



Financial Statements

The St. Christopher House

March 31, 2009

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Auditors' Report

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To the Directors of
The St. Christopher House

We have audited the statement of financial position of **The St. Christopher House** as at March 31, 2009, and the statements of operations and changes in fund balances, and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Grant Thornton LLP

Toronto, Ontario
June 12, 2009

Chartered Accountants
Licensed Public Accountants

The St. Christopher House

Statement of Financial Position

Year Ended March 31

	General Fund		Restricted Funds		Endowment Funds		Total	Total
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Assets								
Current assets								
Cash and cash equivalents	\$ 334,432	\$ 17,719	\$ -	\$ -	\$ 354,762	\$ -	\$ 689,194	\$ 17,719
Investments at fair value	438,503	541,090	421,504	449,797	212,642	212,642	1,072,649	1,203,529
Receivables	350,744	307,048	276,149	330,267	-	-	626,893	637,315
Prepaid insurance	-	30,258	-	-	-	-	-	30,258
	<u>1,123,679</u>	<u>896,115</u>	<u>697,653</u>	<u>780,064</u>	<u>567,404</u>	<u>212,642</u>	<u>2,388,736</u>	<u>1,888,821</u>
Capital assets (Note 4)	-	-	882,947	984,338	-	-	882,947	984,338
	<u>\$ 1,123,679</u>	<u>\$ 896,115</u>	<u>\$ 1,580,600</u>	<u>\$ 1,764,402</u>	<u>\$ 567,404</u>	<u>\$ 212,642</u>	<u>\$ 3,271,683</u>	<u>\$ 2,873,159</u>
Liabilities								
Current liabilities								
Payables and accruals	\$ 548,514	\$ 368,087	\$ 37,883	\$ 24,782	\$ -	\$ -	\$ 586,397	\$ 392,869
Deferred operating grants (Note 5)	233,402	223,002	-	-	-	-	233,402	223,002
Current portion of mortgage payable	-	-	3,333	3,112	-	-	3,333	3,112
	<u>781,916</u>	<u>591,089</u>	<u>41,216</u>	<u>27,894</u>	<u>-</u>	<u>-</u>	<u>823,132</u>	<u>618,983</u>
Mortgage payable (Note 6)	-	-	66,616	69,949	-	-	66,616	69,949
Deferred revenue (Note 7)	-	-	562,141	654,218	-	-	562,141	654,218
	<u>781,916</u>	<u>591,089</u>	<u>669,973</u>	<u>752,061</u>	<u>-</u>	<u>-</u>	<u>1,451,889</u>	<u>1,343,150</u>
Fund Balances								
Invested in capital assets	-	-	250,857	257,059	-	-	250,857	257,059
Externally restricted	-	-	145,050	240,465	567,404	212,642	712,454	453,107
Internally restricted	-	-	514,720	514,817	-	-	514,720	514,817
Unrestricted	341,763	305,026	-	-	-	-	341,763	305,026
	<u>341,763</u>	<u>305,026</u>	<u>910,627</u>	<u>1,012,341</u>	<u>567,404</u>	<u>212,642</u>	<u>1,819,794</u>	<u>1,530,009</u>
	<u>\$ 1,123,679</u>	<u>\$ 896,115</u>	<u>\$ 1,580,600</u>	<u>\$ 1,764,402</u>	<u>\$ 567,404</u>	<u>\$ 212,642</u>	<u>\$ 3,271,683</u>	<u>\$ 2,873,159</u>

On behalf of the Board

Director

Director

See accompanying notes to the financial statements.

