

ST. AIDAN'S HOUSE SOCIETY
Financial Statements
Year Ended March 31, 2019

ST. AIDAN'S HOUSE SOCIETY
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Year Ended March 31, 2019

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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

Opinion

We have audited the financial statements of St. Aidan's House Society (the Society), which comprise the statement of financial position as at March 31, 2019, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2019, 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.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

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Independent Auditor's Report to the Members of St. Aidan's House Society (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The partner on this engagement is Tina Viney, CA.

Westlock, Alberta
June 23, 2019


CHARTERED ACCOUNTANTS

ST. AIDAN'S HOUSE SOCIETY
Statement of Financial Position
March 31, 2019

	MAC Project 2019	Seniors Program 2019	Rental 2019	Total 2019	Total 2018
ASSETS					
CURRENT					
Cash	\$ 130,754	\$ 128,858	\$ 65,524	\$ 325,136	\$ 467,962
Accounts receivable	24,626	51,051	-	75,677	-
Goods and services tax recoverable	244	1,385	1,799	3,428	1,855
	155,624	181,294	67,323	404,241	469,817
PROPERTY, PLANT AND EQUIPMENT (Note 5)	-	-	176,724	176,724	189,582
	<u>\$ 155,624</u>	<u>\$ 181,294</u>	<u>\$ 244,047</u>	<u>\$ 580,965</u>	<u>\$ 659,399</u>
LIABILITIES AND NET ASSETS					
CURRENT					
Accounts payable	\$ 1,000	\$ 12,000	\$ 1,000	\$ 14,000	\$ 14,000
Goods and services tax payable	-	-	-	-	2,360
	1,000	12,000	1,000	14,000	16,360
	154,624	169,294	243,047	566,965	643,039
NET ASSETS	<u>\$ 155,624</u>	<u>\$ 181,294</u>	<u>\$ 244,047</u>	<u>\$ 580,965</u>	<u>\$ 659,399</u>

CONTINGENT LIABILITIES (Note 7)

LEASE COMMITMENTS (Note 8)

ON BEHALF OF THE BOARD

Director

Director

ST. AIDAN'S HOUSE SOCIETY
Statement of Revenues and Expenditures
Year Ended March 31, 2019

	2019	2018
REVENUE		
Seniors Program <i>(Schedule 1)</i>	\$ 476,885	\$ 445,118
MAC Project <i>(Schedule 2)</i>	231,266	290,931
Rental <i>(Schedule 3)</i>	9,904	66,275
	<u>718,055</u>	<u>802,324</u>
EXPENSES		
Seniors Program <i>(Schedule 1)</i>	467,750	454,324
MAC Project <i>(Schedule 2)</i>	220,236	211,755
Rental <i>(Schedule 3)</i>	106,143	45,304
	<u>794,129</u>	<u>711,383</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>\$ (76,074)</u>	<u>\$ 90,941</u>

ST. AIDAN'S HOUSE SOCIETY
Statement of Changes in Net Assets
Year Ended March 31, 2019

	MAC Project	Seniors Program	Rental	2019	2018
NET ASSETS -					
BEGINNING OF					
YEAR	\$ 150,303	\$ 156,055	\$ 336,681	\$ 643,039	\$ 552,098
Deficiency of revenue					
over expenses	11,030	9,135	(96,239)	(76,074)	90,941
Interfund transfers	(6,709)	4,104	2,605	-	-
NET ASSETS - END OF					
YEAR	\$ 154,624	\$ 169,294	\$ 243,047	\$ 566,965	\$ 643,039

ST. AIDAN'S HOUSE SOCIETY
Statement of Cash Flows
Year Ended March 31, 2019

	2019	2018
OPERATING ACTIVITIES		
Excess (deficiency) of revenue	\$ (76,074)	\$ 90,941
Items not affecting cash:		
Amortization of property, plant and equipment	4,542	10,202
Gain on disposal of property, plant and equipment	(6,684)	-
	<u>(78,216)</u>	<u>101,143</u>
Changes in non-cash working capital:		
Accounts receivable	(75,677)	-
Goods and services tax recoverable	(3,933)	1,064
Prepaid expenses	-	3,500
	<u>(79,610)</u>	<u>4,564</u>
Cash flow from operating activities	<u>(157,826)</u>	<u>105,707</u>
INVESTING ACTIVITIES		
Proceeds on disposal of property, plant and equipment	15,000	-
Canada Savings Bond	-	9,972
Cash flow from investing activities	<u>15,000</u>	<u>9,972</u>
INCREASE (DECREASE) IN CASH FLOW	(142,826)	115,679
CASH - BEGINNING OF YEAR	<u>467,962</u>	<u>352,283</u>
CASH - END OF YEAR	<u>\$ 325,136</u>	<u>\$ 467,962</u>

ST. AIDAN'S HOUSE SOCIETY
Notes to Financial Statements
Year Ended March 31, 2019

1. PURPOSE OF THE SOCIETY

St. Aidan's House Society (the "Society") is a charitable 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 with the Regional Municipality of Wood Buffalo. The Society also maintains the not-for-profit community calendar.

