

VITA CENTRE
(formerly Vita Manor)

FINANCIAL STATEMENTS

JUNE 30, 2017

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VITA CENTRE

Report on the Financial Statements

We have audited the financial statements of Vita Centre which comprise the statement of financial position as at June 30, 2017 and the statements of fund balances, revenue and expenditure 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.

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.

INDEPENDENT AUDITOR'S REPORT *(continued)*

Basis for Qualified Audit Opinion

In common with similar non-profit organizations, the Organization derives revenue from donations. The completeness of the records of such revenue is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to income, excess of revenue over expenditures and cash flows from operations for the years ended June 30, 2017 and 2016, current assets and liabilities as at June 30, 2017 and 2016 and fund balances at both the beginning and end of the years end June 30, 2017 and 2016. Our audit opinion on the financial statements for the year ended June 30, 2016 was modified accordingly because of the possible effects of this limitation in scope.

Qualified Audit Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Vita Centre as at June 30, 2017 and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.



Mississauga, Ontario
October 23, 2017

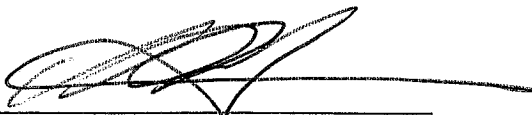
**CHARTERED PROFESSIONAL ACCOUNTANTS
LICENSED PUBLIC ACCOUNTANTS**

VITA CENTRE
(formerly Vita Manor)
STATEMENT OF FINANCIAL POSITION


AS AT JUNE 30	2017			Total	2016
	Operating	Capital	Reserve		Total
ASSETS					
Current					
Cash and cash equivalents	\$ 53,221	\$ 1,723	\$ 558,185	\$ 613,129	\$ 323,124
Investments	note 3 -	-	-	-	250,939
Accounts receivable	note 4 22,518	-	-	22,518	16,081
Sales tax recoverable	6,747	-	-	6,747	14,397
Prepaid expenses	17,298	-	-	17,298	20,446
	99,784	1,723	558,185	659,692	624,987
Capital	note 5 -	23,665	-	23,665	34,683
	\$ 99,784	\$ 25,388	\$ 558,185	\$ 683,357	\$ 659,670
LIABILITIES					
Current					
Accounts payable	note 6 \$ 72,755	\$ -	\$ -	\$ 72,755	\$ 47,387
Deferred revenue	note 7 71,156	-	-	71,156	107,071
	143,911	-	-	143,911	154,458
NET ASSETS					
Fund balance	page 5 (44,127)	25,388	558,185	539,446	505,212
	\$ 99,784	\$ 25,388	\$ 558,185	\$ 683,357	\$ 659,670

Commitments, note 8

Approved on behalf of the Board:



President



Treasurer

VITA CENTRE
(formerly Vita Manor)
STATEMENT OF FUND BALANCES

TRANSACTIONS FOR THE YEAR ENDED JUNE 30, 2017

	<u>Operating</u>	<u>Capital</u>	<u>Reserve</u>	<u>Total</u>
Fund balances, beginning of year	\$ (43,282)	\$ 34,683	\$ 513,811	\$ 505,212
Excess (shortfall) of revenue over expenditure for the year	45,825	(11,591)	-	34,234
Capital asset purchases	(2,296)	2,296	-	-
Transfer	(44,374)	-	44,374	-
Fund balances, end of year	\$ (44,127)	\$ 25,388	\$ 558,185	\$ 539,446

TRANSACTIONS FOR THE YEAR ENDED JUNE 30, 2016

	<u>Operating</u>	<u>Capital</u>	<u>Reserve</u>	<u>Total</u>
Fund balances, beginning of year	\$ (11,819)	\$ 38,393	\$ 580,595	\$ 607,169
Excess (shortfall) of revenue over expenditure for the year	(98,293)	(3,664)	-	(101,957)
Capital asset purchases	(8,231)	8,231	-	-
Transfer	75,061	(8,277)	(66,784)	-
Fund balances, end of year	\$ (43,282)	\$ 34,683	\$ 513,811	\$ 505,212

VITA CENTRE

(formerly Vita Manor)

