

ST. AIDAN'S HOUSE SOCIETY
Financial Statements
Year Ended March 31, 2017

ST. AIDAN'S HOUSE SOCIETY
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Year Ended March 31, 2017

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Shoemaker, Viney & Friesen

CHARTERED ACCOUNTANTS

John S. Shoemaker Professional Corporation

Tina J. Viney Professional Corporation



Timothy J. Friesen Professional Corporation

INDEPENDENT AUDITOR'S REPORT

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, 2017 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, 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.

Westlock, Alberta
September 15, 2017



CHARTERED ACCOUNTANTS

ST. AIDAN'S HOUSE SOCIETY
Statement of Financial Position
March 31, 2017

	Foster Care	MAC Project	Seniors Program	Rental	Total 2017	Total 2016
ASSETS						
CURRENT						
Cash	\$ -	\$ 72,127	\$ 173,203	\$ 106,953	\$ 352,283	\$ 198,661
Canada Savings Bond	-	-	-	9,973	9,973	9,761
Goods and services tax recoverable	-	-	558	-	558	1,607
Prepaid expenses	-	-	3,500	-	3,500	-
	-	72,127	177,261	116,926	366,314	210,029
PROPERTY, PLANT AND EQUIPMENT (Net of accumulated amortization) (Note 5)						
	-	-	-	199,784	199,784	213,853
	<u>\$ -</u>	<u>\$ 72,127</u>	<u>\$ 177,261</u>	<u>\$ 316,710</u>	<u>\$ 566,098</u>	<u>\$ 423,882</u>
LIABILITIES AND NET ASSETS						
CURRENT						
Accounts payable	\$ -	\$ 1,000	\$ 12,000	\$ 1,000	\$ 14,000	\$ 14,000
	-	71,127	165,261	315,710	552,098	409,882
NET ASSETS						
	<u>\$ -</u>	<u>\$ 72,127</u>	<u>\$ 177,261</u>	<u>\$ 316,710</u>	<u>\$ 566,098</u>	<u>\$ 423,882</u>

CONTINGENT LIABILITY (Note 8)

LEASE COMMITMENTS (Note 7)

ON BEHALF OF THE BOARD

Director

Director

ST. AIDAN'S HOUSE SOCIETY
Statement of Revenues and Expenditures
Year Ended March 31, 2017

	2017	2016
REVENUE		
Seniors Program <i>(Schedule 1)</i>	\$ 465,706	\$ 328,602
MAC Project <i>(Schedule 2)</i>	155,318	61,900
Rental <i>(Schedule 3)</i>	63,069	69,050
Foster Care <i>(Schedule 4)</i>	-	27,496
	<u>684,093</u>	<u>487,048</u>
EXPENSES		
Seniors Program <i>(Schedule 1)</i>	346,091	339,560
MAC Project <i>(Schedule 2)</i>	147,200	121,429
Rental <i>(Schedule 3)</i>	48,586	92,391
Foster Care <i>(Schedule 4)</i>	-	4,785
	<u>541,877</u>	<u>558,165</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>\$ 142,216</u>	<u>\$ (71,117)</u>

ST. AIDAN'S HOUSE SOCIETY
Statement of Changes in Net Assets
Year Ended March 31, 2017

	Foster Care	MAC Project	Seniors Program	Rental	2017 Total 2017	2016 Total 2016
NET ASSETS - BEGINNING OF YEAR						
Excess of revenue over expenses	\$ 19,974	\$ 46,353	\$ 37,615	\$ 305,940	\$ 409,882	\$ 480,999
Approved interfund transfers	-	8,118	119,615	14,483	142,216	(71,117)
	(19,974)	16,656	8,031	(4,713)	-	-
NET ASSETS - END OF YEAR	\$ -	\$ 71,127	\$ 165,261	\$ 315,710	\$ 552,098	\$ 409,882

