

**ST. JAMES ASSINIBOIA 55+ CENTRE INC.**

**FINANCIAL STATEMENTS**  
(Unaudited)

**FOR THE YEAR ENDED MARCH 31, 2015**

## CONTENTS

	Page
<b>Review Engagement Report</b>	1
<b>Financial Statements</b>	
Statement of Financial Position	2
Statement of Operations	3
Statement of Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 10

## REVIEW ENGAGEMENT REPORT

**TO THE MEMBERS  
ST. JAMES ASSINIBOIA 55+ CENTRE INC.**

We have reviewed the statement of financial position of **St. James Assiniboia 55+ Centre Inc.** as at **March 31, 2015** and the statements of operations, changes in net assets and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the organization.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

**BULAT & POUSTIE**



Winnipeg, Manitoba  
July 8, 2015

**CHARTERED ACCOUNTANTS**

**ST. JAMES ASSINIBOIA 55+ CENTRE INC.**

**STATEMENT OF FINANCIAL POSITION  
AS AT MARCH 31, 2015  
(Unaudited)**

	2015	2014
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 18,389	\$ 29,369
Short term investments, note 3	-	5,409
Accounts receivable, note 4	3,393	5,450
Prepaid expenses	<u>6,030</u>	<u>6,297</u>
	27,812	46,525
<b>CAPITAL ASSETS</b> , notes 2 and 5	<u>30,447</u>	<u>35,075</u>
	<u>\$ 58,259</u>	<u>\$ 81,600</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 16,338	\$ 8,891
Unearned revenue, note 6	<u>12,347</u>	<u>17,438</u>
	28,685	26,329
<b>DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS</b> , note 7	<u>25,525</u>	<u>31,907</u>
	<u>54,210</u>	<u>58,236</u>
<b>COMMITMENTS</b> , note 8		
<b>NET ASSETS</b>		
<b>NET ASSETS</b>	<u>4,049</u>	<u>23,364</u>
	<u>\$ 58,259</u>	<u>\$ 81,600</u>

Approved by the Board:

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

The accompanying notes are an integral part of the financial statements

**ST. JAMES ASSINIBOIA 55+ CENTRE INC.**

**STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED MARCH 31, 2015  
(Unaudited)**

	2015	2014
<b>REVENUES</b>		
Donations	\$ 4,197	\$ 16,635
Fundraising	27,638	37,897
Grants and assistance, note 9	118,565	124,619
Memberships	28,231	25,500
Miscellaneous and interest	5,580	3,804
Newsletter	4,029	3,155
Program grants and assistance, note 9	19,003	15,110
Program fees	96,252	98,292
Rent, reimbursements and parking passes	<u>14,629</u>	<u>17,218</u>
	<u><b>318,124</b></u>	<u><b>342,230</b></u>
<b>EXPENDITURES</b>		
Advertising and promotion	7,807	7,386
Dues and memberships	425	429
Equipment leases	9,322	6,390
Fundraising	47,891	16,321
Insurance	1,585	1,946
Interest and bank charges	2,018	2,191
Manitoba Seniors Music Festival	4,500	11,250
Newsletter	-	8,999
Office supplies	9,766	20,476
Professional fees	5,972	7,993
Programs	54,735	71,630
Rent	10,152	10,152
Repairs and maintenance	1,414	5,948
Salaries and benefits	158,519	153,137
TONS and music festival	-	14,400
Telephone and utilities	12,949	13,126
Travel and parking	<u>2,506</u>	<u>3,886</u>
	<u><b>329,561</b></u>	<u><b>355,660</b></u>
<b>DEFICIENCY OF REVENUES OVER EXPENDITURES BEFORE OTHER ITEMS</b>	<b>(11,437)</b>	<b>(13,430)</b>
<b>OTHER ITEMS</b>		
Amortization	<b>(8,378)</b>	<b>(2,019)</b>
Gain on disposal of capital assets	<u>500</u>	<u>-</u>
	<u><b>(7,878)</b></u>	<u><b>(2,019)</b></u>
<b>DEFICIENCY OF REVENUES OVER EXPENDITURES FOR THE YEAR</b>	<b>\$ (19,315)</b>	<b>\$ (15,449)</b>

The accompanying notes are an integral part of the financial statements

**ST. JAMES ASSINIBOIA 55+ CENTRE INC.**

**STATEMENT OF CHANGES IN NET ASSETS  
FOR THE YEAR ENDED MARCH 31, 2015**

(Unaudited)

