

Financial Statements

Loyola Arrupe Centre For Seniors

Toronto, Ontario

March 31, 2014

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Independent Auditors' Report

To the Members 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, 2014 and the statements of changes in net assets, operations 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.

Auditors' 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 Corporation'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 Corporation'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 qualified audit opinion.

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Independent Auditors' Report - continued

Basis for Qualified Opinion

In common with many charitable organizations, the Corporation derives revenue from donations the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Corporation and we are not able to determine whether any adjustments might be necessary to contributions, deficit, current assets and net assets.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Loyola Arrupe Centre For Seniors as at March 31, 2014 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.

Toronto, Ontario
August 5, 2014



Chartered Accountants, Licensed Public Accountants

Loyola Arrupe Centre For Seniors

March 31, 2014

Statement of Financial Position	2014	2013
Current Assets		
Cash and temporary investments, Note 3	\$ 32,825	\$ 9,169
Accounts receivable	16,225	0
HST recoverable	5,527	2,895
Prepaid expenses	1,022	1,505
Total Current	55,599	13,569
Restricted Funds , Note 3	33,387	33,837
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	88,986	47,406
Current Liabilities		
Accounts payable and accrued liabilities	28,674	8,995
Deferred revenue	16,225	1,001
Total Liabilities	44,899	9,996
Net Assets , per statement		
Externally restricted endowment fund	33,387	33,387
Unrestricted accumulated surplus	10,700	4,023
	<hr/>	<hr/>
	44,087	37,410
	<hr/>	<hr/>
	88,986	47,406

Approved by The Board

Agnes Kupny

President

Michelle Garrett

Treasurer

The notes on pages 10 through 12 form an integral part of these financial statements.

Loyola Arrupe Centre For Seniors

Year ended March 31, 2014

Statement of Changes in Net Assets			2014	2013
	Externally Restricted Endowment Fund	Unrestricted Accumulated Surplus	Total	Total
Balance, beginning of year	\$ 33,387	\$ 4,023	\$ 37,410	\$ 38,076
Add (deduct)				
Surplus (deficit)	0	6,677	6,677	(666)
<i>Balance, End of Year</i>	33,387	10,700	44,087	37,410

Loyola Arrupe Centre For Seniors

Year ended March 31, 2014

Statement of Operations	2014	2013
Revenues		
Ministry of Health and Long-Term Care	\$ 54,900	\$ 52,200
Catholic Charities	45,834	55,000
New Horizon grant	1,001	1,137
City of Toronto	6,063	15,165
Donations	821	1,350
Fundraising, events and recoveries	10,092	9,764
Memberships	230	(45)
Investment income	52	52
Total Revenues	118,993	134,623
Expenses		
Program expenses, per schedule	35,895	15,577
Office and administration, per schedule	27,855	62,054
Salaries and benefits	45,722	54,906
Insurance	2,844	2,752
Total Expenses	112,316	135,289
Surplus (Deficit)	6,677	(666)

Loyola Arrupe Centre For Seniors

Year ended March 31, 2014

Schedule of Program Expenses	2014	2013
Recreation	\$ 19,357	\$ 2,936
Health and wellness	4,874	5,070
Volunteer	474	131
Excursions	722	882
Special events	2,315	2,328
Computer training	2,631	1,200
Repairs and maintenance	1,809	0
Advertising and promotion	3,713	3,030
	35,895	15,577

Schedule of Office and Administration Expenses

Professional fees	16,751	46,727
Office supplies and equipment	10,429	14,927
Affiliation dues	675	400
	27,855	62,054

Loyola Arrupe Centre For Seniors

Year ended March 31, 2014

Statement of Cash Flows	2014	2013
Operating Activities		
Cash receipts	\$ 100,136	\$ 134,617
Cash disbursements	<u>(76,930)</u>	<u>(138,716)</u>
<i>Cash Provided By (Used In) Operating Activities</i>	<u>23,206</u>	<u>(4,099)</u>
Net cash increase (decrease) during the year	23,206	(4,099)
Cash position beginning of year	43,006	47,105
<i>Cash Position End Of Year</i>	<u>66,212</u>	<u>43,006</u>

Notes to Financial Statements

Status and Nature of Activities

The Corporation 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.

Note 1 Significant Accounting Policies

Basis of Accounting

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

Revenue Recognition

The Corporation follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the 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.

Use of Estimates

The preparation of financial statements requires management to make assumptions about future events that affect the reported amounts of assets and liabilities and disclosure of contingent 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 these estimates.

Note 1 Significant Accounting Policies - continued

Financial Instruments

The Corporation initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions.

The Corporation subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in income.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable.

Note 2 Financial Instruments

Risk Management Policy

The Corporation is exposed to various risks through its financial instruments. The following analysis provides a measure of the risks at March 31, 2014:

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a loss. The Corporation has no significant concentration of credit risk.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and commodity prices. These fluctuations may be significant. The methods and assumptions management uses when assessing market risks have not changed substantially from the prior period and are summarized below:

(i) 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.

The average interest rate earned on investments during the year was 0.2% (2013, 0.2%).

Loyola Arrupe Centre For Seniors

March 31, 2014

Note 2 Financial Instruments - continued

(ii) Foreign Currency Risk

The Corporation's functional currency is the Canadian dollar. The Corporation does not engage in any activities in foreign currency and as a result it is the opinion of management that the Corporation is not exposed to significant foreign currency risk.

(iii) Commodity Price Risk

The Corporation is subject to normal price risk associated with consumer products.

Note 3 Cash and Investments

	2014	2013
Cash		
Petty cash	\$ 500	\$ 200
Bank account	30,721	7,867
Guaranteed investment certificates	34,991	34,939
	<u>66,212</u>	<u>43,006</u>
Composed of:		
Restricted endowment contributions	33,387	33,837
Unrestricted cash and temporary investments	32,825	9,169
	<u>66,212</u>	<u>43,006</u>

Note 4 Capital Assets Expensed

During the year, the Corporation expensed a total of \$3,994 (2013 - \$1,137) in capital expenditures in accordance with its policy to expense capital assets in the year of purchase.