

MOOSE JAW MILITARY FAMILY RESOURCE CENTRE INC.

Financial Statements

Year Ended March 31, 2018

MOOSE JAW MILITARY FAMILY RESOURCE CENTRE INC.

Index to Financial Statements

Year Ended March 31, 2018

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S.N.ROY & ASSOCIATES

INDEPENDENT AUDITOR'S REPORT

To the Members of Moose Jaw Military Family Resource Centre Inc.

We have audited the accompanying financial statements of Moose Jaw Military Family Resource Centre Inc., which comprise the statement of financial position as at March 31, 2018 and the statements of revenues and expenditures, changes in net assets and cash flow 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.

Auditor's 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 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 qualified audit opinion.

Basis for Qualified Opinion

In common with many charitable organizations, the company derives revenue from fundraising and non-grant sources 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 company and we were not able to determine whether any adjustments might be necessary to contributions, excess of revenues over expenses, current assets and net assets.

Qualified Opinion

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the contributions referred to in the preceding paragraph, the financial statements present fairly, in all material respects, the financial position of Moose Jaw Military Family Resource Centre Inc. as at March 31, 2018 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Moose Jaw, Saskatchewan
May 24, 2018

Moose Jaw Military Family Resource Centre Inc.
Statement of Financial Position
For the Year Ended March 31, 2018

| ASSETS | | |
|--------------------------------|----------------|----------------|
| | 2018 | 2017 |
| | \$ | \$ |
| Current Assets | | |
| Petty cash | 400 | 400 |
| Membership shares Credit Union | 20 | 20 |
| Operating Bank | <u>167,962</u> | <u>86,518</u> |
| | 168,382 | 86,938 |
| Accounts Receivable | 2,498 | 14,153 |
| Prepaid expenses | - | - |
| GST receivable | <u>4,636</u> | <u>1,157</u> |
| | <u>175,516</u> | <u>102,248</u> |
| Fixed Assets (Note 4) | | |
| Equipment | 80,760 | 80,760 |
| Toy lending library | 947 | 947 |
| French resources | 2,101 | 2,101 |
| English resources | <u>550</u> | <u>550</u> |
| | 84,358 | 84,358 |
| Less: Accumulated depreciation | <u>84,358</u> | <u>84,358</u> |
| | <u>-</u> | <u>-</u> |
| Long Term Investments (Note 5) | <u>292,856</u> | <u>286,593</u> |
| | <u>468,371</u> | <u>388,841</u> |
| LIABILITIES AND NET ASSETS | | |
| Current Liabilities | | |
| Accounts Payable | 1,038 | 636 |
| Payroll deductions payable | 6,471 | |
| --Deferred contracts | 18,983 | - |
| Unearned revenue | <u>371,160</u> | <u>322,401</u> |
| | <u>397,652</u> | <u>323,037</u> |
| Net Assets | | |
| Equipment equity | 406 | 406 |
| Donated Equipment equity | 13,640 | 13,640 |
| Fund Balance | <u>56,673</u> | <u>51,758</u> |
| | 70,719 | 65,804 |
| Approved by the Board | <u>468,371</u> | <u>388,841</u> |
| _____ | | |
| _____ | | |

Moose Jaw Military Family Resource Centre Inc.