STATEMENT OF REVENUE AND EXPENDITURE

FOR THE YEAR ENDED JUNE 30

		2017			2016		
		General	Capital	Total		Total	
					%		%
Revenue							
Fundraising activities	<i>schedule A</i>	\$ 59,770	\$ -	\$ 59,770	7.7	\$ 66,131	9.6
Donations	<i>schedule A</i>	69,939	-	69,939	9.0	84,154	12.2
Grants and recoveries	<i>schedule A</i>	647,708	1,723	649,431	83.2	534,955	77.9
Interest income		578	-	578	0.1	1,686	0.2
Memberships		840	-	840	0.1	763	0.1
		<u>778,835</u>	<u>1,723</u>	<u>780,558</u>	<u>100.0</u>	<u>687,689</u>	<u>100.0</u>
Expenditure							
Programs	<i>schedule B</i>	339,248	-	339,248	45.4	457,579	58.0
Fundraising	<i>schedule C</i>	29,468	-	29,468	3.9	65,784	8.3
Administration	<i>schedule C</i>	74,353	13,314	87,667	11.7	54,524	6.9
Administration - wages		154,900	-	154,900	20.8	110,884	14.0
Premises	<i>schedule C</i>	135,041	-	135,041	18.1	100,875	12.8
		<u>733,010</u>	<u>13,314</u>	<u>746,324</u>	<u>100.0</u>	<u>789,646</u>	<u>100.0</u>
Excess (shortfall) of revenue over expenditure for the year		<u>\$ 45,825</u>	<u>\$ (11,591)</u>	<u>\$ 34,234</u>		<u>\$ (101,957)</u>	

The accompanying notes are an integral part of these financial statements

VITA CENTRE
(formerly Vita Manor)
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30	2017	2016
Cash provided by (used by)		
Operating activities		
Excess (shortfall) of revenue over expenditure for the year	\$ 34,234	\$ (101,957)
Item not involving cash - amortization	<u>13,314</u>	<u>11,941</u>
	47,548	(90,016)
Changes in non-cash working capital balances		
Accounts receivable	(6,437)	(2,447)
Sales tax recoverable	7,650	10,487
Prepaid expenses	3,148	(2,231)
Accounts payable	25,368	(13,118)
Deferred leasehold incentive	-	(615)
Deferred revenue	<u>(35,915)</u>	<u>(65,825)</u>
	<u>41,362</u>	<u>(163,765)</u>
Investing activities		
Purchase of capital assets	<u>(2,296)</u>	<u>(8,231)</u>
Increase in cash for the year	<u>39,066</u>	<u>(171,996)</u>
Cash and investments, beginning of year	574,063	746,059
Cash and investments end of year	<u>\$ 613,129</u>	<u>\$ 574,063</u>
Represented by		
Cash and cash equivalents	\$ 613,129	\$ 323,124
Investments	<u>-</u>	<u>250,939</u>
	<u>\$ 613,129</u>	<u>\$ 574,063</u>

VITA CENTRE

(formerly Vita Manor)

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

1. Nature of the organization

Vita Centre's purpose is to provide pregnant women and their children with opportunities to enhance their well-being and live to their fullest potential through support programs, education and advocacy and to assist pregnant women to function independently in the community.

The Organization was incorporated July 30, 1991 without share capital under the laws of Ontario and is exempt from income taxes as a registered charity under the Income Tax Act. The Organization has met all of the requirements to maintain its tax exempt status.

2. Significant accounting policies

Disclosure and 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 amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the period in which they become known.

Fund Accounting

The Organization follows the principles of fund accounting whereby funds are segregated and their use restricted. The Organization has no donor restricted funds. The funds are held in accordance with the policies set by the Board.

Operating Fund	This fund includes the day-to-day programs of the Organization.
Capital Fund	Equipment is recorded at cost and are amortized over their estimated lives as follows - <ul style="list-style-type: none">Computer software and equipment - 33% straight lineFurniture and equipment - 20% declining balanceLeasehold improvements - straight line over lease term Capital assets are tested for impairment if events or changes in circumstances indicate that the carrying amount exceeds the fair value. The impairment test consists of a comparison of the fair value of the unamortized assets with their carrying amount. When the carrying amount exceeds the fair value, an impairment loss is recognized in an amount equal to the excess.
Reserve Fund	The purpose of a reserve is to safeguard a minimum of six months operating funds to ensure mission and service continuance and to prepare against unexpected contingencies, such as shortfalls in the annual budget and major repairs to equipment. Interest earned on this fund is returned to the Operating Fund.