ST. AIDAN'S HOUSE SOCIETY
Statement of Cash Flows
Year Ended March 31, 2017

	Total 2017	Total 2016
OPERATING ACTIVITIES		
Excess (deficiency) of revenue	\$ 142,216	\$ (71,117)
Item not affecting cash:		
Amortization of property, plant and equipment	14,068	20,342
	<u>156,284</u>	<u>(50,775)</u>
Changes in non-cash working capital:		
Goods and services tax recoverable	1,049	276
Prepaid expenses	(3,500)	-
Accounts payable	-	4,600
	<u>(2,451)</u>	<u>4,876</u>
Cash flow from operating activities	<u>153,833</u>	<u>(45,899)</u>
INVESTING ACTIVITY		
Canada Savings Bond	(211)	-
Cash flow from (used by) investing activity	<u>(211)</u>	<u>-</u>
INCREASE (DECREASE) IN CASH FLOW	153,622	(45,899)
CASH - BEGINNING OF YEAR	<u>198,661</u>	<u>244,560</u>
CASH - END OF YEAR	<u>\$ 352,283</u>	<u>\$ 198,661</u>

ST. AIDAN'S HOUSE SOCIETY
Notes to Financial Statements
March 31, 2017

1. PURPOSE OF THE SOCIETY

St. Aidan's House Society (the "Society") is a not-for-profit organization incorporated under the Societies 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.

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 (ASNPO).

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.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and 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. No goods were donated in the current or prior year.

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ST. AIDAN'S HOUSE SOCIETY
Notes to Financial Statements
March 31, 2017

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

Financial instruments policy

Initial and subsequent measurement

The Society initially measures its financial assets and liabilities at fair value, except for certain related party transactions that are measured at the carrying amount or exchange amount, as appropriate.

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 amortized cost on a straight-line basis include cash, Canada Savings Bonds, and goods and services tax recoverable.

Financial liabilities measured at amortized cost on a straight-line basis include accounts payable.

Transaction costs

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.

Impairment

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, 2017

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

Revenue recognition

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

Restricted contributions are recognized as revenue of the appropriate restricted fund. 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 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 investments purchased with maturity of three months or less are classified as cash equivalents.

Goods and Services Tax

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

Property, plant and equipment

Property, plant and equipment is stated at cost or deemed cost less accumulated amortization. Property, plant and equipment is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Buildings	2%	declining balance method
Paving	8%	declining balance method
Equipment	20%	declining balance method
Motor vehicles	40%	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.

ST. AIDAN'S HOUSE SOCIETY
Notes to Financial Statements
March 31, 2017

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, 2017.

(a) 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 accounts payable.

(b) 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.

(c) 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.

4. INTERFUND TRANSFERS AND INTERNAL RESTRICTIONS

The interfund transfers from the Foster Care Fund and Rental Fund to the MAC Project Fund and the Seniors Program Fund were to fund disbursements for activities. These internally restricted amounts are not available for any other purpose without approval from the Board of Directors.

5. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2017 Net book value	2016 Net book value
Buildings	\$ 314,851	\$ 138,682	\$ 176,169	\$ 179,765
Paving	11,670	5,920	5,750	6,250
Equipment	43,973	39,425	4,548	5,685
Motor vehicles	36,500	23,360	13,140	21,900
Computer equipment	18,435	18,258	177	253
	<u>\$ 425,429</u>	<u>\$ 225,645</u>	<u>\$ 199,784</u>	<u>\$ 213,853</u>

ST. AIDAN'S HOUSE SOCIETY
Notes to Financial Statements
March 31, 2017

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. There are two years remaining in a funding agreement with the Regional Municipality of Wood Buffalo to receive \$72,500 per year.

7. LEASE COMMITMENTS

The Society has a long term lease with respect to its premises. The lease contains renewal options and provides for payment of utilities, property taxes and maintenance costs. The Society is required to pay a monthly rent to The United Way of Fort McMurray of \$2,288 plus GST. This rent is subject to a 4% increase each year.

