

**ST. AIDAN'S HOUSE SOCIETY**  
**Financial Statements**  
**Year Ended March 31, 2016**

**ST. AIDAN'S HOUSE SOCIETY**  
**Index to Financial Statements**  
**Year Ended March 31, 2016**

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# Shoemaker, Viney & Friesen

CHARTERED ACCOUNTANTS

John S. Shoemaker Professional Corporation

Tina J. Viney Professional Corporation

Timothy J. Friesen Professional Corporation

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of St. Aidan's House Society

We have audited the accompanying financial statements of St. Aidan's House Society, which comprise the statement of financial position as at March 31, 2016 and the statements of revenues and expenditures, changes in net assets 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 entity'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 entity'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 St. Aidan's House Society 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.

Westlock, Alberta  
November 4, 2016

  
CHARTERED ACCOUNTANTS

**ST. AIDAN'S HOUSE SOCIETY**  
**Statement of Financial Position**  
**March 31, 2016**

	Foster Care	MAC Project	Seniors Program	Rental	Capital Assets	Total 2016	Total 2015 (Restated)
<b>ASSETS</b>							
<b>CURRENT</b>							
Cash	\$ 19,974	\$ 47,276	\$ 48,085	\$ 83,326	\$ -	\$ 198,661	\$ 244,558
Canada Savings Bond	-	-	-	9,761	-	9,761	9,761
Goods and services tax recoverable	-	77	1,530	-	-	1,607	1,884
	19,974	47,353	49,615	93,087	-	210,029	256,203
	-	-	-	-	213,853	213,853	234,195
	\$ 19,974	\$ 47,353	\$ 49,615	\$ 93,087	\$ 213,853	\$ 423,882	\$ 490,398
<b>PROPERTY, PLANT AND EQUIPMENT (Net)</b>							
	\$ -	\$ 1,000	\$ 12,000	\$ 1,000	\$ -	\$ 14,000	\$ 9,400
<b>LIABILITIES AND NET ASSETS</b>							
<b>CURRENT</b>							
Accounts payable							
	19,974	46,353	37,615	92,087	213,853	409,882	480,998
	19,974	46,353	37,615	92,087	213,853	409,882	480,998
	\$ 19,974	\$ 47,353	\$ 49,615	\$ 93,087	\$ 213,853	\$ 423,882	\$ 490,398
<b>NET ASSETS</b>							
Net assets							

**ON BEHALF OF THE BOARD**

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

**ST. AIDAN'S HOUSE SOCIETY**  
**Statement of Revenues and Expenditures**  
**Year Ended March 31, 2016**

	2016	2015 <i>Restated</i>
<b>REVENUE</b>		
Seniors Program ( <i>Schedule 4</i> )	\$ 328,602	\$ -
Rental ( <i>Schedule 1</i> )	69,050	81,200
MAC Project ( <i>Schedule 3</i> )	61,900	110,303
Foster Care ( <i>Schedule 2</i> )	27,496	486,491
Corporate donations	-	36,500
	<u>487,048</u>	<u>714,494</u>
<b>EXPENSES</b>		
Seniors Program ( <i>Schedule 4</i> )	339,562	-
MAC Project ( <i>Schedule 3</i> )	121,429	83,911
Rental ( <i>Schedule 1</i> )	92,391	45,773
Foster Care ( <i>Schedule 2</i> )	4,782	492,885
	<u>558,164</u>	<u>622,569</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	<u>\$ (71,116)</u>	<u>\$ 91,925</u>

**ST. AIDAN'S HOUSE SOCIETY**  
**Statement of Changes in Net Assets**  
**Year Ended March 31, 2016**

	Foster Care	MAC Project	Seniors Program	Rental	Capital Assets	Total 2016	Total 2015 (Restated)
<b>NET ASSETS - BEGINNING OF YEAR</b>							
Deficiency of revenue over expenses	\$ 63,810	\$ 83,683	\$ -	\$ 99,310	\$ 234,195	\$ 480,998	\$ 389,073
Approved interfund transfers	22,714	(59,529)	(10,960)	(23,341)	-	(71,116)	91,925
Amortization on property, plant and equipment	(66,550)	22,199	48,575	(4,224)	-	-	-
	-	-	-	20,342	(20,342)	-	-
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 19,974</b>	<b>\$ 46,353</b>	<b>\$ 37,615</b>	<b>\$ 92,087</b>	<b>\$ 213,853</b>	<b>\$ 409,882</b>	<b>\$ 480,998</b>

