

LOYOLA ARRUPE CENTRE FOR SENIORS
Financial Statements
Year Ended March 31, 2018

LOYOLA ARRUPE CENTRE FOR SENIORS
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Year Ended March 31, 2018

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Murphy & Chung

Professional Corporation

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INDEPENDENT AUDITOR'S REPORT

To the Directors 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, 2018 and the statements of operations, changes in net assets and cash flow 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.

(continues)

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Loyola Arrupe Centre for Seniors as at March 31, 2018 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.

Murphy & Chung

Professional Corporation

Chartered Professional Accountants

Authorized to practise public accounting by
the Chartered Professional Accountants of Ontario

Toronto, Ontario
July 11, 2018

LOYOLA ARRUPE CENTRE FOR SENIORS
Statement of Financial Position
As at March 31, 2018
(Unaudited)

	2018	2017
ASSETS		
Current		
Cash and temporary investments <i>(Note 2)</i>	\$ 50,700	\$ 10,671
Accounts receivable	8,352	5,455
Harmonized sales tax recoverable	5,543	3,111
Prepaid expenses	1,184	1,922
	65,779	21,159
Restricted funds <i>(Note 2)</i>	-	33,387
	\$ 65,779	\$ 54,546
LIABILITIES		
Current		
Accounts payable and accrued liabilities <i>(Note 4.)</i>	\$ 13,288	\$ 8,488
Deferred revenue	3,391	-
	16,679	8,488
NET ASSETS		
Externally Restricted Endowment Fund	-	33,387
Unrestricted Accumulated Surplus	49,100	12,671
	49,100	46,058
	\$ 65,779	\$ 54,546

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, 2018

	General Fund	Restricted Fund	2018	2017
Net assets - beginning of year	\$ 12,671	\$ 33,387	\$ 46,058	\$ 46,948
Excess of revenues over expenses	3,042	-	3,042	(890)
Interfund transfers <i>(Note 5)</i>	33,387	(33,387)	-	-
Net assets - end of year	\$ 49,100	\$ -	\$ 49,100	\$ 46,058

See notes to financial statements

LOYOLA ARRUPE CENTRE FOR SENIORS
Statement of Operations
Year Ended March 31, 2018

	2018	2017
Revenues		
Ministry of Seniors Affairs	\$ 64,100	\$ 59,611
Catholic Charities	92,000	61,496
United Way grant	6,300	-
City of Toronto	28,256	22,160
Clinics and events	1,358	908
Fundraising, events and recoveries	9,020	745
Memberships	120	790
Investment income	191	23
	<u>201,345</u>	<u>145,733</u>
EXPENSES		
Insurance	2,711	2,791
Program expenses	76,349	33,212
Office and administration	22,440	22,490
Salaries and benefits	96,803	88,130
	<u>198,303</u>	<u>146,623</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>\$ 3,042</u>	<u>\$ (890)</u>

LOYOLA ARRUPE CENTRE FOR SENIORS
Statement of Cash Flow
Year Ended March 31, 2018

	2018	2017
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ 3,042	\$ (890)
Changes in non-cash working capital:		
Accounts receivable	(2,897)	(5,455)
Accounts payable and accrued liabilities	4,800	235
Deferred revenue	3,391	-
Prepaid expenses	738	(676)
HST payable (receivable)	(2,432)	3,040
Transfer from endowment fund	33,387	-
	<u>36,987</u>	<u>(2,856)</u>
INCREASE (DECREASE) IN CASH FLOW	40,029	(3,746)
Cash - beginning of year	<u>10,671</u>	<u>14,417</u>
CASH - END OF YEAR	\$ 50,700	\$ 10,671

LOYOLA ARRUPE CENTRE FOR SENIORS
Notes to Financial Statements
Year Ended March 31, 2018

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.

Fund accounting

A fund is a separate self-balancing group of accounts provided for each accounting entity established within the accounting system, which segregates transactions of a particular activity. The fund are:

General Fund - Unrestricted

The general Fund contains the unrestricted assets, liabilities, revenue and expenditures related to Loyola Arrupe Centre for Seniors and administrative activities on behalf of its members.

Endowment Fund - Restricted

Loyola Arrupe Centre for Seniors established an externally restricted endowment fund to be used upon maturity at the discretion of the Board of Directors.

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LOYOLA ARRUPE CENTRE FOR SENIORS
Notes to Financial Statements
Year Ended March 31, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

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.

2. CASH AND INVESTMENTS

	2018	2017
Cash		
Bank account	\$ 24,817	\$ 8,311
Petty cash	569	628
Guaranteed investment certificates	25,314	35,119
	\$ 50,700	\$ 44,058
 Composed of:		
Restricted endowment contributions	\$ -	\$ 33,387
Unrestricted cash and temporary investments	50,700	10,671
	\$ 50,700	\$ 44,058

3. CAPITAL ASSETS EXPENSED

During the year, the Corporation expensed a total of \$16,871 (2017 - \$1,900) in capital expenditures in accordance with its policy to expense capital assets in the year of purchase.

4. ACCOUNTS PAYABLE

Accounts payable and accrued liabilities include government remittances of \$378 (2017 - \$396) for payroll source deductions.

LOYOLA ARRUPE CENTRE FOR SENIORS
Notes to Financial Statements
Year Ended March 31, 2018

5. INTERFUND TRANSFERS

On January 24, 2018, the board approved a motion to dissolve the endowment fund and transfer the balance of \$33,387 to the general fund.

6. 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, 2018.

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.

7. 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, 2018

	2018	2017
Schedule of Program Expenses		
Recreation	\$ 38,918	\$ 16,969
Program equipment	16,871	2,583
Health and wellness	4,879	5,345
Volunteer	1,128	503
Excursions	3,294	59
Special events	6,824	4,110
Education and training	3,982	1,969
Repairs and maintenance	93	402
Advertising and promotion	360	1,272
	76,349	33,212
Schedule of Office and Administration Expenses		
Professional fees	\$ 8,615	\$ 8,122
Office supplies and equipment	12,067	12,794
Affiliation dues	540	1,239
Board development	1,218	335
	22,440	22,490

See notes to financial statements