	<b>Unrestricted Net Assets</b>	<b>Internally Restricted, Net Assets, note 10</b>	<b>Net Assets Invested In Capital Assets, note 11</b>	<b>2015</b>	<b>2014</b>
<b>BALANCE, BEGINNING OF YEAR</b>	\$ 7,933	\$ 12,263	\$ 3,168	\$ 23,364	\$ 38,813
Surplus (deficiency) of revenues	(10,937)	-	(8,378)	(19,315)	(15,449)
Amortization of deferred contributions related to capital assets, note 7	(6,382)	-	6,382	-	-
Purchase of capital assets	(3,750)	-	3,750	-	-
Internally restricted grants and donations	<u>(15,475)</u>	<u>15,475</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>BALANCE, END OF YEAR</b>	<b><u>\$ (28,611)</u></b>	<b><u>\$ 27,738</u></b>	<b><u>\$ 4,922</u></b>	<b><u>\$ 4,049</u></b>	<b><u>\$ 23,364</u></b>

The accompanying notes are an integral part of the financial statements

**ST. JAMES ASSINIBOIA 55+ CENTRE INC.**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED MARCH 31, 2015  
(Unaudited)**

	2015	2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipts from members, donors and customers	\$ 188,147	\$ 206,968
Cash paid to suppliers and employees	(337,654)	(355,813)
Grants received	<u>136,368</u>	<u>136,477</u>
	<u>(13,139)</u>	<u>(12,368)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Grant received for capital asset acquisition	<u>-</u>	<u>31,606</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of capital assets	(3,750)	(26,306)
Proceeds on disposal of capital assets	500	-
Proceeds on disposal of investments	<u>5,409</u>	<u>-</u>
	<u>2,159</u>	<u>(26,306)</u>
<b>DECREASE IN CASH</b>	<b>(10,980)</b>	<b>(7,068)</b>
<b>CASH, BEGINNING OF YEAR</b>	<u>29,369</u>	<u>36,437</u>
<b>CASH, END OF YEAR</b>	<u>\$ 18,389</u>	<u>\$ 29,369</u>

The accompanying notes are an integral part of the financial statements

# ST. JAMES ASSINIBOIA 55+ CENTRE INC.

## NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2015

(Unaudited)

### 1. ENTITY DEFINITION

St. James Assiniboia 55+ Centre Inc. is incorporated under the Laws of Manitoba as a registered charitable organization and accordingly is exempt from income taxes provided certain requirements of the Income Tax Act are met. The Centre's mission is to encourage seniors to improve their quality of life by providing educational, recreational, health and social opportunities.

### 2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are in accordance with Canadian accounting standards for not-for-profit organizations. An assumption underlying the preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations is that the entity will continue for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

The financial statements reflect the following significant accounting policies:

#### Capital Assets

Capital assets are recorded at cost. Amortization is provided for as follows:

Computer equipment	30 %	Declining balance
Equipment	20 %	Declining balance
Furniture and fixtures	20 %	Declining balance

#### Revenue Recognition

The Centre 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 when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Memberships are recognized as revenue in the year to which the membership relates.

#### Contributed Services

A large number of volunteers contribute many hours annually to the Centre's activities. Due to the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

#### Financial Instruments

##### Recognition and Measurement

Financial assets of the Centre are comprised of cash, short term investments and accounts receivable. Financial liabilities of the Centre are comprised of accounts payable and accrued liabilities.

Financial instruments are recognized on the statement of financial position when the Centre becomes a party to the contractual obligations of the instrument. Initially all financial instruments are recognized at their fair market value.



## **ST. JAMES ASSINIBOIA 55+ CENTRE INC.**

### **NOTES TO FINANCIAL STATEMENTS**

**MARCH 31, 2015**

(Unaudited)

#### Significant Accounting Policies - continued

After initial recognition, the Centre measures all of its financial assets and financial liabilities at amortized cost, except investments in equity instruments that are quoted in active markets, which are measured at fair value. Changes in fair value are recognized in the statement of operations in the period incurred.

#### Fair Market Value

The carrying values of financial instruments consisting mainly of cash, term deposits, accounts receivable, accounts payable and accrued liabilities approximate fair value due to their short term maturity.

#### Credit Risk

The Centre is exposed, in its normal course of operations, to credit risk from its funders, members and customers. No one single party accounts for a significant balance of accounts receivable.

#### Liquidity Risk

Liquidity risk is the risk that the Centre will not be able to meet demand for cash or fund its obligations as they come due. The Centre meets its liquidity requirements by preparing and monitoring cash budgets from operations, anticipating investing and finance activities and holding assets that can be readily converted into cash.

#### Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk is comprised of currency risk and interest rate risk.

#### Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Centre is not exposed to significant foreign currency risk as it does not have any financial instruments denominated in a foreign currency.

