

North York Seniors Centre
Financial Statements
For the year ended March 31, 2016

	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, 2016, 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 in our audit 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, 2016, 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 15, 2016

**North York Seniors Centre
Balance Sheet**

March 31	2016	2015
Assets		
Current		
Cash	\$ 415,727	\$ 191,479
Investments (Note 2)	100,000	50,000
Accounts receivable	156,660	188,464
Prepaid expenses	71,925	87,371
	<hr/>	<hr/>
	744,312	517,314
Investments (Note 2)	150,000	250,000
Cash and investments - endowment fund (Note 3)	72,363	69,538
Capital assets (Note 4)	244,666	213,106
	<hr/>	<hr/>
	\$ 1,211,341	\$ 1,049,958

Liabilities and Fund Balances

Current		
Accounts payable and accrued liabilities	\$ 253,540	\$ 352,065
Due to Central Local Health Integration Network	30,055	-
Deferred - Active Living Centre membership fees	13,408	12,461
Other deferred revenue	5,000	-
	<hr/>	<hr/>
	302,003	364,526
Members' equity		
Operating surplus	435,900	402,788
Funds invested in capital assets (Note 4)	401,075	213,106
Endowment fund	72,363	69,538
	<hr/>	<hr/>
	909,338	685,432
	<hr/>	<hr/>
	\$ 1,211,341	\$ 1,049,958

On behalf of the Board:

_____ Director

_____ Director

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

For the years ended March 31	2016	2015
Revenue		
Subsidies and grants		
Central Local Health Integration Network - Community Services	\$ 2,691,066	\$ 2,642,167
Ontario Ministry of Health - Elderly Persons Centres	108,492	109,800
United Way Toronto	225,221	220,221
City of Toronto - Community Services Grant	90,096	87,790
Ontario Trillium Foundation Grant	-	60,941
Other Subsidies and Grants	27,254	56,898
	<u>3,142,129</u>	<u>3,177,817</u>
User fees		
VHA Home Healthcare	162,827	164,353
Community Services	635,981	490,603
Active Living Centre	256,348	182,991
	<u>1,055,156</u>	<u>837,947</u>
Other		
Fundraising and donations	42,962	5,078
Investment and miscellaneous income	8,265	10,391
	<u>51,227</u>	<u>15,469</u>
	<u>4,248,512</u>	<u>4,031,233</u>
Expenses		
Salaries and wages	2,508,037	2,328,335
Employee benefits	427,184	378,431
Supplies	218,274	203,770
Office and general	248,011	254,636
Repairs and maintenance	64,200	72,271
Contracted services	455,673	465,360
Building and ground	294,021	311,557
	<u>4,215,400</u>	<u>4,014,360</u>
Excess of revenue over expenses for the year	33,112	16,873
Operating surplus, beginning of year	402,788	391,973
Transfers to funds invested in capital assets	-	(6,058)
Operating surplus, end of year	\$ 435,900	\$ 402,788

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, 2016

	Funds Invested in Capital Assets		Endowment Fund	
	2016	2015	2016	2015
Revenue				
Donations and other revenue	\$ -	\$ 137,770	\$ 3,688	\$ 6,563
Government grants - capital asset funding	236,237	50,000	-	-
Unrealized gain (loss) in fair value	-	-	(863)	2,738
Gain on disposal of capital assets	-	3,156	-	-
	236,237	190,926	2,825	9,301
Expenses				
Amortization of capital assets	48,268	39,257	-	-
Excess of revenue over expenses	187,969	151,669	2,825	9,301
Fund balance, beginning of year	213,106	55,379	69,538	60,237
Transfer from operating surplus	-	6,058	-	-
Fund balance, end of year	\$ 401,075	\$ 213,106	\$ 72,363	\$ 69,538

North York Seniors Centre
Statement of Cash Flows

For the years ended March 31	2016	2015
Cash provided by (used for)		
Operating activities		
Excess of revenue over expenses	\$ 33,112	\$ 16,873
Adjustments required to reconcile excess of revenue over expenses to net cash provided by (used in) operating activities		
Changes in non-cash working capital items		
Accounts receivable	31,804	(22,124)
Prepaid expenses	15,446	(17,902)
Accounts payable and accrued liabilities	(98,525)	(36,375)
Due to Central Local Health Integration Network	30,055	-
Deferred - Active Living Centre membership fees	947	(1,789)
Other deferred revenue	5,000	(60,941)
	17,839	(122,258)
Investing activities		
Purchase of capital assets	(79,828)	-
Proceeds on disposal of capital assets	-	10,730
Redemption of short-term investments	50,000	-
	(29,828)	10,730
Financing activities		
Capital asset funding	236,237	-
Repayment of obligations under capital lease	-	(16,788)
	236,237	(16,788)
Increase (decrease) in cash for the year	224,248	(128,316)
Cash, beginning of year	191,479	319,795
Cash, end of year	\$ 415,727	\$ 191,479

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

North York Seniors Centre

Notes to Financial Statements

March 31, 2016

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. 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	-	5 years straight-line basis

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, 2016

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 included in investment income and recognized as revenue in the operating fund, deferred or reported directly in net assets.

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, 2016

2. Investments

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

	2016	2015
Guaranteed Investment Certificates		
0.80% due July 14, 2015	\$ -	\$ 50,000
1.55% due July 14, 2016	100,000	100,000
1.75% due July 14, 2017	100,000	100,000
1.60% due July 16, 2018	50,000	50,000
	250,000	300,000
Less: Investments maturing in the next fiscal year	100,000	50,000
Investments	\$ 150,000	\$ 250,000

3. Cash and Investments - Endowment Fund

The endowment fund consists of the following at fair market value:

	2016	2015
Cash	\$ 15,641	\$ 11,953
Term notes and bonds	56,722	57,585
	\$ 72,363	\$ 69,538

North York Seniors Centre
Notes to Financial Statements

March 31, 2016

4. Capital Assets and Funds Invested in Capital Assets

	2016		2015	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Automobiles	\$ 78,142	\$ 63,521	\$ 78,142	\$ 52,806
Computer equipment	82,754	52,100	52,100	52,100
Furniture and fixtures	118,911	118,911	118,911	118,911
Leasehold improvements	309,159	109,768	259,984	72,214
	\$ 588,966	\$ 344,300	\$ 509,137	\$ 296,031
Net book value		\$ 244,666		\$ 213,106

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 :

	2016	2015
Net book value of capital assets	244,666	213,106
Unspent revenues restricted for the purchase of capital assets	156,409	-
Funds invested in capital assets	\$ 401,075	\$ 213,106

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
2017	176,266	31,182	44,375	251,823
2018	176,266	31,182	4,101	211,549
2019	102,822	7,796	-	110,618
	\$ 455,354	\$ 70,160	\$ 48,476	\$ 573,990

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

March 31, 2016

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. Management believes this 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.

7. Comparative Amounts

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