VITA CENTRE

(formerly Vita Manor)

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

2. Significant accounting policies *(continued)*

Revenue recognition

The Organization follows the accrual basis of accounting except that donations are recorded when received.

Donations in kind

Volunteers contribute their time to assist the Organization in carrying out its activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

The Organization receives contributed materials, the fair value of which may or may not be reasonably determinable. Contributed materials are recognized as donations when fair value can be determined.

Cash and cash equivalents

Cash and cash equivalents include cash, and those short-term money market instruments that are readily convertible to cash with an original term of less than 90 days.

Financial instruments - recognition and measurement

The Organization records financial assets and financial liabilities at fair value with changes in fair value recognized in the statement of operations. Financial assets and financial liabilities are initially recognized at fair value and subsequently at amortized cost which approximates fair value. Financial assets are tested for impairment when change in circumstances indicate that the asset could be impaired. Write downs, if any, are recognized in the statement of operations and may be subsequently reversed to the extent that the effect after the reversal is the same as if there had been no write down. Transaction costs are expensed for items remeasured at fair value at each balance sheet date and charged to the financial instrument for those measured at amortized cost.

VITA CENTRE

(formerly Vita Manor)

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

2. Significant accounting policies *(continued)*

Financial instruments - recognition and measurement *(continued)*

Risk disclosures

The main risks to which the Organization's financial instruments are exposed are as follows -

Credit risk

The Organization is exposed to credit risk. The Organization's receivables are grants, bingo receipts and sales taxes receivable; accordingly, the risk of non-collectability is low.

Liquidity risk

The Organization is exposed to liquidity risk. Liquidity risk is the risk that the Organization is not able to meet its financial obligations as they fall due. Management has assessed liquidity risk as low given the makeup of its accounts payable and has provided sufficient funding to fulfill its obligations.

Market risk

The Organization is exposed to market risk. Market risk arises from the possibility that changes in market prices will affect the value of the financial instruments of the Organization. The Organization's short term investments are in an interest bearing account; accordingly, market risk is considered low.

Interest rate risk

The Organization is exposed to interest rate risk. The Organization has minor cash balances and no interest bearing debt. The Organization's current policy is to invest excess cash in a money market fund issued by its banking institutions; accordingly, there is exposure to interest rate fluctuations which are considered minor.

Sensitivity analysis

Assets as at June 30	2017		2016	
	Carrying amount	%	Carrying amount	%
Cash	\$ 613,129	89.7%	\$ 323,124	49.0%
Investments	-	0.0%	250,939	38.0%
Other assets at cost	70,228	10.3%	85,607	13.0%
Total assets	\$ 683,357	100.0%	\$ 659,670	100.0%

The Organization manages its risk through the overseeing of these investments by both the board and the Organization's external advisors. Changes are made to the investments as required.

Funding disclosure

The Organization is dependent on grants, donations and investment returns to fund its charitable activities and the Board manages these activities and makes adjustments to them based on the funds available.

There were no changes in the Organization's approach to funding during the current year.

The Organization has no externally imposed restrictions on its activities.

VITA CENTRE
(formerly Vita Manor)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

3. Investments

As at June 30	2017		2016	
	Cost	Fair Value	Cost	Fair Value
GIC - bearing interest at 0.6%				
due November 14, 2016	\$ -	\$ -	\$ 220,000	\$ 220,000
GIC - bearing interest at 0.55%				
due February 14, 2017	-	-	30,000	30,000
Accrued interest	-	-	939	939
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 250,939</u>	<u>\$ 250,939</u>

The fair values are included in Level 1 (in accordance with CPA Canada Handbook Section 3862) and have been determined by reference to quoted prices in active markets for identical investments.

4. Accounts receivable

As at June 30	2017	2016
Bingo	\$ 4,600	\$ 4,457
Region of Peel	-	6,140
Landlord rent refund	-	610
Legal fees	12,793	-
Other	5,125	4,874
	<u>\$ 22,518</u>	<u>\$ 16,081</u>

VITA CENTRE

(formerly Vita Manor)

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

5. Capital

As at June 30	2017		2016	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Computer equipment	\$ 33,948	\$ 29,147	\$ 33,948	\$ 25,436
Computer software	9,616	6,956	9,200	3,827
Furniture and equipment	19,085	17,518	17,205	17,104
Leasehold improvements	36,857	22,220	36,857	16,160
	<u>\$ 99,506</u>	<u>\$ 75,841</u>	<u>\$ 97,210</u>	<u>\$ 62,527</u>
Cost less accumulated amortization		<u>\$ 23,665</u>		<u>\$ 34,683</u>