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.

Contributed services

The operations of the Society depend on both the contribution of time by volunteers and donated materials from various sources. 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 no goods were donated (2018 - \$0).

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ST. AIDAN'S HOUSE SOCIETY
Notes to Financial Statements
Year Ended March 31, 2019

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, Canda 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 are indications 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
Year Ended March 31, 2019

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 are reported in the Rental Fund.

At year end, the Society had no unrestricted net assets (2018 - \$0).

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

Input tax credits paid on 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.

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 at the following rates and methods:

Buildings	2%	declining balance method
Paving	8%	declining balance method
Equipment	20%	declining balance method
Computer equipment	30%	declining balance method
Motor vehicles	40%	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
Year Ended March 31, 2019

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, 2019.

(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

Internally restricted amounts are not available for any other purpose without approval from the Board of Directors. During the current fiscal year interfund transfers were made to help fund operating expenses.

5. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2019 Net book value	2018 Net book value
Buildings	\$ 314,851	\$ 145,658	\$ 169,193	\$ 172,645
Paving	11,670	6,803	4,867	5,290
Equipment	12,978	10,314	2,664	3,639
Computer equipment	-	-	-	124
Motor vehicles	-	-	-	7,884
	\$ 339,499	\$ 162,775	\$ 176,724	\$ 189,582

ST. AIDAN'S HOUSE SOCIETY
Notes to Financial Statements
Year Ended March 31, 2019

6. ECONOMIC DEPENDENCE

The Society is economically dependent on United Way, and the Regional Municipality of Wood Buffalo to provide funding for its operations. The Society would be unable to operate in this capacity if this funding was discontinued.

7. CONTINGENT LIABILITIES

The Society is required to repay any funding surplus at year end back to United Way.

The Society has access to an American Express Mastercard with a credit limit of \$9,000.

8. 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 \$2,470 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 Sentinal Storage of \$299 plus GST.

ST. AIDAN'S HOUSE SOCIETY
Seniors Program
Year Ended March 31, 2019

(Schedule 1)

	2019	2018
REVENUE		
United Way Contract	\$ 334,194	\$ 351,403
Red Cross Contract	98,503	-
Donations	22,198	4,275
Regional Municipality of Wood Buffalo contract	21,990	39,440
New Horizons for Seniors Grant	-	50,000
	<u>476,885</u>	<u>445,118</u>
EXPENSES		
Advertising	1,333	1,112
Association and licensing fees	529	1,435
Bank charges	173	395
Bookkeeping fees	7,000	7,000
Hosting	2,978	7,601
Liability insurance	3,475	2,595
Materials	5,683	19,515
Office supplies	1,900	11,191
Professional fees	8,303	10,100
Program evaluation	3,018	5,000
Program expenses	44,948	3,293
Rent	25,110	24,168
Staff training	3,672	3,727
Staff travel	3,881	4,816
Subcontractors	-	5,214
Telephone	3,426	3,097
Wage benefits	21,345	35,845
Wages	330,976	308,220
	<u>467,750</u>	<u>454,324</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>\$ 9,135</u>	<u>\$ (9,206)</u>

ST. AIDAN'S HOUSE SOCIETY
MAC Project
Year Ended March 31, 2019

(Schedule 2)

	2019	2018
REVENUE		
Red Cross	\$ 168,661	\$ 127,139
Regional Municipality of Wood Buffalo	36,252	54,378
United Way	25,000	25,000
Donations	1,353	84,414
	<u>231,266</u>	<u>290,931</u>
EXPENSES		
Advertising	127	139
Bank charges	110	91
Office supplies	3,064	596
Professional fees	1,230	1,200
Program Evaluation	1,891	-
Projects	97,978	103,681
Rent	5,145	4,960
Staff training	2,542	-
Staff travel	588	441
Telephone	1,368	1,012
Wage benefits	7,097	7,274
Wages	92,300	90,361
Website expenses	6,796	2,000
	<u>220,236</u>	<u>211,755</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 11,030</u>	<u>\$ 79,176</u>

ST. AIDAN'S HOUSE SOCIETY

Rental

(Schedule 3)

Year Ended March 31, 2019

	2019	2018
REVENUE		
Gain on sale of property, plant and equipment	\$ 6,684	\$ -
Other Income	3,143	-
Interest income	77	5,775
Rental	-	60,500
	<u>9,904</u>	<u>66,275</u>
EXPENSES		
Amortization	4,542	10,202
Automotive	135	3,375
Bank charges	227	96
Board expenses	315	2,816
Bookkeeping	7,000	7,000
Employee benefits	12,250	11,500
Insurance	9,190	5,452
Professional fees	1,230	1,200
Rent	3,369	3,628
Repairs and maintenance	67,885	35
	<u>106,143</u>	<u>45,304</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>\$ (96,239)</u>	<u>\$ 20,971</u>