Statement of Operations and Net Assets

For the Year Ended March 31, 2018

| | 2018 | 2017 |
|-------------------------------------|------------------|------------------|
| REVENUE | \$ | \$ |
| Interest Revenue | 8,128 | 4,623 |
| MFS VA Pilot Grant Revenue | 17,969 | 19,369 |
| United Way | - | 274 |
| VA Pilot Program Prior Yr Adj | -3,469 | - |
| VFP Revenue | 20,832 | - |
| DMFS: IPSC & Casualty Sup Childcare | - | - |
| DMFS | 955,855 | 766,852 |
| Grants: TPL HRSDC | 44,003 | 32,814 |
| Donations | 36,094 | 12,756 |
| Fundraising | 603 | - |
| ELC Casual Childcare Rev | 50,623 | 43,797 |
| Wage Grant | - | - |
| Youth Centre Revenue | 9,467 | 7,775 |
| Kids Klostet Revenue | 2,960 | 3,540 |
| Summer Fun Revenue | 32,715 | 30,837 |
| Prev. Sup & Intervention Rev | - | 60 |
| Parents & Tots Revenue | 182 | 772 |
| Family Sep. & Reunion Revenue | 20 | 452 |
| SLT (Program) Revenue | - | 720 |
| Spec. Events/Wel&Comm. Revenue | 1,276 | 812 |
| Project Revenue | - | 20 |
| Program Revenue | 855 | 810 |
| Miscellaneous Income | 1,180 | 2,374 |
| DND Funding | 183,204 | 117,132 |
| Conference Revenue | - | - |
| 3CFFTS Portage Revenue | 350 | 1,161 |
| TOTAL REVENUE | <u>1,362,846</u> | <u>1,046,951</u> |
| EXPENSES | | |
| Total Activity Expense | 339,513 | 157,461 |
| Total Operating Expense | 106,219 | 67,544 |
| Wage Expense | 912,199 | 819,341 |
| Depreciation | - | - |
| | <u>1,357,931</u> | <u>1,044,346</u> |
| NET INCOME | 4,916 | 2,605 |
| NET ASSETS - Beginning of year | <u>51,758</u> | <u>49,153</u> |
| NET ASSETS - End of year | <u>56,673</u> | <u>51,758</u> |

Moose Jaw Military Family Resource Centre Inc.

