

**North York Seniors Centre**  
**Financial Statements**  
For the year ended March 31, 2019

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## Independent Auditor's Report

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To the Members of  
North York Seniors Centre

### Opinion

We have audited the financial statements of North York Seniors Centre (the "Centre"), which comprise the statement of financial position as at March 31, 2019, and the statements of operations, changes in net assets and cash flows 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 Centre as at March 31, 2019, and the results of its operations and cash flows 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 Centre 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 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 Centre'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 Centre or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Centre'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.



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## Independent Auditor's Report (continued)

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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 Centre'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 Centre'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 Centre 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  
Mississauga, Ontario  
June 18, 2019


**North York Seniors Centre  
Statement of Financial Position**

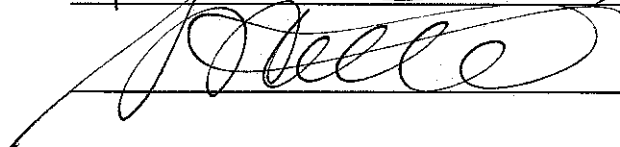
March 31	2019	2018
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 412,854	\$ 396,143
Investments (Note 2)	100,000	50,000
Accounts receivable	245,766	182,822
Prepaid expenses	84,383	70,101
	843,003	699,066
Investments (Note 2)	300,000	200,000
Cash and investments - endowment fund (Note 3)	97,028	89,257
Capital assets (Note 4)	403,746	400,516
	\$ 1,643,777	\$ 1,388,839

**Liabilities and Net Assets**

<b>Current</b>		
Accounts payable and accrued liabilities	\$ 287,778	\$ 180,319
Due to Central Local Health Integration Network	320	37,767
Deferred - Active Living Centre membership fees	13,590	20,668
Deferred capital contributions (Note 6)	375,397	378,187
Other deferred revenue	-	14,015
	677,085	630,956
<b>Net Assets</b>		
Unrestricted net assets	869,664	668,626
Endowment fund	97,028	89,257
	966,692	757,883
	\$ 1,643,777	\$ 1,388,839

On behalf of the Board:

  
 \_\_\_\_\_ Director

  
 \_\_\_\_\_ Director

## North York Seniors Centre Statement of Operations

<b>For the year ended March 31</b>	<b>2019</b>	<b>2018</b>
<b>Revenue</b>		
Subsidies and grants		
Central Local Health Integration Network - Community Services	\$ 2,963,251	\$ 2,759,036
Ontario Seniors Secretariat - Elderly Persons Centres	104,120	115,400
United Way Toronto and York Region	220,221	220,221
City of Toronto - Community Services Grant	96,941	93,889
Other subsidies and grants	126,374	133,690
	<u>3,510,907</u>	<u>3,322,236</u>
Contracts and user fees		
VHA Home Healthcare	260,948	263,453
iRide	319,451	283,399
Community Services	410,098	412,750
Active Living Centre	268,264	254,094
	<u>1,258,761</u>	<u>1,213,696</u>
Other		
Fundraising and donations	35,592	43,045
Investment and miscellaneous income	8,219	4,199
	<u>43,811</u>	<u>47,244</u>
	<u>4,813,479</u>	<u>4,583,176</u>
<b>Expenses</b>		
Salaries and wages	2,641,940	2,580,851
Contracted services	477,054	475,784
Employee benefits	402,954	409,825
Building and ground	346,410	312,814
Supplies	330,773	251,650
Office and general	285,028	244,575
Repairs and maintenance	41,605	75,024
Amortization	86,677	78,785
	<u>4,612,441</u>	<u>4,429,308</u>
<b>Excess of revenue over expenses for the year</b>	<b>\$ 201,038</b>	<b>\$ 153,868</b>

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

**North York Seniors Centre  
Statement of Changes in Net Assets**

**For the year ended March 31**

	<b>Unrestricted Net Assets</b>		<b>Endowment Fund</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
<b>Net assets, beginning of year</b>	<b>\$ 668,626</b>	<b>\$ 514,758</b>	<b>\$ 89,257</b>	<b>\$ 84,173</b>
Excess of revenue over expenses	<b>201,038</b>	153,868	-	-
Donations and other revenue	-	-	<b>4,857</b>	4,389
Unrealized gain in fair value of investments	-	-	<b>2,914</b>	695
<b>Net assets, end of year</b>	<b>\$ 869,664</b>	<b>\$ 668,626</b>	<b>\$ 97,028</b>	<b>\$ 89,257</b>

