

**North York Seniors Centre
Financial Statements
For the year ended March 31, 2017**

	Contents
Independent Auditor's Report	2
Financial Statements	
Balance Sheet	3
Statement of Revenue and Expenses and Operating Surplus	4
Statement of Capital and Endowment Revenue and Expenses and Changes in Fund Balances	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 11



Tel: 905 270-7700
Fax: 905 270-7915
Toll-free: 866 248 6660
www.bdo.ca

BDO Canada LLP
1 City Centre Drive, Suite 1700
Mississauga ON L5B 1M2 Canada

Independent Auditor's Report

To the Members of North York Seniors Centre

We have audited the accompanying financial statements of North York Seniors Centre (the "Centre"), which comprise the balance sheet as at March 31, 2017, and the statements of revenue and expenses and operating surplus, capital and endowment revenue and expenses and changes in fund balances 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 Centre'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 Centre'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 North York Seniors Centre as at March 31, 2017, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants
Mississauga, Ontario
June 21, 2017

**North York Seniors Centre
Balance Sheet**

March 31 **2017** **2016**

Assets

Current

Cash	\$	455,464	\$	415,727
Investments (Note 2)		100,000		100,000
Accounts receivable		193,503		156,660
Prepaid expenses		71,815		71,925

820,782 **744,312**

Investments (Note 2)

150,000 **150,000**

Cash and investments - endowment fund (Note 3)

84,173 **72,363**

Capital assets (Note 4)

246,633 **244,666**

\$ 1,301,588 **\$ 1,211,341**

Liabilities and Fund Balances

Current

Accounts payable and accrued liabilities	\$	244,846	\$	253,540
Due to Central Local Health Integration Network		67,822		30,055
Deferred - Active Living Centre membership fees		16,282		13,408
Other deferred revenue		1,570		5,000

330,520 **302,003**

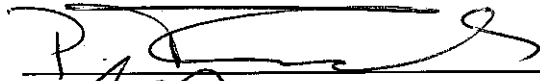
Net Assets

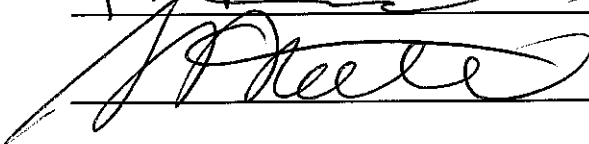
Operating surplus	514,758	435,900
Funds invested in capital assets (Note 4)	372,137	401,075
Endowment fund	84,173	72,363

971,068 **909,338**

\$ 1,301,588 **\$ 1,211,341**

On behalf of the Board:

 Director

 Director

North York Seniors Centre
Statement of Revenue and Expenses and Operating Surplus

For the year ended March 31	2017	2016
Revenue		
Subsidies and grants		
Central Local Health Integration Network - Community Services	\$ 2,718,561	\$ 2,691,066
Ontario Seniors Secretariat - Elderly Persons Centres	94,311	108,492
United Way Toronto and York Region	220,264	225,221
City of Toronto - Community Services Grant	92,085	90,096
Other subsidies and grants	25,335	27,254
	<u>3,150,556</u>	<u>3,142,129</u>
User fees		
VHA Home Healthcare	186,806	162,827
Community Services	669,195	635,981
Active Living Centre	238,229	256,348
	<u>1,094,230</u>	<u>1,055,156</u>
Other		
Fundraising and donations	50,216	42,962
Investment and miscellaneous income	11,154	8,265
	<u>61,370</u>	<u>51,227</u>
	<u>4,306,156</u>	<u>4,248,512</u>
Expenses		
Salaries and wages	2,498,659	2,508,037
Employee benefits	415,702	427,184
Supplies	208,255	218,274
Office and general	261,422	248,011
Repairs and maintenance	68,788	64,200
Contracted services	463,874	455,673
Building and ground	310,598	294,021
	<u>4,227,298</u>	<u>4,215,400</u>
Excess of revenue over expenses for the year	78,858	33,112
Operating surplus, beginning of year	435,900	402,788
Operating surplus, end of year	\$ 514,758	\$ 435,900

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

North York Seniors Centre
Statement of Capital and Endowment Revenue and Expenses and Changes
in Fund Balances

For the year ended March 31, 2017

	Funds Invested in Capital Assets		Endowment Fund	
	2017	2016	2017	2016
Revenue				
Donations and other revenue	\$ 36,022	\$ -	\$ 6,905	\$ 3,688
Government grants - capital asset funding	83,571	236,237	-	-
Unrealized gain (loss) in fair value of investments	-	-	4,905	(863)
	119,593	236,237	11,810	2,825
Expenses				
Amortization of capital assets	148,531	48,268	-	-
Excess (deficiency) of revenue over expenses	(28,938)	187,969	11,810	2,825
Fund balance, beginning of year	401,075	213,106	72,363	69,538
Fund balance, end of year	\$ 372,137	\$ 401,075	\$ 84,173	\$ 72,363

