

SENIOR'S SECRET SERVICE SOCIETY OF ALBERTA

Financial Statements

For the Year Ended March 31, 2014

Senior's Secret Service Society of Alberta
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For the Year Ended March 31, 2014

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Senior's Secret Service Society Of Alberta:

Report on the financial statements

We have audited the accompanying financial statements of Senior's Secret Service Society of Alberta, which comprise the statements of financial position as at March 31, 2014, and the statements of operations, changes in net assets and cash flows for the year ended March 31, 2014, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for 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 audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits 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 Senior's Secret Service Society of Alberta as at March 31, 2014, and the results of its operations and its cash flows for the years ended March 31, 2014 and in accordance with Canadian accounting standards for not-for-profit organizations.



Professional Accountants

August 21, 2014
Calgary, Alberta, Canada

Senior's Secret Service Society of Alberta
Statement of Financial Position
As at March 31, 2014

	2014	2013
ASSETS		
Current		
Cash	\$ 61,312	\$ 106,778
Short term investments (note 3)	6,560	6,560
Account receivable	70,277	-
Goods and services tax recoverable	1,156	1,159
Prepaid expenses	3,220	2,723
	<u>\$ 142,525</u>	<u>\$ 117,220</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	\$ 9,926	\$ 11,205
Deferred contributions (note 4)		
Related to operations	70,277	-
Unrestricted net assets	<u>62,322</u>	<u>106,015</u>
	<u>\$ 142,525</u>	<u>\$ 117,220</u>

Approved on behalf of the Board:

Director: _____

Director: _____

Senior's Secret Service Society of Alberta
Statement of Operations
For the Year Ended March 31, 2014

	2014	2013
Revenue		
Gifts in kind	\$ 331,940	\$ 267,617
Donations	61,044	50,558
Grants	3,783	4,730
Casino	-	68,292
	396,767	391,197
Expenses		
Program costs	363,137	299,727
Salaries and wages	51,231	52,129
Rent and parking	11,704	11,689
Professional fees	5,500	5,613
Insurance	3,877	4,396
Telephone	1,824	2,212
Office	1,545	1,650
Van fuel and maintenance	571	594
Volunteer recognition and board development	564	532
Memberships and licenses	223	125
Marketing	148	4,845
Interest and bank charges	136	309
Training	-	196
	440,460	384,017
Excess (deficiency) of revenue over expenses	\$ (43,693)	\$ 7,180

Senior's Secret Service Society of Alberta
Statement of Changes in Net Assets
For the Year Ended March 31, 2014

	2014	2013
Unrestricted net assets, beginning of year	\$ 106,015	\$ 98,835
Excess (deficiency) of revenue over expenses	<u>(43,693)</u>	<u>7,180</u>
Unrestricted net assets, end of year	<u>\$ 62,322</u>	<u>\$ 106,015</u>

Senior's Secret Service Society of Alberta
Statement of Cash Flows
For the Year Ended March 31, 2014

	2014	2013
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	\$ (43,693)	\$ 7,180
Changes in non-cash working capital		
Accounts receivable	(70,277)	-
Goods and services tax recoverable	3	105
Prepaid expenses	(497)	615
Accounts payable and accrued liabilities	(1,279)	4,264
Deferred contributions related to operations	70,277	-
Cash from operations and increase (decrease) in cash	(45,466)	12,164
Cash and cash equivalents, beginning of year	113,338	101,174
Cash and cash equivalents, end of year	\$ 67,872	\$ 113,338
Cash and cash equivalents consist of:		
Cash	\$ 61,312	\$ 106,778
Short term investments	6,560	6,560
	\$ 67,872	\$ 113,338

Senior's Secret Service Society
Notes to the Financial Statements
For the Year Ended March 31, 2014

1. PURPOSE OF THE ORGANIZATION

Senior's Secret Service Society of Alberta (the "Society") is a non-profit organization whose purpose is to enhance the quality of life for individuals 60 years or older who are alone or isolated in the community. The Society provides Christmas and Birthday gifts to seniors who may otherwise be overlooked.

The Society is incorporated under the Societies Act of Alberta and is a registered charity under the Income Tax Act and therefore is not subject to income tax.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the *CPA Handbook*, and in management's opinion, have been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

a) Revenue and Expenses Recognition

The Society 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.

Donations received in kind are recorded at fair market value determined at the date the donation is made.

Expenses are recognized when incurred. Gifts in kind expenses are recorded at fair value as part of operating expenses when the expenses are disbursed.

b) Contributed Materials and Services

Contributed materials are recognized in the financial statements when their fair value can be reasonably estimated and when the Society would have otherwise purchased them. Volunteers contribute significant hours to assist the Society to carry out its programs. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

c) Goods and Services Tax

Goods and Services Tax is recoverable at 50% as a rebate. The unrecoverable 50% is recorded as part of the expenditure with the rebate treated as a receivable.

.../ Continued

Senior's Secret Service Society
Notes to the Financial Statements
For the Year Ended March 31, 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (...Continued)

d) Financial Instruments

The Association initially measures its financial instruments at fair value. It subsequently measures all of its financial assets and financial liabilities at amortized cost.

The financial assets measured at amortized cost include cash, short term investments and accounts receivable. The financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

e) Management Estimates

The preparation of financial statements in accordance 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 contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant accounts subject to such estimates and assumptions include the fair value of the gift box donations and accrual of liabilities. Actual results could differ from those estimates.

3. SHORT TERM INVESTMENTS

	<u>2014</u>	<u>2013</u>
Scotia Guaranteed investment certificate, 1 year term maturing on September 10, 2014 (September 10, 2013) bearing interest at a rate of 0.15% per annum paid at maturity.	\$ 5,000	\$ 5,000
Richardson GMP Canadian Dollar account	<u>1,560</u>	<u>1,560</u>
	<u>\$ 6,560</u>	<u>\$ 6,560</u>

4. DEFERRED CONTRIBUTIONS RELATED TO OPERATIONS

Deferred contributions related to operations is funding received in the current period for future period operations.

	<u>Opening</u>	<u>Additions</u>	<u>Utilization</u>	<u>Ending</u>
Casino funds	\$ -	\$ 70,277	\$ -	\$ 70,277

5. COMMITMENTS

The Society rents office space on a month to month basis. The annual amount of rent is \$11,400.
