Capital Assets

Deferred contributions represent the unamortized portion of restricted contributions used in the purchase of certain capital assets. The amortization is recorded as revenue in the statement of operations.

	<u>2020</u>		<u>2019</u>
Balance, beginning of the year	\$ 1,268	\$	1,582
Amounts amortized to revenue	<u>(254)</u>		<u>(314)</u>
<b>Balance, end of the year</b>	<b>\$ 1,014</b>	<b>\$</b>	<b>1,268</b>

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### 9. Lease Commitments

The Organization operates from leased space in Barrie and Orillia. These leases have varying expiry dates ranging between December 31, 2023 and October 31, 2030.

The minimum annual lease payments required under the terms of these leases for the next five fiscal years are as follows:

2021	\$ 209,226
2022	210,157
2023	211,088
2024	191,401
2025	<u>205,531</u>
	<b>\$ 1,027,403</b>

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## Catholic Family Services of Simcoe County Notes to Financial Statements

**For the year ended December 31, 2020**

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### 10. Pension Plan

Until December 31, 2019 the Organization made contributions to a defined benefit pension plan administered by Catholic Charities of the Archdiocese of Toronto, which is a multi-employer plan, on behalf of members of its staff. The plan specifies the amount of the retirement benefit plan to be received by the employees based on length of services and rates of pay. However, the plan was accounted for as a defined contribution plan as insufficient information was available to account for the plan as a defined benefit plan. The Organization is only one of a number of employers that participates in the plan and the financial information provided to the Organization on the basis of the contractual agreements was usually insufficient to reliably measure the Organization's proportionate share in the plan assets and liabilities on defined benefit accounting requirements. The amount contributed to the plan for 2019 was \$32,811. The contributions were made for current service and were recognized in net income.

Effective January 1, 2020, the Organization makes contributions to a defined benefit pension plan administered by the Colleges of Applied Arts and Technology, which is a multi-employer plan, on behalf of members of its staff. The plan specifies the amount of the retirement benefit plan to be received by the employees based on length of services and rates of pay. However, the plan was accounted for as a defined contribution plan as insufficient information was available to account for the plan as a defined benefit plan. The Organization is only one of a number of employers that participates in the plan and the financial information provided to the Organization on the basis of the contractual agreements was usually insufficient to reliably measure the Organization's proportionate share in the plan assets and liabilities on defined benefit accounting requirements. The amount contributed to the plan for 2020 was \$115,300. The contributions were made for current service and were recognized in net income.

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## Catholic Family Services of Simcoe County Notes to Financial Statements

**For the year ended December 31, 2020**

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### **11. Internally Restricted Funds**

The Reserve Fund has been established to cover approximately three months of operating expenses in the event of cash difficulties. The Board of Directors and the Executive Director have discretion over the use of these funds.

On January 20, 2015, the Board passed a motion to change the Endowment Fund to a Restricted Fund for the purpose of staff development. The Endowment Fund consisted of contributions from the Board. The Board of Directors and the Executive Director have discretion over the use of these funds.

The North Simcoe Community Fund was established as a result of the disposal of the Organization's Midland location in 2014. Under the Organization's amalgamation agreement dated March 4, 2008, in the event that the property described above was sold, the net proceeds of the sale would be used for the benefit of the North Simcoe Community (Midland, Penetanguishene, Christian Island, and the Townships of Tiny and Tay). It is up to the discretion of the Board of Directors as to how much of the gain will be transferred to the general fund each year up to the maximum of total expenditures on programs in the North Simcoe Community for the year. In the current year, the net expenditures on programs within the North Simcoe Community amount to \$40,324 (2019 - \$59,557). The Board of Directors approved a transfer of \$20,001 (2019 -\$53,784) from the North Simcoe Community fund to the general fund for 2020.

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### **12. Huronia Community Foundation Endowment Fund**

A permanent charitable endowment fund has been created with the Huronia Community Foundation (the "Foundation"). During fiscal 2020 the Organization provided a gift of \$20,000 to establish this fund. The funds provided are to be held permanently and invested by the Foundation in accordance with the Financial Management Policies of the Foundation for the exclusive benefit of Catholic Family Services of Simcoe County. The Foundation will determine the annual distributable earnings according to the Finance Management Policies of the Foundation.

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## Catholic Family Services of Simcoe County Notes to Financial Statements

**For the year ended December 31, 2020**

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### 13. Subsequent Events

The Organization's grant application for the Resilient Communities Fund grant from the Ontario Trillium Foundation (OTF) was approved on December 26, 2020 in the amount of \$150,000. The grant extends for a period of 12 months. The purpose of this grant is to rebuild and recover from impacts of COVID-19 by making capital, clean air, and electrical upgrades to the hub to continue providing mental and cognitive health programming, and reducing social isolation. No eligible expenditures have been incurred by December 31, 2020. Subsequent to year end, the first payment of \$75,000 was received on January 7, 2021.

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### 14. COVID-19

On March 11, 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. On March 17, 2020, the province of Ontario declared a state of emergency and ordered the closure of many establishments. As such, the Organization was closed the week of March 22, 2020 and transitioned to providing all services virtually beginning on April 6, 2020. There were no staff layoffs and positions were redefined to ensure all employees had work.

During the year the Organization applied for and received pandemic specific funding and subsidies from Wendat Community Programs, Ministry of the Attorney General, the United Way and the Canada Emergency Wage Subsidy to combat the impacts of the pandemic on the Organization's operations.

Subsequent to year end, on January 14, 2021, the province of Ontario declared another state of emergency and a stay-at-home order. If the effects of COVID-19 continue, there could be further impacts on the Centre, its suppliers, employees and funders. The Board is actively monitoring the impacts of the Organization's financial condition, liquidity, operations, suppliers and industry. At this time, the full impact of COVID-19 on the Organization is not known.

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## Catholic Family Services of Simcoe County Notes to Financial Statements

For the year ended December 31, 2020

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### 15. Financial Instruments

#### Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization is exposed to credit risk resulting from the possibility that a customer or counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The Organization's financial instruments that are exposed to concentrations of credit risk relate primarily to its accounts and contributions receivable. The majority of the Organization's receivables are from government sources and the Organization works to ensure it meets all eligibility criteria in order to qualify to receive the funding.

The Organization is also exposed to credit risk arising from all of its bank accounts being held at one financial institution and deposits are only insured up to \$100,000.

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

#### Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Organization will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. The Organization is exposed to this risk mainly in respect of its accounts payable.

The Organization's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash flows to fund its operations and to meet its liabilities when due, under both normal and stressed conditions. The Organization maintains a portion of its invested assets in liquid securities.

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Organization is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Fixed-interest instruments subject the Organization to a fair value risk while the floating rate instruments subject it to a cash flow risk.

The Organization is exposed to changes in interest rates related to its investments in marketable securities. The Organization's primary objective is to ensure the security of principal amounts invested and provide for a high degree of liquidity, while achieving a satisfactory return. Treasury risk management policies specify various investment parameters including eligible types of investment, maximum maturity dates, maximum exposure by counterparties and maximum

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## Catholic Family Services of Simcoe County Notes to Financial Statements

**For the year ended December 31, 2020**

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**15. Financial Instruments (continued)**  
credit ratings.

The Organization mitigates interest rate risk on investments by diversifying the durations of the fixed-income investments that are held at a given time.

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

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