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

North York Seniors Centre
Statement of Cash Flows

For the year ended March 31	2017	2016
Cash provided by (used for)		
Operating activities		
Excess of revenue over expenses - operating	\$ 78,858	\$ 33,112
Excess (deficiency) of revenue over expenses - capital	(28,938)	187,969
Excess of revenue over expenses - endowment	11,810	2,825
Adjustments required to reconcile excess (deficiency) of revenue over expenses to net cash provided by (used in) operating activities		
Donation of capital asset	(36,022)	-
Unrealized (gain) loss on endowment fund's investments	(4,905)	863
Amortization of capital assets	148,531	48,268
Changes in non-cash working capital items		
Accounts receivable	(36,843)	31,804
Prepaid expenses	110	15,446
Accounts payable and accrued liabilities	(8,694)	(98,525)
Due to Central Local Health Integration Network	37,767	30,055
Deferred - Active Living Centre membership fees	2,874	947
Other deferred revenue	(3,430)	5,000
	161,118	257,764
Investing activities		
Purchase of capital assets	(114,476)	(79,828)
Redemption of short-term investments	100,000	50,000
Purchase of short-term investments	(100,000)	-
	(114,476)	(29,828)
Financing activity		
Endowment funds received	(6,905)	(3,688)
Increase in cash for the year	39,737	224,248
Cash, beginning of year	415,727	191,479
Cash, end of year	\$ 455,464	\$ 415,727

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

North York Seniors Centre Notes to Financial Statements

March 31, 2017

1. Significant Accounting Policies

Nature and Purpose of Organization

The North York Seniors Centre (the "Centre") was incorporated under letters patent dated September 6, 1974 in the jurisdiction of Ontario. The Centre is a multi-service, not-for-profit agency that provides programs and services for seniors which include home support, education, adult day care, outreach, transportation and various other social and recreational activities. The Centre is a registered charity and as such it is exempt from income taxes under Section 149 of the *Income Tax Act, Canada*.

Basis of Presentation

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations.

Fund Accounting

The Centre follows the restricted fund method of accounting for contributions.

The operating surplus is unrestricted and reflects ongoing operations and services. This fund also includes monies provided by the Ministry for small-scale programs that are restricted for operating purposes and expendability.

Funds invested in capital assets reports the operations related to the Centre's capital assets.

The endowment fund reports resources contributed for endowment.

Capital Assets

Capital assets are recorded at cost less accumulated amortization. Contributed capital assets are recorded at fair value at the date of contribution and are amortized. Amortization is provided on capital assets as follows:

Automobiles	-	5 years straight-line basis or over the term of the lease
Computer equipment	-	3 years straight-line basis
Furniture and fixtures	-	5 years straight-line basis
Leasehold improvements	-	over lease term

Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, investments and cash and investments - endowment fund are reported at fair value; 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 that asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are charged to the financial instruments for those measured at amortized cost.

**North York Seniors Centre
Notes to Financial Statements**

March 31, 2017

1. Significant Accounting Policies (continued)

Revenue Recognition

Restricted contributions related to general operations are recognized as revenue of the operating surplus in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Donations are recorded as revenue when received.

Unrestricted contributions are recognized as revenue of the operating fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income includes interest income and realized and unrealized investment gains and losses. Unrealized gains and losses on investments and cash and investments - endowment fund are recognized as revenue in the endowment fund.

Contributions for endowment are recognized as revenue in the endowment fund when received.

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 revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

**North York Seniors Centre
Notes to Financial Statements**

March 31, 2017

2. Investments

Investments are non-redeemable Guaranteed Investment Certificates with the following interest rates and maturity dates:

	2017	2016
Guaranteed Investment Certificates		
1.55% due July 14, 2016	\$ -	\$ 100,000
1.75% due July 14, 2017	100,000	100,000
1.60% due July 16, 2018	50,000	50,000
1.15% due July 02, 2019	100,000	-
	250,000	250,000
Less: Investments maturing in the next fiscal year	100,000	100,000
Investments	\$ 150,000	\$ 150,000

3. Cash and Investments - Endowment Fund

The endowment fund consists of the following:

	2017	2016
Cash	\$ 22,546	\$ 15,641
Term notes and bonds	61,627	56,722
	\$ 84,173	\$ 72,363

**North York Seniors Centre
Notes to Financial Statements**

March 31, 2017

4. Capital Assets and Funds Invested in Capital Assets

	2017		2016	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Automobiles	\$ 114,164	\$ 67,428	\$ 78,142	\$ 63,521
Computer equipment	82,754	62,318	82,754	52,100
Furniture and fixtures	118,911	118,911	118,911	118,911
Leasehold improvements	423,634	244,173	309,159	109,768
	\$ 739,463	\$ 492,830	\$ 588,966	\$ 344,300
Net book value		\$ 246,633		\$ 244,666

During the year, a vehicle valued at \$36,022 was donated to the Centre.

Funds invested in capital assets represents the net book value of the capital assets that have been purchased, as well as the unspent revenue restricted for the purchase of capital assets which are represented as the following:

	2017	2016
Net book value of capital assets	\$ 246,633	\$ 244,666
Unspent revenues restricted for the purchase of capital assets	125,504	156,409
Funds invested in capital assets	\$ 372,137	\$ 401,075

5. Lease Commitments

The Centre is committed to the following minimum lease payments for its premises:

Year	Sheppard Avenue Leases	21 Hendon Lease	Toronto Community Housing Leases	Total
2018	176,266	31,182	4,101	211,549
2019	102,822	7,796	-	110,618
	\$ 279,088	\$ 38,978	\$ 4,101	\$ 322,167

**North York Seniors Centre
Notes to Financial Statements**

March 31, 2017

6. Financial Instrument Risks

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 Centre is exposed to credit risk arising from its accounts receivable, cash and investments. Management believes the credit risk is minimized by the credit worthiness of its funders.

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 Centre is exposed to interest rate risk arising from the possibility that changes in interest rates will affect the value of fixed income denominated investments.