**ST. AIDAN'S HOUSE SOCIETY**  
**Statement of Cash Flows**  
**Year Ended March 31, 2016**

	2016	2015
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenue over expenses	\$ (71,116)	\$ 91,925
Item not affecting cash:		
Amortization of property, plant and equipment	<u>20,342</u>	<u>6,266</u>
	<u>(50,774)</u>	<u>98,191</u>
Changes in non-cash working capital:		
GST payable (recoverable)	276	(885)
Accounts payable	4,599	(9,612)
Accounts receivable	-	16,579
Prepaid expenses	-	2,287
Employee deductions payable	<u>-</u>	<u>(1,447)</u>
	<u>4,875</u>	<u>6,922</u>
Cash flow from (used by) operating activities	<u>(45,899)</u>	<u>105,113</u>
<b>INVESTING ACTIVITY</b>		
Value of Donated Van	<u>-</u>	<u>(36,500)</u>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>(45,899)</b>	<b>68,613</b>
CASH - BEGINNING OF YEAR	<u>244,560</u>	<u>175,947</u>
<b>CASH - END OF YEAR</b>	<b>\$ 198,661</b>	<b>\$ 244,560</b>

**ST. AIDAN'S HOUSE SOCIETY**  
**Notes to Financial Statements**  
**March 31, 2016**

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**1. PURPOSE OF THE SOCIETY**

St. Aidan's House Society (the "Society") is a not-for-profit organization incorporated provincially under the Companies Act of Alberta. As a registered charity the Society is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

The Society operates to provide support services to seniors within the Regional Municipality of Wood Buffalo.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

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. The Society estimates amortization of tangible capital assets.

Financial instruments policy

The Society initially measures its financial assets and liabilities at fair value.

The Society subsequently measures all its financial assets and liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in the fair value of these financial instruments are recognized in net income in the period incurred. Financial assets measured at cost include cash and Canada Savings Bonds, while financial liabilities measured at cost include accounts payable.

Transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in net income in the period incurred. Transaction costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the asset or liability and recognized in net income over the life of the instrument using the straight-line method.

For financial assets measured at cost or amortized cost, the Society determines whether there are indications of possible impairment. When there is an indication of impairment, and the Society determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

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**ST. AIDAN'S HOUSE SOCIETY**  
**Notes to Financial Statements**  
**March 31, 2016**

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

Contributed services

The operations of the organization depend on the contribution of time by board members. The fair value of donated services cannot be reasonably determined, and are therefore not reflected in these financial statements.

Donated goods

Donated goods are recorded at their fair market value at the time of the donation. During the year \$0 in goods were donated to the Society (2015 - \$36,500).

Revenue recognition

St. Aidan's House Society follows the restricted fund method of accounting for contributions.

Restricted contributions related to operations of each program are recognized as revenue in the appropriate fund in the year in which the related expenses are incurred. Investment income earned on restricted income is recognized as revenue of the appropriate fund when earned.

Assets, liabilities, revenues and expenses related to maintaining the community event calendar and website are reported in the MAC Project Fund.

Assets, liabilities, revenues and expenses related to providing services for seniors are reported in the Seniors Program Fund.

Assets, liabilities, revenues and expenses related to the house rental and annex are reported in the Rental Fund.

The Capital Asset Fund reports assets, liabilities, revenues and expenses related to the capital assets held by the Society.

The Foster Care Fund reports remaining assets, liabilities, revenues and expenses related to the foster care programs provided in prior years. These programs are inactive and unrestricted.

Cash and short term investments

Short-term debt securities purchased with a maturity of three months or less to are classified as cash equivalents.

Goods and Services Tax

Contributed materials and services are recoverable at 50% as a rebate. The unrecoverable portion is recorded as an expense with the rebate treated as a receivable.

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**ST. AIDAN'S HOUSE SOCIETY**  
**Notes to Financial Statements**  
**March 31, 2016**

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

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated amortization. Property, plant and equipment are amortized over their estimated useful lives at the following rates and methods:

Buildings	2%	declining balance method
Paving	8%	declining balance method
Equipment	20%	declining balance method
Motor vehicles	20%	declining balance method
Computer equipment	30%	declining balance method

Impairment of Long Lived Assets

The Society tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

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3. FINANCIAL INSTRUMENTS

The Society 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 Society's risk exposure and concentration as of March 31, 2016.

