

ST. LAWRENCE NEIGHBOURHOOD ASSOCIATION

Financial Statements

December 31, 2017

(Unaudited)

ST. LAWRENCE NEIGHBOURHOOD ASSOCIATION

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Year Ended December 31, 2017

(Unaudited)

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Directors of St. Lawrence Neighbourhood Association

We have reviewed the accompanying financial statements of St. Lawrence Neighbourhood Association that comprise the statement of financial position as at December 31, 2017 and the statements of operations and 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of St. Lawrence Neighbourhood Association as at December 31, 2017, and the results of its operations and its cash flows for the year then ended in accordance with the Canadian accounting standards for not-for-profit organizations.

Other Matter

The financial statements of St. Lawrence Neighbourhood Association for the year ended December 31, 2016 were audited by another auditor whose report thereon, dated March 24, 2017, expressed a qualified opinion on those statements.

Hogg, Shain & Scheck PC

Toronto, Ontario
March 6, 2018

Authorized to practise public accounting by the
Chartered Professional Accountants of Ontario

ST. LAWRENCE NEIGHBOURHOOD ASSOCIATION

Statement of Financial Position

As at December 31, 2017

(Unaudited)

	2017	2016
ASSETS		
CURRENT		
Cash	\$ 19,023	\$ 26,502
Accounts receivable	1,000	-
Prepaid expenses	-	509
	<u>\$ 20,023</u>	<u>\$ 27,011</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 1,300	\$ 1,441
NET ASSETS		
UNRESTRICTED	<u>18,723</u>	<u>25,570</u>
	<u>\$ 20,023</u>	<u>\$ 27,011</u>

APPROVED ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

See the accompanying notes to these financial statements

ST. LAWRENCE NEIGHBOURHOOD ASSOCIATION

Statement of Operations and Changes in Net Assets

Year Ended December 31, 2017

(Unaudited)

	2017	2016
REVENUE		
Membership fees	\$ 12,338	\$ 12,138
Sponsorships	3,500	-
Fundraising	964	1,000
	<u>16,802</u>	<u>13,138</u>
EXPENSES		
Donations	12,949	24,184
Special events	6,561	7,447
Office and general	2,280	1,388
Professional fees	1,300	1,439
Website	559	249
Project costs	-	1,917
	<u>23,649</u>	<u>36,624</u>
DEFICIENCY OF REVENUE OVER EXPENSES	(6,847)	(23,486)
NET ASSETS - BEGINNING OF YEAR	<u>25,570</u>	<u>49,056</u>
NET ASSETS - END OF YEAR	<u>\$ 18,723</u>	<u>\$ 25,570</u>

See the accompanying notes to these financial statements

ST. LAWRENCE NEIGHBOURHOOD ASSOCIATION

Statement of Cash Flows

Year Ended December 31, 2017

(Unaudited)

	2017	2016
OPERATING ACTIVITIES		
Deficiency of revenue over expenses	\$ (6,847)	\$ (23,486)
Changes in non-cash working capital items:		
Accounts receivable	(1,000)	-
Prepaid expenses	509	(509)
Accounts payable and accrued liabilities	(141)	(513)
	(632)	(1,022)
DECREASE IN CASH	(7,479)	(24,508)
CASH - BEGINNING OF YEAR	26,502	51,010
CASH - END OF YEAR	\$ 19,023	\$ 26,502

See the accompanying notes to these financial statements

ST. LAWRENCE NEIGHBOURHOOD ASSOCIATION

Notes to Financial Statements

Year Ended December 31, 2017

(Unaudited)

1. NATURE AND PURPOSE OF THE ORGANIZATION

St. Lawrence Neighbourhood Association ("SLNA") is a not-for-profit organization incorporated without share capital in the Province of Ontario. The association is exempt from income tax in Canada as a not-for-profit organization under Section 149(1)(L) of the Income Tax Act (Canada).

SLNA's objective is to enhance the quality of life in the St. Lawrence neighbourhood in the City of Toronto. It does this by encouraging change and development in a manner beneficial to all its residents and holding events that nurture a sense of community.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are the representation of management and have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook and include the following significant accounting policies.

Revenue recognition

SLNA follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenues in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Contributions explicitly and implicitly restricted by the donor, including sponsorships, are deferred when received and recognized as revenues in the year in which the related activity takes place and expenses are incurred.

Membership fees are recognized as revenues upon receipt.

Revenues from fundraising are recorded in the year in which the related activity takes place and expenses are incurred.

Financial instruments

SLNA initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost.

The financial assets subsequently measured at amortized cost include cash and accounts receivable. The financial liability measured at amortized cost includes accounts payable.

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 amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. These estimates are reviewed periodically and adjustments are made to revenues and expenses as appropriate in the year they become known.

Contributed services

Volunteers contribute time to assist SLNA in carrying out its programs. SLNA would not normally purchase these services and as such, contributed services are not recognized in the financial statements.

ST. LAWRENCE NEIGHBOURHOOD ASSOCIATION

Notes to Financial Statements

Year Ended December 31, 2017

(Unaudited)

3. FINANCIAL INSTRUMENTS

Cash consists of bank deposits in interest-bearing chequing accounts at a Canadian financial institution. Cash balances are sufficient to cover accounts payable as they come due.

SLNA does not have significant credit risk in respect to its accounts receivable, which are closely monitored to ensure collectability. A provision for bad debts is provided for balances considered uncollectible and such provisions have not been material.

It is management's opinion that SLNA is not exposed to significant credit, market or liquidity risk in respect to its financial instruments.
