

**CALL-A-SERVICE INC.**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2015**

**CALL-A-SERVICE INC.**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2015**

**CONTENTS**

Page	1	Independent Auditors' Report
	2	Statement of Financial Position
	3	Statement of Operations
	4	Statement of Changes in Net Assets
	5	Statement of Cash Flows
	6-9	Notes to the Financial Statements

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Call-A-Service Inc.

### Report on the Financial Statements

We have audited the accompanying financial statements of Call-A-Service Inc., which comprise the statement of financial position as at March 31, 2015, and the statements of operations, 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.

### 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 auditors' 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 auditors consider 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 qualified audit opinion.

### Basis for Qualified Opinion

In common with many charitable organizations, the organization derives revenue from donations and fundraising, 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 organization and we were not able to determine whether any adjustments might be necessary to donations and fundraising revenues, excess of revenue over expenses and unrestricted net assets.

### Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of Call-A-Service Inc. as at March 31, 2015, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for non-for-profit organizations.

*JTM Partners LLP.*

Chartered Professional Accountants, Licensed Public Accountants

MARKHAM, CANADA.  
June 17, 2015.



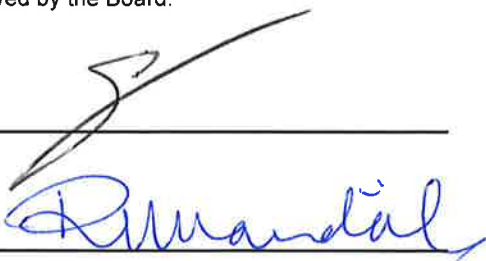
**CALL-A-SERVICE INC.  
STATEMENT OF FINANCIAL POSITION  
AS AT MARCH 31, 2015**

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 111,785	\$ 106,533
Short-term investments (Note 3)	126,102	125,056
Accounts receivable (Note 4)	34,488	60,076
Prepaid expenses	3,169	6,806
	<u>275,544</u>	<u>298,471</u>
<b>INTERNALLY RESTRICTED FUNDS</b> (Note 5)	101,090	100,000
<b>CAPITAL ASSETS</b> (Note 6)	100,695	146,657
	<u>\$ 477,329</u>	<u>\$ 545,128</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities (Note 7)	\$ 82,654	\$ 126,597
Deferred income	82,781	86,136
	<u>165,435</u>	<u>212,733</u>
<b>DEFERRED CAPITAL CONTRIBUTIONS</b> (Note 8)	100,695	146,657
	<u>266,130</u>	<u>359,390</u>
<b>NET ASSETS</b>		
Net assets internally restricted (Note 5)	101,090	100,000
Unrestricted net assets	110,109	85,738
	<u>211,199</u>	<u>185,738</u>
	<u>\$ 477,329</u>	<u>\$ 545,128</u>

The accompanying notes are an integral part of these financial statements.

Approved by the Board:

\_\_\_\_\_



\_\_\_\_\_

**CALL-A-SERVICE INC.**  
**STATEMENT OF OPERATIONS**  
**YEAR ENDED MARCH 31, 2015**

	2015			2014
	Unrestricted	Internally Restricted	Total	Total
<b>REVENUES</b>				
Government grants				
Province of Ontario	\$ 447,683	\$ -	\$ 447,683	\$ 471,114
City of Toronto (Note 9)	161,352	-	161,352	168,023
Federal	15,936	-	15,936	41,274
Ontario Trillium Foundation	60,000	-	60,000	60,000
United Way	184,620	-	184,620	190,065
Client fees	124,255	-	124,255	139,869
Bequests (Note 10)	50,000	-	50,000	5,000
Amortization of deferred capital contributions (Note 11)	45,962	-	45,962	45,878
Donations and fundraising	19,268	-	19,268	21,632
Investment	1,512	1,090	2,602	2,281
Gain on disposal of capital assets	1,500	-	1,500	-
Other agencies and programs	-	-	-	8,564
	1,112,088	1,090	1,113,178	1,153,700
<b>EXPENSES</b>				
Salaries	620,409	-	620,409	616,160
Programs and recreation	78,640	-	78,640	74,711
Employee benefits	74,757	-	74,757	75,957
Purchased services	65,631	-	65,631	80,673
Building occupancy	64,132	-	64,132	81,929
Transportation and vehicle operations	60,956	-	60,956	73,308
Amortization of capital assets	45,962	-	45,962	45,878
Office administration	45,930	-	45,930	57,690
Training and recruitment	17,167	-	17,167	14,447
Professional fees	6,880	-	6,880	4,944
Fundraising	4,598	-	4,598	3,485
Insurance	2,655	-	2,655	2,176
	1,087,717	-	1,087,717	1,131,358
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>\$ 24,371</b>	<b>\$ 1,090</b>	<b>\$ 25,461</b>	<b>\$ 22,342</b>