**(a) Credit risk**

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Society is exposed to credit risk from Some Other Solution (SOS), who rents a house from the Society. Currently, there is no receivable from SOS.

**(b) Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk mainly in respect of its receipt of funds from its funders and renter and accounts payable.

**(c) Interest rate risk**

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Society manages exposure through its normal operating and financing activities. The Society is exposed to interest rate risk primarily through its accounts payable.

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**ST. AIDAN'S HOUSE SOCIETY**  
**Notes to Financial Statements**  
**March 31, 2016**

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3. FINANCIAL INSTRUMENTS *(continued)*

**(d) Commodity risk**

The Society is exposed to fluctuations in commodity prices for natural gas and electricity. Commodity prices are affected by many factors, including supply and demand. The Society had no balanced billing contracts in place at year end.

Unless otherwise noted, it is management's opinion that the Society is not exposed to significant other price risks arising from these financial instruments.

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4. INTERFUND TRANSFERS AND INTERNAL RESTRICTIONS

Amounts of \$48,573, \$18,191, and \$4,008, were transferred respectively from the Foster Care Fund to the Seniors Program Fund, the Foster Care Fund to the MAC Project Fund, and the Rental Fund to the MAC Project Fund in order to fund disbursements for activities. These internally restricted amounts are not available for any other purpose without approval of the board of directors.

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5. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2016 Net book value	2015 Net book value
Buildings	\$ 314,851	\$ 135,086	\$ 179,765	\$ 183,433
Paving	11,670	5,420	6,250	6,793
Equipment	43,973	38,288	5,685	7,107
Motor vehicles	36,500	14,600	21,900	36,500
Computer equipment	18,435	18,182	253	361
	<u>\$ 425,429</u>	<u>\$ 211,576</u>	<u>\$ 213,853</u>	<u>\$ 234,194</u>

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6. ECONOMIC DEPENDENCE

The Society is economically dependent on the Government of Alberta, United Way, and the Regional Municipality of Wood Buffalo to provide funding for its operation. The Society would be unable to operate in this capacity if this funding was discontinued. During the year, the Society finalized a funding agreement with the Regional Municipality of Wood Buffalo to receive \$72,500 per year for the next three years.

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7. CONTINGENT LIABILITY

The Society is required to repay any surplus at year end back to United Way. As the current year financial statements indicated a net deficit, it is anticipated that no repayment for 2016 will be required.

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**ST. AIDAN'S HOUSE SOCIETY**  
**Notes to Financial Statements**  
**March 31, 2016**

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**8. SUBSEQUENT EVENTS**

In May 2016 a forest fire forced an entire evacuation of the City of Fort McMurray. The Society was able to continue providing services remotely to displaced seniors. The Society's office and property were not significantly damaged as a result of the fire, and therefore, no financial impact occurred.

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**9. COMPARATIVE FIGURES**

The comparative figures have been restated to include a donation in kind received by the Society. The donation in kind had a value of \$36,500 and was recorded as an addition to capital assets. Revenue amounts in the MAC Project were also reclassified to better identify the source of revenue. The total amount of revenue was not impacted by this reclassification.

In addition, restricted net assets of \$10,920 identified as the "All Saints Parish Contribution" in the prior year are now included as restricted net assets as to the requirements of the contributions we met in prior years.

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**10. CHANGE IN ACCOUNTING POLICY**

In 2016, the Society adopted a change in accounting policy whereby revenue is now recognized using the restricted fund method, for restricted contributions. Previously the deferral method was utilized to recognize restricted contributions. This change in accounting policy did not result in any change to the prior year comparative figures.