The Society has a long term lease with respect to its storage facility. The Society is required to pay a monthly rent to Sentinel Storage of \$299 plus GST.

8. CONTINGENT LIABILITY

The Society is required to repay any funding surplus at year end back to United Way. Although the current year is showing a net profit, the Society received significant donations due to the wildfire at the beginning of the fiscal year, causing the profit to be realized. It is not anticipated that monies will have to be repaid.

ST. AIDAN'S HOUSE SOCIETY
Seniors Program
Year Ended March 31, 2017

(Schedule 1)

	2017	2016
REVENUE		
United Way Contract	\$ 293,983	\$ 235,402
Alberta Seniors Contract	75,000	75,000
Donations	69,723	-
Regional Municipality of Wood Buffalo Contract	27,000	18,200
	<u>465,706</u>	<u>328,602</u>
EXPENSES		
Advertising	1,151	3,670
Association & Licensing Fees	493	767
Bank Charges	132	164
Bookkeeping Fees	7,000	7,000
Freight & Postage	50	125
Hosting	1,154	5,719
Liability Insurance	2,595	2,595
Materials	17,875	1,859
Office Supplies	3,205	2,490
Professional Fees	12,600	9,600
Program Evaluation	1,793	2,100
Program Expenses	3,731	4,596
Rent	14,666	12,174
Staff Travel	2,070	2,853
Telephone	3,085	4,379
Wage Benefits	26,666	30,032
Wages	244,126	239,499
Wages Casual Contractors	1,000	4,691
Wages - Staff Training	2,699	5,247
	<u>346,091</u>	<u>339,560</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>\$ 119,615</u>	<u>\$ (10,958)</u>

ST. AIDAN'S HOUSE SOCIETY
MAC Project
Year Ended March 31, 2017

(Schedule 2)

	2017	2016
REVENUE		
Regional Municipality of Wood Buffalo	\$ 72,500	\$ 25,000
Red Cross	67,818	-
Donations	15,000	36,900
	<u>155,318</u>	<u>61,900</u>
EXPENSES		
Advertising	232	12,011
Bank charges	125	80
Contract wages	40,726	-
Hosting	100	45
Office supplies	148	579
Professional fees	1,200	1,200
Program support fees	2,000	-
Rent	4,391	9,253
Staff Travel	51	368
Telephone	535	923
Wage benefits	6,155	7,077
Wages	91,131	86,657
Wages - staff training	-	916
Website expenses	406	2,320
	<u>147,200</u>	<u>121,429</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>\$ 8,118</u>	<u>\$ (59,529)</u>

ST. AIDAN'S HOUSE SOCIETY**Rental****(Schedule 3)****Year Ended March 31, 2017**

	2017	2016
REVENUE		
Rental	\$ 62,857	\$ 69,050
Interest income	212	-
	<u>63,069</u>	<u>69,050</u>
EXPENSES		
Advertising	-	300
Amortization	14,068	20,342
Automotive	4,086	784
Bank charges	81	288
Board expenses	245	933
Bookkeeping	7,000	9,000
Consulting expenses	-	21,378
Employee benefits	10,500	10,000
Insurance	4,395	4,593
Office supplies	-	646
Professional fees	1,200	1,200
Rent	4,545	4,124
Repairs and maintenance	958	16,923
Sponsorship	1,500	1,605
Utilities	8	275
	<u>48,586</u>	<u>92,391</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>\$ 14,483</u>	<u>\$ (23,341)</u>

ST. AIDAN'S HOUSE SOCIETY
Foster Care
Year Ended March 31, 2017

(Schedule 4)

	2017	2016
REVENUE		
Alberta Government Funding	\$ -	\$ 26,894
Contract Income	-	602
	-	27,496
EXPENSES		
Foster Parent Appreciation	-	3,776
Interest and bank charges	-	217
OBSD (Outcome Based Service Delivery)	-	454
Professional fees	-	338
	-	4,785
EXCESS OF REVENUE OVER EXPENSES	\$ -	\$ 22,711