*The accompanying notes are an integral part of these financial statements.*

**CALL-A-SERVICE INC.  
STATEMENT OF CHANGES IN NET ASSETS  
YEAR ENDED MARCH 31, 2015**

	<u>2015</u>			<u>2014</u>
	<u>Internally Restricted</u>	<u>Unrestricted</u>	<u>Total</u>	<u>Total</u>
<b>NET ASSETS</b>				
<b>BALANCE</b> - beginning of the year	\$ 100,000	\$ 85,738	\$ 185,738	\$ 163,396
Excess of revenues over expenses	1,090	24,371	25,461	22,342
<b>BALANCE</b> - end of year	\$ 101,090	\$ 110,109	\$ 211,199	\$ 185,738

*The accompanying notes are an integral part of these financial statements.*

**CALL-A-SERVICE INC.  
STATEMENT OF CASH FLOWS  
YEAR ENDED MARCH 31, 2015**

	<u>2015</u>	<u>2014</u>
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	\$ 25,461	\$ 22,342
Add (deduct): items not affecting cash		
- Amortization of deferred capital contributions	(45,962)	(45,878)
- Amortization of capital assets	45,962	45,878
- Gain on disposal of capital assets	(1,500)	-
	<u>23,961</u>	<u>22,342</u>
Net (decrease) increase in non-cash operating working capital	<u>(18,073)</u>	<u>48,725</u>
	<u>5,888</u>	<u>71,067</u>
<b>CASH PROVIDED BY FINANCING ACTIVITIES</b>		
Deferred capital contributions	-	37,258
<b>CASH (USED IN) PROVIDED BY INVESTING ACTIVITIES</b>		
Acquisition of capital assets	-	(37,258)
Proceeds on disposal of capital assets	1,500	-
Net increase in short-term investments	(1,046)	32,311
Net increase in internally restricted funds	(1,090)	(34,577)
	<u>(636)</u>	<u>(39,524)</u>
<b>CASH INCREASE DURING THE YEAR</b>	5,252	68,801
<b>CASH POSITION - beginning of year</b>	106,533	37,732
<b>CASH POSITION - end of year</b>	<u>\$ 111,785</u>	<u>\$ 106,533</u>

*The accompanying notes are an integral part of these financial statements.*

**CALL-A-SERVICE INC.  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2015**

---

Note 1 Nature of Organization

Call-A-Service Inc. / Harmony Hall Centre for Seniors (the "Agency") is a multicultural community centre specializing in transportation, recreation, education, wellness and support services for seniors and adults with disabilities who live in or near the former Borough of East York and Scarborough.

The Agency is a registered charity and is exempt from income taxes.

Note 2 Significant Accounting Policies

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

***Financial Assets and Liabilities***

Unless otherwise noted, financial assets and liabilities are carried at amortized cost.

Short term investments and internally restricted funds consist of guaranteed investment certificates and are measured at fair value including accrued interest when applicable.

***Revenue Recognition***

The deferral method of accounting is used for government grants and contributions. Restricted contributions are recognized as revenue in the period in which the related expenses are incurred. Unrestricted contributions are recognized on the accrual basis. Endowment contributions are recognized as direct increases in net assets.

***Contributed Services***

Volunteers contribute numerous hours to the Agency in carrying out certain aspects of its service delivery activities. The fair value of these contributed services is not readily determinable and, as such, they are not reflected in the financial statements.

***Capital Assets***

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is provided on a straight-line basis over the assets' estimated useful lives, which are as follows:

Leasehold improvements	- Seven years
Furniture and equipment	- Seven years
Vehicles	- Seven years
Computers	- Five years

***Deferred Contributions***

Deferred contributions represent unspent resources externally restricted for operating funding received in the current period that will be spent in the future.

***Use of Estimates***

The preparation of these financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. In the opinion of management, these financial statements reflect, within reasonable limits of materiality, all adjustments necessary to present fairly the results for the periods presented. Actual results could differ from these estimates.



**CALL-A-SERVICE INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2015**

Note 3 Short-term Investments

Short-term investments consist of guaranteed investment certificates bearing interest between 0.80% and 1.10% (0.80% to 1.10% - 2014). These investments are cashable and have maturity dates that are less than one year after year-end.

