

LOYOLA ARRUPE CENTRE FOR SENIORS
Financial Statements
Year Ended March 31, 2016

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Year Ended March 31, 2016

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Murphy & Chung

Professional Corporation

Chartered Accountants, Licensed Public Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of Loyola Arrupe Centre for Seniors

We have audited the accompanying financial statements of Loyola Arrupe Centre for Seniors, which comprise the statement of financial position as at March 31, 2016 and the statements of operations and changes in net assets 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 qualified audit opinion.

(continues)

Independent Auditor's Report to the Members of Loyola Arrupe Centre for Seniors *(continued)*

Basis for Qualified Opinion

In common with many not-for-profit organizations, Loyola Arrupe Centre for Seniors derives revenue from donations and fundraising activities 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 Loyola Arrupe Centre for Seniors. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2016, current assets and net assets as at March 31, 2016.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Loyola Arrupe Centre for Seniors as at March 31, 2016 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Toronto, Ontario
August 8, 2016

Murphy & Chung
Professional Corporation
Chartered Professional Accountants
Authorized to practise public accounting by
The Chartered Professional Accountants of Ontario

LOYOLA ARRUPE CENTRE FOR SENIORS
Statement of Financial Position
As at March 31, 2016

	2016	2015
ASSETS		
Current		
Cash and temporary investments (Note 2)	\$ 14,417	\$ 16,487
Harmonized sales tax recoverable	6,151	8,518
Prepaid expenses	1,246	1,187
	21,814	26,192
Restricted funds (Note 2)	33,387	33,387
	\$ 55,201	\$ 59,579
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 8,253	\$ 7,419
Deferred revenue	-	5,220
	8,253	12,639
NET ASSETS		
Externally Restricted Endowment Fund	33,387	33,387
Unrestricted Accumulated Surplus	13,561	13,553
	46,948	46,940
	\$ 55,201	\$ 59,579

ON BEHALF OF THE BOARD

 Director
 Director

See notes to financial statements

LOYOLA ARRUPE CENTRE FOR SENIORS
Statement of Changes in Net Assets
Year Ended March 31, 2016

	Externally Restricted Endowment Fund	Unrestricted Accumulated Surplus	2016	2015
Net assets - beginning of year	\$ 33,387	\$ 13,553	\$ 46,940	\$ 44,087
Excess of revenues over expenses	-	8	8	2,852
Net assets - end of year	\$ 33,387	\$ 13,561	\$ 46,948	\$ 46,939

See notes to financial statements

LOYOLA ARRUPE CENTRE FOR SENIORS
Statement of Operations
Year Ended March 31, 2016

	2016	2015
Revenues		
Ontario Seniors Secretariat	\$ 54,246	\$ 54,931
Catholic Charities	55,000	50,416
New Horizon grant	-	25,000
City of Toronto	21,685	37,460
Donations	11,520	-
Fundraising, events and recoveries	2,982	2,440
Investment income	53	52
	<u>145,486</u>	<u>170,299</u>
Expenses		
Program expenses, per schedule	37,131	48,094
Office and administration, per schedule	17,456	31,446
Salaries and benefits	88,239	83,766
Insurance	2,652	4,141
	<u>145,478</u>	<u>167,447</u>
Excess of revenues over expenses	<u>\$ 8</u>	<u>\$ 2,852</u>

See notes to financial statements

LOYOLA ARRUPE CENTRE FOR SENIORS
Notes to Financial Statements
Year Ended March 31, 2016

DESCRIPTION OF BUSINESS

The Loyola Arrupe Centre for Seniors has been providing social, recreational, and service delivery activities for the elderly since 1991. The Corporation is a registered charity under the Income Tax Act, with a charitable registration number 86903 7374 RR 0001.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The financial statements were prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations (ASNFPO), and include the following significant accounting policies

Revenue recognition

The Corporation follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which related expenses are incurred. Unrestricted contributions are recognized as revenue if the amount can be reasonably estimated and collection is reasonably assured.

Endowment contributions are recognized as direct increases in net assets.

Investment income includes interest from cash and fixed income investments and realized gains and losses on the sale of investments. Revenue is recognized on an accrual basis. Interest from fixed income investments is recognized over the term of these investments using the effective interest method.

Capital assets

Capital assets are expensed in the year of purchase.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian Accounting Standards for Not-for-Profit Organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued, except for certain non-arm's length transactions. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable.

LOYOLA ARRUPE CENTRE FOR SENIORS
Notes to Financial Statements
Year Ended March 31, 2016

2. CASH AND INVESTMENTS

	2016	2015
Cash		
Bank account	\$ 12,428	\$ 14,701
Petty cash	280	130
Guaranteed investment certificates	35,096	35,043
	\$ 47,804	\$ 49,874
 Composed of:		
Restricted endowment contributions	\$ 33,387	\$ 33,387
Unrestricted cash and temporary investments	14,417	16,487
	\$ 47,804	\$ 49,874

3. CAPITAL ASSETS EXPENSED

During the year, the Corporation expensed a total of \$4,605 (2015 - \$19,985) in capital expenditures in accordance with its policy to expense capital assets in the year of purchase.

4. FINANCIAL INSTRUMENTS

The Corporation is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of March 31, 2016.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Corporation is exposed to credit risk from its various funding sources, should they be unable to meet their commitments

Interest rate risk

The Corporation manages its investments based on its cash flow needs and with a view to optimizing its investment income. The Corporation has invested its excess cash in low risk interest bearing vehicles such as guaranteed investment certificates as the means for managing its interest rate risk.

5. STATEMENT OF CASH FLOWS

A statement of cash flows has not been presented, as the required information is readily available from the other financial statements presented and the notes to the financial statements.

6. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

Loyola Arrupe Centre for Seniors
Expenses
Year Ended March 31, 2016

	2016	2015
Schedule of Program Expenses		
Recreation	\$ 19,753	\$ 12,239
Program equipment	4,605	19,985
Health and wellness	4,863	9,820
Volunteer	1,339	358
Excursions	48	309
Special events	5,003	4,943
Computer training	-	-
Repairs and maintenance	1,370	41
Advertising and promotion	150	399
	<u>37,131</u>	<u>48,094</u>
Schedule of Office and Administration Expenses		
Professional fees	\$ 8,043	\$ 18,770
Office supplies and equipment	8,265	8,252
Affiliation dues	612	438
Board development	536	3,986
	<u>17,456</u>	<u>31,446</u>

See notes to financial statements