Schedule of Expenses

For the Year Ended March 31, 2018

| EXPENSES | 2018 | 2017 |
|--------------------------------------|------------------|------------------|
| Receiver General exp., prior year | 0 | 0 |
| VA Non-Pilot Site Expense | 0 | 2,325 |
| Emergency Childcare Expense | 1,371 | 747 |
| FLO/IPSC PD & Resources | 1,146 | 4,329 |
| IPSC: Casualty Support Childcare | 297 | 1,883 |
| FLO/IPSC Travel | 6,060 | 5,571 |
| Emergency Respite Childcare Exp. | 4,888 | 6,781 |
| 3CFFTS Portage Travel, PD, Training | 5,612 | 3,791 |
| 3CFFTS Portage Program & Resource | 28,992 | 9,947 |
| NYM - Leadership/Outdoor Adv. Exp. | 5,504 | 9,111 |
| Employment & Education Service | 0 | 0 |
| Fundraising Expense | | 435 |
| ELC Casual Childcare Exp. | 16,875 | 10,593 |
| Youth Centre Expense | 1,400 | 1,821 |
| Transportation Expense | 0 | 0 |
| Kids Kloset Expense | 1,926 | 4,028 |
| Prev. Sup. Intervention Expense | 22,698 | 10,741 |
| Summer Fun Expense | 24,080 | 19,508 |
| Parents & Tots Expense | 2,095 | 6,939 |
| Info & Referral Expense | 1,230 | 3,657 |
| Community Integration Expense | 73,684 | 17,459 |
| Personal Development Exp. | 0 | 1,020 |
| Volunteer Sup. & Dev. Expense | 12,221 | 3,993 |
| Volunteer Childcare Expense | 1,740 | 4,733 |
| SLT Expense | 19,740 | 11,012 |
| SLT Childcare Expense | 0 | 3,315 |
| Family Sep. & Reunion Expense | 11,227 | 10,169 |
| Projects Expense | 43,048 | 0 |
| Regina/Reserve Units Exp | 42,992 | 3,553 |
| VFP program | -323 | 0 |
| Vehicle Insurance/Maint/Repair | 1,991 | 0 |
| Non School Day/Break Program Expense | <u>9,021</u> | <u>0</u> |
| Total Activity Expense | 339,513 | 157,461 |
| Miscellaneous Expense | 77 | 863 |
| Food & Beverage Expense | 9,772 | 12,119 |
| Professional Expense (acc't, legal) | 5,400 | 2,000 |
| Promotion & Advertising | 1,058 | 520 |
| Annual General Meeting, Year End | 36 | -368 |
| Bank Charges | 7 | 18 |
| NSF Cheques | 0 | 8 |
| Membership, Fees, Dues | 4,175 | 3,668 |
| Third party liability Insurance | 6,222 | 6,107 |
| Employee Benefit Insurance Exp. | 957 | 957 |
| Admin. & Logistical Support Exp. | 1,452 | 1,944 |
| Staff Team Building Expense | 295 | 525 |
| Conference Expense | 22,534 | 3,589 |
| GST Expense | 5,833 | 2,234 |
| PST Expense | 12,174 | 2,077 |
| Staff Professional Development | 17,861 | 19,257 |
| Maintenance & Repairs | 546 | 251 |
| Board Training & Development Exp. | <u>17,821</u> | <u>11,776</u> |
| Total Operating Expense | 106,219 | 67,544 |
| Wages, ELC Casual Childcare | 60,127 | 45,497 |
| Wages, Summer Fun | 31,570 | 34,256 |
| Wages, Youth | 0 | 27,862 |
| Wages, ECC & ERCC | 30,067 | 27,137 |
| Wages, DMFS Public | 0 | 1 |
| Wages, SLT | 0 | 5,630 |
| Wages, VA Pilot | 17,358 | 17,272 |
| Wages, Non School Day/Break Program | 29,836 | 0 |
| Wages, Parents & Tots | 5,011 | 5,136 |
| Wages, VFP Corrd | 11,372 | 0 |
| Wages, VFP Admin | 7,535 | 0 |
| CPP Expense | 28,781 | 25,371 |
| EI Expense | 14,635 | 12,097 |
| Group RRSP Expense | 53,478 | 49,991 |
| Group Benefit Premium | 30,466 | 31,869 |
| Workers Compensation SK & MB | 11,881 | 2,683 |
| Wages, Management & Admin. | 117,648 | 112,371 |
| Wages, Volunteer Manage & Com Invol | 52,614 | 66,083 |
| Wages, Personal Dev. & Comm. Int. | 12,174 | 33,259 |
| Wages, Child & Youth Services | 84,154 | 66,265 |
| Wages, Family Sep. & Reunion Serv. | 59,464 | 53,042 |
| Wages, Prev. Sup. & Intervention | 126,404 | 78,574 |
| Wages, 3CFFTS Portage | 60,370 | 54,225 |
| Wages, FLO (IPSC) | 67,252 | 70,500 |
| Wages, CSCC | <u>0</u> | <u>219</u> |
| Wage Expense | 912,199 | 819,341 |
| Total Administration | 1,357,931 | 1,044,346 |
| Depreciation | 0 | 0 |
| Total Depreciation | 0 | 0 |
| TOTAL EXPENSE | 1,357,931 | 1,044,346 |

MOOSE JAW MILITARY FAMILY RESOURCE CENTRE INC.

Statement of Cash Flow

Year Ended March 31, 2018

| | 2018 | 2017 |
|--|--------------------------|-------------------------|
| OPERATING ACTIVITIES | | |
| Excess of trade sales over expenses | <u>\$ 4,916</u> | <u>\$ 2,605</u> |
| Changes in non-cash working capital: | | |
| Accounts receivable | 11,655 | (8,619) |
| Employee deductions payable | 6,471 | - |
| Deferred income/revenue | 18,983 | - |
| Accounts payable and accrued liabilities | 402 | (1,523) |
| Goods and services tax payable | (3,478) | 1,259 |
| Unearned revenue | <u>48,759</u> | <u>12,000</u> |
| | <u>82,792</u> | <u>3,117</u> |
| Cash flow from operating activities | <u>87,708</u> | <u>5,722</u> |
| INVESTING ACTIVITY | | |
| Domestic term deposits - long term | <u>(6,263)</u> | <u>(5,864)</u> |
| INCREASE (DECREASE) IN CASH FLOW | 81,445 | (142) |
| Cash - beginning of year | <u>86,937</u> | <u>87,079</u> |
| CASH - END OF YEAR | <u>\$ 168,382</u> | <u>\$ 86,937</u> |
| CASH CONSISTS OF: | | |
| Cash | <u>\$ 168,382</u> | <u>\$ 86,937</u> |

