

LOYOLA ARRUPE CENTRE FOR SENIORS

Financial Statements

Year Ended March 31, 2019

LOYOLA ARRUIPE CENTRE FOR SENIORS
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Year Ended March 31, 2019

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INDEPENDENT AUDITOR'S REPORT

To the Partners of Loyola Arrupe Centre for Seniors

Opinion

We have audited the financial statements of Loyola Arrupe Centre for Seniors (the Company), which comprise the statement of financial position as at March 31, 2019, and the statements of changes in net assets, operations and cash flow 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 Company as at March 31, 2019, 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.

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

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 Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

(continues)

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

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 Company'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 Company'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 Company 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.


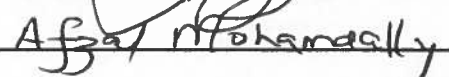
Professional Corporation
Chartered Professional Accountants
Authorized to practise public accounting by
the Chartered Professional Accountants of Ontario

Toronto, Ontario
August 16, 2019

LOYOLA ARRUPE CENTRE FOR SENIORS
Statement of Financial Position
As at March 31, 2019

	2019	2018
ASSETS		
Current		
Cash and temporary investments (Note 2)	\$ 41,674	\$ 50,700
Accounts receivable	34,928	8,352
Harmonized sales tax recoverable	13,770	5,543
Prepaid expenses	1,261	1,184
	\$ 91,633	\$ 65,779
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Note 4.)	\$ 8,907	\$ 13,288
Deferred revenue	25,000	3,391
	33,907	16,679
NET ASSETS		
General Fund	57,726	49,100
	\$ 91,633	\$ 65,779

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, 2019

	2019		2018
Net assets - beginning of year	\$ 49,100	\$	46,058
Excess of revenues over expenses	8,626		3,042
Net assets - end of year	\$ 57,726	\$	49,100

LOYOLA ARRUPE CENTRE FOR SENIORS
Statement of Operations
Year Ended March 31, 2019

	2019	2018
Revenues		
Ministry of Senior Affairs (Province of Ontario)	\$ 139,260	\$ 64,100
Catholic Charities	82,499	92,000
City of Toronto	23,201	28,256
Other revenue	5,040	10,689
United Way grant	-	6,300
	<u>250,000</u>	<u>201,345</u>
Expenses		
Insurance	2,713	2,710
Program expenses	109,675	76,349
Office and administration	21,184	22,440
Salaries and benefits	107,802	96,804
	<u>241,374</u>	<u>198,303</u>
Excess of revenues over expenses	<u>\$ 8,626</u>	<u>\$ 3,042</u>

LOYOLA ARRUPE CENTRE FOR SENIORS
Statement of Cash Flow
Year Ended March 31, 2019

	2019	2018
Operating activities		
Excess of revenues over expenses	\$ 8,626	\$ 3,042
Changes in non-cash working capital:		
Accounts receivable	(26,576)	(2,897)
Accounts payable and accrued liabilities	(4,381)	4,800
Deferred revenue	21,609	3,391
Prepaid expenses	(77)	738
PST payable (receivable)	(8,227)	(2,432)
Transfer from endowment fund	-	33,387
	<u>(17,652)</u>	<u>36,987</u>
Increase (decrease) in cash flow	(9,026)	40,029
Cash - beginning of year	<u>50,700</u>	<u>10,671</u>
Cash - end of year	\$ 41,674	\$ 50,700

LOYOLA ARRUPE CENTRE FOR SENIORS
Notes to Financial Statements
Year Ended March 31, 2019

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 (ASNFP), 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.

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.

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LOYOLA ARRUPE CENTRE FOR SENIORS
Notes to Financial Statements
Year Ended March 31, 2019

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

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

	2019	2018
Cash		
Bank account	\$ 15,806	\$ 24,817
Petty cash	-	569
Guaranteed investment certificates	25,868	25,314
	\$ 41,674	\$ 50,700

3. CAPITAL ASSETS EXPENSED

During the year, the Corporation expensed a total of \$13,808 (2018 - \$16,871) 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 \$401 (2018 - \$378) for payroll source deductions.

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 company's risk exposure and concentration as of March 31, 2019.

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LOYOLA ARRUPE CENTRE FOR SENIORS
Notes to Financial Statements
Year Ended March 31, 2019

6. FINANCIAL INSTRUMENTS *(continued)*

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, 2019

	2019	2018
Schedule of Program Expenses		
Recreation	\$ 53,587	\$ 38,918
Program equipment	17,602	16,871
Health and wellness	9,246	4,879
Volunteer	693	1,128
Excursions	5,051	3,294
Special events	8,943	6,824
Education and training	13,839	3,982
Repairs and maintenance	715	93
Advertising and promotion	-	360
	<u>109,675</u>	<u>76,349</u>
Schedule of Office and Administration Expenses		
Professional fees	\$ 10,530	\$ 8,615
Office supplies and equipment	9,066	12,067
Affiliation dues	500	540
Board development	1,088	1,218
	<u>21,184</u>	<u>22,440</u>

See notes to financial statements