#### Interest Rate Risk

Interest rate risk is the risk to the Centre's earnings that arises from fluctuations in interest rates and the degree of volatility of these rates. The Centre does not use derivative instruments to reduce its exposure to interest risk.

#### Use of Estimates

The preparation of the financial statements in conformity 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 (and disclosure of contingent assets and contingent liabilities) at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The significant estimates used in the presentation of the financial statements are allowance for doubtful accounts, estimated useful life of capital assets, and accrued liabilities. By their nature, these estimates are subject to measurement uncertainty and the actual amounts could differ from these estimates.

**ST. JAMES ASSINIBOIA 55+ CENTRE INC.**

**NOTES TO FINANCIAL STATEMENTS**

**MARCH 31, 2015**

(Unaudited)

**3. SHORT TERM INVESTMENTS**

The Centre held a guaranteed investment certificate with the Royal Bank of Canada, bearing interest at 1.3%. The certificate matured on August 11, 2014.

**4. ACCOUNTS RECEIVABLE**

	2015	2014
Trade accounts receivable	\$ 410	\$ 2,568
Grants receivable - Manitoba Community Services Council	1,200	-
Goods and services tax recoverable	<u>1,783</u>	<u>2,882</u>
	<u>\$ 3,393</u>	<u>\$ 5,450</u>

**5. FIXED ASSETS**

	2015		2014	
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Cost</u>	<u>Accumulated Amortization</u>
Computer equipment	\$ 55,574	\$ 50,172	\$ 55,574	\$ 47,857
Equipment	36,250	25,991	33,319	23,488
Furniture and fixtures	<u>57,653</u>	<u>42,867</u>	<u>57,334</u>	<u>39,807</u>
	<u>149,477</u>	<u>119,030</u>	<u>146,227</u>	<u>111,152</u>
Net Book Value	<u>\$ 30,447</u>		<u>\$ 35,075</u>	

**6. UNEARNED REVENUE**

	2015	2014
Winnipeg Regional Health Authority	\$ -	\$ 707
Harry Lehotsky Fund	463	463
Members' program fees	7,019	6,303
Manitoba Community Services Council	-	4,800
Model Airplane Project	<u>4,865</u>	<u>5,165</u>
	<u>\$ 12,347</u>	<u>\$ 17,438</u>

**ST. JAMES ASSINIBOIA 55+ CENTRE INC.**

**NOTES TO FINANCIAL STATEMENTS**

**MARCH 31, 2015**

(Unaudited)

**7. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS**

Deferred contributions related to capital assets consist of grants received for the purchase of certain equipment. The grants are being recognized as income over the useful life of the associated assets at a rate of 20% per year on a declining balance basis. In 2015, the amortization of deferred contributions related to capital assets was \$6,382 (2014 - \$1,106) and is included in grants and assistance revenue on the statement of operations.

**8. COMMITMENTS**

The Centre operates from leased premises and has the following future minimum lease commitments:

2016	\$	10,523
2017		10,671
2018		10,776
2019		4,508

The lease expires August 31, 2018.

The Centre also leases certain operating equipment with the following future minimum lease commitments:

2016	\$	9,471
2017		5,127
2018		4,504
2019		4,504
2020		3,378

The leases have expiry dates ranging from May 31, 2015 to November 30, 2019.

**9. GRANTS AND ASSISTANCE**

	<b>2015</b>	<b>2014</b>
General operations:		
Winnipeg Regional Health Authority	\$ 92,111	\$ 95,013
Manitoba Community Services Council	15,000	-
The Winnipeg Foundation	11,381	29,606
Other	<u>73</u>	<u>-</u>
	<b>118,565</b>	<b>124,619</b>
Program funding:		
Winnipeg Regional Health Authority	11,786	8,680
Government of Canada - Canada Summer Employment	6,417	5,630
Manitoba Association of Multipurpose Senior Centres	<u>800</u>	<u>800</u>
	<b>19,003</b>	<b>15,110</b>
	<b>\$ 137,568</b>	<b>\$ 139,729</b>

**ST. JAMES ASSINIBOIA 55+ CENTRE INC.**

**NOTES TO FINANCIAL STATEMENTS**

**MARCH 31, 2015**

(Unaudited)

**10. INTERNALLY RESTRICTED NET ASSETS**

Internally restricted assets are comprised of donations specified for a future change in location in the amount of \$12,738 and grants of \$15,000 for the front desk automation project.

**11. NET ASSETS INVESTED IN CAPITAL ASSETS**

The balance of net assets invested in capital assets is the net book value of capital assets less any related long term debt or deferred contributions related to capital assets.