MOOSE JAW MILITARY FAMILY RESOURCE CENTRE INC.

Notes to Financial Statements

Year Ended March 31, 2018

1. ECONOMIC DEPENDENCE

The company received approximately 75% of revenues for services from DMFS (Director of Military Family Services) funded by the Department of National Defence. These core programs operate on renewed contracts for services.

2. DESCRIPTION OF BUSINESS

The business is incorporated under the provincial business corporations act. The Moose Jaw Military Family Resource Centre Inc. operated as a non-profit organization that provides support services to military members and families, as well as members and families of civilian partners and contractors. It operates core programs funded by the Department of National Defence. It also operates other programs internally funded.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash equivalents

The company's cash is classified for the following: petty cash, chequing bank accounts and savings bank accounts and short-term debt securities purchased with maturity of three months or less.

Long - term investments

Investments purchased with maturity of more than three months are classified as long term investments.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued.

Comparative figures

Certain comparative amounts have been reclassified to conform to the current year's presentation.

Impairment of Long Lived Assets

The company does not have assets that would cause impairment. The company considers that no circumstances exist that would require such evaluation.

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Revenue recognition

Moose Jaw Military Family Resource Centre Inc. 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.

Investment income is recognized as revenue when earned.

(continues)

MOOSE JAW MILITARY FAMILY RESOURCE CENTRE INC.

Notes to Financial Statements

Year Ended March 31, 2018

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Contributed services

Volunteers contribute a significant amount of their time each year. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Fixed assets

Capital assets are stated at cost and amortization is recorded at 1% per month.

| | | |
|---|----|----------------------|
| Machinery, equipment, furniture and fixtures | 1% | straight-line method |
|---|----|----------------------|

Use of 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 the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the the reporting period. Actual results could differ from those estimates and may have an impact on future periods.

4. PROPERTY, PLANT AND EQUIPMENT

| | Cost | Accumulated amortization | 2018 Net book value | 2017 Net book value |
|---|-----------|-----------------------------|------------------------------------|---------------------------|
| Machinery, equipment, furniture and fixtures | \$ 84,358 | \$ 84,358 | \$ - | \$ - |

Fixed assets are depreciated at a rate of 1 percent of cost per month. Assets are depreciated beginning in the year after acquisition.

5. LONG TERM INVESTMENTS

| | 2018 | 2017 |
|---|-------------------|-----------|
| Two year non-redeemable term deposit maturing January 19, 2019. Interest is paid at annually @ 1.65%. | \$76,238 | \$75,000 |
| One year non-redeemable term deposit maturing January 19, 2019. Interest is paid at annually @ 1.45%. | 76,013 | 75,000 |
| One year non-redeemable term deposit maturing May 6, 2018. Interest is paid annually @ 1.35 % | 140,605 | 136,593 |
| | \$ 292,856 | \$286,593 |

MOOSE JAW MILITARY FAMILY RESOURCE CENTRE INC.

Notes to Financial Statements

Year Ended March 31, 2018

6. DEFERRED PROJECTS

Funds have been received for projects that have yet to be completed

| | <u>2018</u> | <u>2017</u> |
|--------------------------|-------------|-------------|
| <u>Projects</u> | | |
| Deferred Projects/ Wages | \$ 371,160 | \$ 322,401 |
