

SENIOR'S SECRET SERVICE SOCIETY OF ALBERTA

Financial Statements

March 31, 2017

(Unaudited)

SENIOR'S SECRET SERVICE SOCIETY OF ALBERTA
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Year Ended March 31, 2017
(Unaudited)

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REVIEW ENGAGEMENT REPORT

To the Members of Senior's Secret Service Society of Alberta :

We have reviewed the statement of financial position of Senior's Secret Service Society of Alberta as at March 31, 2017 and the statements of operations and 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 inquiry, analytical procedures and discussion related to information supplied to us by the society.

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.

Calvista LLP

Calgary, Alberta
September 12, 2017

Chartered Professional Accountants

SENIOR'S SECRET SERVICE SOCIETY OF ALBERTA
Statement of Financial Position
As at March 31, 2017

(Unaudited)

	2017	2016
Assets		
Current		
Cash and cash equivalents	\$ 85,010	\$ 106,760
Short term investments <i>(Note 3)</i>	5,000	5,000
Goods and services tax recoverable	2,376	2,404
Prepaid expenses	991	991
	<u>\$ 93,377</u>	<u>\$ 115,155</u>
Liabilities and Net assets		
Current		
Accounts payable and accrued liabilities	\$ 6,821	\$ 3,943
Deferred contributions related to operations <i>(Note 4)</i>	18,655	74,052
	<u>25,476</u>	<u>77,995</u>
Unrestricted net assets	<u>67,901</u>	<u>37,160</u>
	<u>\$ 93,377</u>	<u>\$ 115,155</u>

ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

SENIOR'S SECRET SERVICE SOCIETY OF ALBERTA
Statement of Operations and Changes in Net Assets
For the Year Ended March 31, 2017

(Unaudited)

	2017	2016
Revenue		
Gifts in kind <i>(Note 6)</i>	\$ 425,000	\$ 340,000
Donations	95,817	51,550
Casino	55,397	42,185
Grants	4,000	7,500
Miscellaneous	3,236	421
Fundraising	-	15,325
	<u>583,450</u>	<u>456,981</u>
Expenses		
Program costs	464,786	380,850
Salaries and wages	71,218	56,660
Office	3,173	2,946
Professional fees	3,000	3,000
SSSS 30th anniversary	2,880	825
Travel	2,413	1,769
Insurance	2,393	2,167
Telephone	1,815	1,451
Marketing	436	240
Volunteer recognition and board development	380	751
Interest and bank charges	173	207
Memberships and licenses	42	125
Rent and parking	-	6,813
Consulting fees	-	147
Van fuel and maintenance	-	421
	<u>552,709</u>	<u>458,372</u>
Excess (deficiency) of revenue over expenses from operations	30,741	(1,391)
Gain on disposal of assets	-	6,300
Net excess of revenue over expenses	30,741	4,909
Net assets - beginning of year	<u>37,160</u>	<u>32,251</u>
Net assets - end of year	\$ 67,901	\$ 37,160

SENIOR'S SECRET SERVICE SOCIETY OF ALBERTA**Statement of Cash Flows****For the Year Ended March 31, 2017***(Unaudited)*

	2017	2016
Operating activities		
Excess of revenue over expenses	\$ 30,741	\$ 4,909
Item not affecting cash:		
Gain on disposal of assets	-	(6,300)
	<u>30,741</u>	<u>(1,391)</u>
Changes in non-cash working capital:		
Goods and services tax recoverable	28	(1,085)
Accounts payable	2,878	(10,322)
Deferred contributions related to operations	(55,397)	30,925
Prepaid expenses	-	1,893
	<u>(52,491)</u>	<u>21,411</u>
Cash flows from (used by) operating activities	<u>(21,750)</u>	<u>20,020</u>
Investing activity		
Proceeds on disposal of capital assets	-	6,300
Cash flows from investing activity	<u>-</u>	<u>6,300</u>
Net change in cash and cash equivalents during the year	(21,750)	26,320
Cash and cash equivalents - beginning of year	<u>106,760</u>	<u>80,440</u>
Cash and cash equivalents - end of year	\$ 85,010	\$ 106,760

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

SENIOR'S SECRET SERVICE SOCIETY OF ALBERTA

Notes to Financial Statements

Year Ended March 31, 2017

(Unaudited)

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 149(1) of the Income Tax Act of Canada and therefore is not subject to the payment of income tax.

2. Summary of significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPPO) in Part III of the CPA Canada 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:

Revenue 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.

Cash and cash equivalents

Cash includes cash on hand and in banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, with original maturities of three months or less and that are subject to an insignificant risk of change in value.

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. Fair value is determined as the equivalent retail value of the donated materials. 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.

Goods and Services Tax

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

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SENIOR'S SECRET SERVICE SOCIETY OF ALBERTA

Notes to Financial Statements

Year Ended March 31, 2017

(Unaudited)

2. Summary of significant accounting policies (continued)

Financial instruments

The Society 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 and cash equivalents and short term investment. The financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

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>2017</u>	<u>2016</u>
Scotia Guaranteed Investment Certificate, 1 year term maturing on September 2017 (2016 - September 2016) bearing interest at a rate of 0.015% (2016 - 0.015%) per annum paid at maturity.	<u>\$ 5,000</u>	<u>\$ 5,000</u>

4. Deferred contributions related to operations

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

	<u>Opening</u>	<u>Additions</u>	<u>Utilization</u>	<u>Ending</u>
Casino	<u>\$ 74,052</u>	<u>\$ -</u>	<u>\$ 55,397</u>	<u>\$ 18,655</u>

5. Financial instruments

The Society's financial instruments consist of cash and cash equivalents, short term investment and accounts payable and accrued liabilities. All of these are reported at amortized cost.

Management has determined that the Society is not exposed to significant credit, interest rate, and market risk.

SENIOR'S SECRET SERVICE SOCIETY OF ALBERTA

Notes to Financial Statements

Year Ended March 31, 2017

(Unaudited)

6. Gifts in kind

Gifts in kind revenue includes donated goods that comprise the gifts given to Seniors as described in Note 1. Fair value is determined as the estimated retail value of the gift items. The related expense is reported as part of program costs.

During the year, the Society's landlord waived payments of rent. This occupancy arrangement is extended on month to month basis. The value of this service has not been recognized in the financial statements.