6. Accounts payable

As at June 30	2017	2016
Trade and other	\$ 60,692	\$ 39,339
Source deductions	12,063	8,048
	<u>\$ 72,755</u>	<u>\$ 47,387</u>

VITA CENTRE
(formerly Vita Manor)
SCHEDULE A

FOR THE YEAR ENDED JUNE 30

2017

2016

FUNDRAISING ACTIVITIES

	Revenue	Expenditure	Net	Net
Bingo hall	\$ 60,900	\$ 7,200	\$ 53,700	\$ 48,289
Donations in kind	5,653	5,653	-	500
Golf tournament	-	-	-	11,256
Other	-	3,134	(3,134)	(2,186)
Third party events	9,204	-	9,204	5,272
Trivia night	-	-	-	3,000
	<u>\$ 75,757</u>	<u>\$ 15,987</u>	<u>\$ 59,770</u>	<u>\$ 66,131</u>

DONATIONS

Catholic Women's League	\$ 900	\$ 1,040
General	53,539	50,794
Knights of Columbus	15,500	12,320
Sifton Family Foundation	-	20,000
	<u>\$ 69,939</u>	<u>\$ 84,154</u>

GRANTS AND RECOVERIES

Brampton Community Foundation	\$ 2,748	\$ -
Catholic Charities - Core funding	121,200	120,000
Community Foundation of Mississauga	19,748	27,680
Federal Employment	1,972	4,605
Green Shield Canada	65,655	59,345
Program fees	2,000	6,000
PACE License fees	129,410	-
Region of Peel		
Core funding	113,198	102,553
Parenting collaborative	75,828	96,520
Organizational effectiveness	5,974	-
Capital	1,723	8,277
United Way of Peel		
Growing as Parents	45,450	45,450
Supper Connection	39,275	39,275
Counselling	25,250	25,250
	<u>\$ 649,431</u>	<u>\$ 534,955</u>

The accompanying notes are an integral part of these financial statements

VITA CENTRE
(formerly Vita Manor)
SCHEDULE B
PROGRAM EXPENDITURES

FOR THE YEAR ENDED JUNE 30

	2017			2016		
	Costs	Wages	Total	Costs	Wages	Total
Growing As Parents	\$ 2,649	\$ 44,771	\$ 47,420	\$ 6,551	\$ 71,056	\$ 77,607
Me, My Baby, Our World	173	1,111	1,284	831	4,638	5,469
Nobody's Perfect	1,732	17,918	19,650	1,258	4,720	5,978
Navigator	883	9,396	10,279	2,087	22,252	24,339
One To One Counselling	3,352	97,440	100,792	6,011	118,127	124,138
Parenting And Catholic Education	-	-	-	21,569	-	21,569
Peel Parenting Collaboration	75,828	-	75,828	96,656	-	96,656
Supper Connection	17,353	38,099	55,452	20,871	48,473	69,344
Volunteers	147	28,396	28,543	166	32,313	32,479
	\$ 102,117	\$ 237,131	\$ 339,248	\$ 156,000	\$ 301,579	\$ 457,579

The accompanying notes are an integral part of these financial statements

VITA CENTRE
(formerly Vita Manor)
SCHEDULE C

FOR THE YEAR ENDED JUNE 30

2017

2016

ADMINISTRATION

Amortization	\$ 13,314	\$ 11,941
Annual general meeting, board	173	303
Audit	7,626	5,757
Bank charges	1,370	1,691
Equipment lease	6,817	5,020
IT services	5,861	4,500
Consulting	13,299	-
Insurance	2,007	1,897
Legal	(2,863)	8,499
Office	35,243	11,974
Telephone	4,820	2,942
	\$ 87,667	\$ 54,524

PREMISES

Insurance	\$ 3,497	\$ 2,583
Rent	115,486	87,852
Repairs and maintenance	996	581
Utilities	15,062	9,859
	\$ 135,041	\$ 100,875

FUNDRAISING

Bank charges	\$ 215	\$ 67
Postage	1,385	1,969
Public relations	1,424	1,069
Travel	796	389
Wages and benefits	25,648	62,290
	\$ 29,468	\$ 65,784