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

**North York Seniors Centre  
Statement of Cash Flows**

<b>For the year ended March 31</b>	<b>2019</b>	<b>2018</b>
<b>Cash provided by (used for)</b>		
<b>Operating activities</b>		
Excess of revenue over expenses	\$ 201,038	\$ 153,868
Excess of revenue over expenses - endowment	7,771	5,084
Adjustments required to reconcile excess (deficiency) of revenue over expenses to net cash provided by (used in) operating activities		
Unrealized gain on endowment fund's investments	(2,914)	(695)
Amortization of capital assets	86,677	78,785
Changes in non-cash working capital items		
Accounts receivable	(62,944)	10,681
Prepaid expenses	(14,282)	1,714
Accounts payable and accrued liabilities	107,459	(64,526)
Due to Central Local Health Integration Network	(37,447)	(30,055)
Deferred - Active Living Centre membership fees	(7,078)	4,386
Other deferred revenue	(14,015)	-
Deferred capital contributions	(2,790)	18,494
	<u>261,475</u>	<u>177,736</u>
<b>Investing activities</b>		
Purchase of capital assets	(89,907)	(232,668)
Redemption of investments	50,000	100,000
Purchase of investments	(200,000)	(100,000)
	<u>(239,907)</u>	<u>(232,668)</u>
<b>Financing activity</b>		
Endowment funds received	(4,857)	(4,389)
	<u>16,711</u>	<u>(59,321)</u>
<b>Increase (decrease) in cash for the year</b>	<b>16,711</b>	<b>(59,321)</b>
<b>Cash, beginning of year</b>	<b>396,143</b>	<b>455,464</b>
<b>Cash, end of year</b>	<b>\$ 412,854</b>	<b>\$ 396,143</b>

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

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# North York Seniors Centre Notes to Financial Statements

March 31, 2019

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## 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 deferral method of accounting for contributions. The unrestricted net assets balance reflects assets available for ongoing operations and services. 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, 2019**

### 1. Significant Accounting Policies (continued)

#### Revenue Recognition

Externally restricted contributions are deferred and recognized as revenue in the year in which the related expenses are incurred. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on the same basis and rate corresponding with the amortization method for the related capital assets. Unrestricted contributions are recognized as revenue when received.

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.

#### 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.

### 2. Investments

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

	2019	2018
Guaranteed Investment Certificates		
1.60% due July 16, 2018	\$ -	\$ 50,000
1.15% due July 02, 2019	100,000	100,000
2.35% due September 21, 2020	100,000	-
2.00% due August 25, 2021	100,000	100,000
2.60% due September 21, 2022	100,000	-
	400,000	250,000
Less: Investments maturing in the next fiscal year	100,000	50,000
Investments	\$ 300,000	\$ 200,000

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

**March 31, 2019**

**3. Cash and Investments - Endowment Fund**

The endowment fund consists of the following:

	2019	2018
Cash	\$ 31,793	\$ 26,935
Term notes and bonds	65,235	62,322
	\$ 97,028	\$ 89,257

**4. Capital Assets**

	2019		2018	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Automobiles	\$ 94,627	\$ 79,821	\$ 114,164	\$ 92,154
Computer equipment	108,510	82,754	82,754	72,536
Furniture and fixtures	118,911	118,911	118,911	118,911
Leasehold improvements	720,454	357,270	656,303	288,015
	\$ 1,042,502	\$ 638,756	\$ 972,132	\$ 571,616
Net book value		\$ 403,746		\$ 400,516

**5. Lease Commitments**

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

	Sheppard Avenue Leases	21 Hendon Lease	Hesperus Leases	Toronto Community Housing Leases	Total
2020	192,613	31,182	37,388	4,351	265,534
2021	192,613	31,182	16,944	-	240,739
2022	192,613	7,796	17,283	-	217,692
2023	192,613	-	17,629	-	210,242
2024	128,409	-	-	-	128,409
	\$ 898,861	\$ 70,160	\$ 89,244	\$ 4,351	\$ 1,062,616

The Centre also has the following vehicle lease commitments; 2020: \$26,941, 2021: \$20,889, 2022: \$633.

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

**March 31, 2019**

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**6. Deferred Capital Contributions**

	<u>2019</u>	<u>2018</u>
Opening deferred capital contributions	\$ 378,187	\$ 372,138
Restricted contributions received in the year	89,907	82,707
Amount recognized in revenue	<u>(92,697)</u>	<u>(76,658)</u>
	<u>\$ 375,397</u>	<u>\$ 378,187</u>

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**7. 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. 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.

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**8. Comparative Amounts**

The comparative amounts presented in the financial statements have been reclassified to conform to the current year's presentation.