Note 4 Accounts Receivable

	<b>2015</b>	<b>2014</b>
City of Toronto - Social Services	\$ 15,314	\$ 12,728
HST/GST rebate	11,796	17,870
Trade receivables	7,378	9,340
Toronto Ride capital funds	-	20,138
	<b>\$ 34,488</b>	<b>\$ 60,076</b>

Note 5 Internally Restricted Funds

An internally restricted contingency fund was established by the Board of Directors to provide for emergency expenditures that the board deems necessary. The restriction is funded from operations at the discretion of the Board.

The fund consists of guaranteed investment certificates bearing interest between 0.80% and 1.40% (0.80% to 1.95% - 2014) with maturity dates from October 2015 to July 2017.

Note 6 Capital Assets

<b>2015</b>	<u>Original Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>
Vehicles	\$ 145,310	\$ 77,521	\$ 67,789
Leasehold improvements	160,199	146,011	14,188
Computers	64,117	47,691	16,426
Furniture and equipment	34,932	32,640	2,292
	<b>\$ 404,558</b>	<b>\$ 303,863</b>	<b>\$ 100,695</b>
<b>2014</b>	<u>Original Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>
Vehicles	\$ 179,964	\$ 86,466	\$ 93,498
Leasehold improvements	160,199	135,403	24,796
Computers	64,117	39,574	24,543
Furniture and equipment	34,932	31,112	3,820
	<b>\$ 439,212</b>	<b>\$ 292,555</b>	<b>\$ 146,657</b>

**CALL-A-SERVICE INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2015**

Note 7 Government Remittances

Included in accounts payable and accrued liabilities is \$7,410 representing employee and employer remittances relating to employee remuneration for the current fiscal year (\$6,715 in 2014).

Note 8 Deferred Capital Contributions

Deferred capital contributions represent the unamortized restricted grants and donations related to the purchase of capital assets. These contributions are amortized over the life of the related assets. The changes in the deferred capital contribution balance for the year are as follows:

	2015	2014
Balance at beginning of the year	\$ 146,657	\$ 155,276
Add: additions during the year	-	37,258
Less: amounts amortized to revenue	(45,962)	(45,878)
<u>Balance at end of the year</u>	<u>\$ 100,695</u>	<u>\$ 146,657</u>

Note 9 City of Toronto

	2015	2014
Community Service Partnership	\$ 94,090	\$ 92,060
Social Services	67,262	75,963
<u></u>	<u>\$ 161,352</u>	<u>\$ 168,023</u>

Note 10 Bequests

	2015	2014
Audrey Vadgama	\$ 50,000	\$ -
Violett May Bartlett	-	5,000
<u></u>	<u>\$ 50,000</u>	<u>\$ 5,000</u>

Note 11 Amortization of Deferred Capital Contributions

	2015	2014
Federal	\$ 14,513	\$ 14,878
Ontario Trillium Foundation	12,306	12,431
Ontario Ministry of Health	9,034	9,899
Fundraising - bequest	4,499	4,499
Toronto Ride	2,877	1,438
Rotary	2,733	2,733
<u></u>	<u>\$ 45,962</u>	<u>\$ 45,878</u>

**CALL-A-SERVICE INC.  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2015**

---

Note 12 Financial Instruments

Call-A-Service Inc. has the following risks associated with its financial instruments:

***Interest rate risk***

The Organization is exposed to interest rate risk, both in terms of the impact rate changes have on the value of investments, as well as on cash flows available to fund its purpose as described in Note 1.

***Concentration risk***

Call-A-Service Inc.'s largest revenue source is the Province of Ontario. These grants represent 40.2% of revenues during the current year (2014 – 40.8%).

***Credit risk***

Call-A-Service Inc. does not consider credit risks on its accounts receivable to be significant given the high-quality nature of the Agency's sources of revenue.

***Fair value***

The Agency's financial instruments include accounts receivable and accounts payable. These financial instruments are non-interest bearing and are due or payable within the next year. Due to this short term to maturity, the carrying value of these financial instruments approximates fair value.

Note 13 Commitments

During the year, the Agency was committed to payments of \$42,000 annually under a licence agreement to pay its share of costs related to the premises located at 2 Gower Street, Toronto. An extension of this agreement is being negotiated.

The Agency has also committed to payments of \$400 monthly under a Facility Use Agreement with Crescent Town Club for the use of office and program space. This agreement expires September 2015.