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**ST. AIDAN'S HOUSE SOCIETY****Rental****(Schedule 1)****Year Ended March 31, 2016**

	2016	2015
<b>REVENUE</b>	<b>\$ 69,050</b>	<b>\$ 81,200</b>
<b>EXPENSES</b>		
Administrative services	-	6,660
Advertising	300	-
Amortization	20,342	6,266
Automotive insurance	784	-
Bank charges	288	-
Board expenses	933	-
Child care maintenance contributions	-	3,086
Consulting expenses	21,378	3,935
Employee benefits	10,000	10,750
Group home bookkeeping	9,000	7,000
Group home insurance	4,593	4,292
Interest on foster care	-	90
Office supplies	646	2,287
Professional fees	1,200	-
Rent	4,124	-
Repairs and maintenance	16,923	-
Sponsorship donation	1,605	1,340
Utilities	275	67
	<b>92,391</b>	<b>45,773</b>
<b>(LOSS) INCOME FROM RENTAL</b>	<b>\$ (23,341)</b>	<b>\$ 35,427</b>

**ST. AIDAN'S HOUSE SOCIETY**  
**Foster Care**  
**Year Ended March 31, 2016**

**(Schedule 2)**

	2016	2015
<b>REVENUE</b>		
Alberta Government Funding	\$ 26,894	\$ 310,798
Contract Income	602	144,493
C.O.L.A. Funding	-	31,200
	<u>27,496</u>	<u>486,491</u>
<b>EXPENSES</b>		
Advertising	-	1,279
Association fees	-	3,953
Education and workshops	-	1,494
Employee training	-	4,417
Foster child care maintenance	-	6,606
Foster parent appreciation	3,776	1,876
Foster parent per diem	-	110,674
Foster parent recruitment	-	2,333
Insurance	-	2,595
Interest and bank charges	214	246
OBSD (Outcome Based Service Delivery)	454	41,842
Office supplies and postage	-	3,022
Other shared support	-	3,469
Professional fees	-	3,500
Professional fees	338	9,500
Program expenses	-	7,026
Rent	-	10,200
Staff travel and accomodations	-	4,868
Telephone	-	5,468
Training - foster parent courses	-	2,318
Wage benefits	-	30,397
Wages	-	196,802
Wages - COLA	-	31,200
Wages - relief	-	7,800
	<u>4,782</u>	<u>492,885</u>
<b>INCOME (LOSS) FROM FOSTER CARE</b>	<u>\$ 22,714</u>	<u>\$ (6,394)</u>

**ST. AIDAN'S HOUSE SOCIETY**  
**MAC Project**  
**Year Ended March 31, 2016**

**(Schedule 3)**

	2016	2015 <i>Restated</i>
<b>REVENUE</b>		
MAC donations	\$ 36,900	\$ -
Regional Municipality of Wood Buffalo	25,000	25,000
MAC program	-	80,303
Private funding donations	-	5,000
	<u>61,900</u>	<u>110,303</u>
<b>EXPENSES</b>		
Advertising	12,011	296
Bank charges	80	-
Hosting	45	252
Insurance - Auto	-	2,609
Office supplies	579	254
Professional fees	1,200	-
Program expenses	-	235
Rent	9,253	6,000
Staff travel	368	397
Supplies	-	5,699
Telephone	923	-
Wage Benefits	7,077	-
Wages	86,657	62,924
Wages - Staff Training	916	-
Website expenses	2,320	5,245
	<u>121,429</u>	<u>83,911</u>
<b>(LOSS) INCOME FROM MAC PROJECT</b>	<u>\$ (59,529)</u>	<u>\$ 26,392</u>

**ST. AIDAN'S HOUSE SOCIETY**  
**Seniors Program**  
**Year Ended March 31, 2016**

**(Schedule 4)**

	2016	2015
<b>REVENUE</b>		
United Way contract	\$ 235,402	\$ -
Alberta Health Services contract	75,000	-
Regional Municipality of Wood Buffalo contract	18,200	-
	<u>328,602</u>	<u>-</u>
<b>EXPENSES</b>		
Advertising	3,670	-
Association & licensing fees	767	-
Bank charges	164	-
Bookkeeping fees	7,000	-
Freight & postage	125	-
Hosting	5,719	-
Liability insurance	2,595	-
Materials	1,859	-
Office supplies	2,492	-
Professional fees	9,600	-
Program evaluation	2,100	-
Program expenses	4,596	-
Rent	12,174	-
Staff travel	2,853	-
Telephone	4,379	-
Wage benefits	30,032	-
Wages	239,499	-
Wages - casual contractors	4,691	-
Wages - staff training	5,247	-
	<u>339,562</u>	<u>-</u>
<b>LOSS FROM SENIORS PROGRAM</b>	<u>\$ (10,960)</u>	<u>\$ -</u>