The St. Christopher House

Statement of Operation and Changes in Fund Balances

Year Ended March 31

EXPENDITURES	General Fund			Restricted Funds			2009 Total	2009 Total	2008 Total
	Core	Art Affair	2009 Total	Externally Restricted	Specific Purposes	Capital Asset			
Salaries wages and employee benefits	\$ 4,179,416	\$ -	\$ 4,179,416	\$ 2,285,845	\$ -	\$ -	\$ 2,285,845	\$ 6,465,261	\$ 6,252,039
Building occupancy	281,829	-	281,829	161,427	-	-	161,427	443,256	478,460
Office expense	131,621	-	131,621	68,511	-	-	68,511	200,132	186,058
Recruitment/education	19,044	-	19,044	1,241	-	-	1,241	20,285	29,155
Communication and printing	5,640	11,002	16,642	6,914	-	-	6,914	23,556	26,184
Purchased services	250,254	-	250,254	1,205,142	-	-	1,205,142	1,455,396	503,494
Staff development	28,210	-	28,210	10,777	-	-	10,777	38,987	40,006
Staff travel	28,224	-	28,224	6,084	-	-	6,084	34,308	31,483
Transportation	44,459	-	44,459	24,133	-	-	24,133	68,592	91,341
Food services	206,053	-	206,053	3,499	-	-	3,499	209,552	220,340
Recreation, education and other program expenses	229,974	-	229,974	123,724	9,092	-	132,816	362,790	307,580
Fundraising Expenses	50,261	-	50,261	221	-	-	221	50,482	-
Depreciation	101,391	-	101,391	-	-	-	-	101,391	119,740
	<u>5,556,376</u>	<u>11,002</u>	<u>5,567,378</u>	<u>3,897,518</u>	<u>9,092</u>	<u>-</u>	<u>3,906,610</u>	<u>9,473,988</u>	<u>8,285,880</u>
REVENUES									
Federal government grant and subsidies	72,761	-	72,761	292,175	-	-	292,175	364,936	564,708
Provincial government grant - Ministry of Citizenship and Immigration	59,706	-	59,706	-	-	-	-	59,706	59,706
- Other	3,115,570	-	3,115,570	1,769,142	-	-	1,769,142	4,884,712	3,522,313
City of Toronto grants/ subsidies	330,507	-	330,507	635,329	-	-	635,329	965,836	928,606
United Way	710,542	-	710,542	120,140	-	-	120,140	830,682	951,267
Foundations	202,907	-	202,907	204,100	-	-	204,100	407,007	379,240
Investment income	45,227	-	45,227	-	-	-	-	45,227	42,446
Program fees	192,685	-	192,685	738,620	-	-	738,620	931,305	1,004,171
M.O.W. fees	123,834	-	123,834	-	-	-	-	123,834	148,058
Home help fees / respite	85,104	-	85,104	-	-	-	-	85,104	85,565
Alzheimers fees	83,476	-	83,476	-	-	-	-	83,476	65,622
Administration/supervision fees	360,126	-	360,126	-	-	-	-	360,126	212,685
Membership fees	404	-	404	-	-	-	-	404	1,873
Fundraising/donations	84,188	38,800	122,988	42,597	8,995	-	51,592	174,580	166,559
Deferred income realized	92,076	-	92,076	-	-	-	-	92,076	110,426
	<u>5,559,113</u>	<u>38,800</u>	<u>5,597,913</u>	<u>3,802,103</u>	<u>8,995</u>	<u>-</u>	<u>3,811,098</u>	<u>9,409,011</u>	<u>8,243,245</u>

See accompanying notes to the financial statements.

The St. Christopher House
Statement of Operation and Changes in Fund Balances (Continued)

Year Ended March 31

	General Fund			Restricted Funds			2009 <u>Total</u>	2009 <u>Total</u>	2008 <u>Total</u>
	<u>Core</u>	<u>Art Affair</u>	<u>2009 Total</u>	<u>Externally Restricted</u>	<u>Specific Purposes</u>	<u>Capital Asset</u>			
Excess (deficiency) of revenues over expenditures	\$ 2,737	\$ 27,798	\$ 30,535	\$ (95,415)	\$ (97)	\$ -	\$ (95,512)	\$ (64,977)	\$ (42,635)
Fund balances, beginning of year	13,468	291,558	305,026	240,465	514,817	257,059	1,012,341	1,317,367	1,360,002
Interfund transfers	<u>(16,205)</u>	<u>22,407</u>	<u>6,202</u>	<u>-</u>	<u>-</u>	<u>(6,202)</u>	<u>(6,202)</u>	<u>-</u>	<u>-</u>
Fund balances, end of Year	\$ <u>-</u>	\$ <u>341,763</u>	\$ <u>341,763</u>	\$ <u>145,050</u>	\$ <u>514,720</u>	\$ <u>250,857</u>	\$ <u>910,627</u>	\$ <u>1,252,390</u>	\$ <u>1,317,367</u>

See accompanying notes to the financial statements.

The St. Christopher House

Statement of Cash Flows

Year Ended March 31

2009

2008

Increase (decrease) in cash and cash equivalents

	2009	2008
Operating activities		
Excess (deficiency) of revenues over expenses	\$ (64,977)	\$ (42,635)
Depreciation	101,391	119,740
Deferred revenue	<u>(92,076)</u>	<u>(110,425)</u>
	(55,662)	(33,320)
Change in non-cash operating working capital		
Receivables	10,422	12,177
Prepaid insurance	30,258	(346)
Payables and accruals	193,528	35,616
Deferred operating grants	<u>10,400</u>	<u>(29,692)</u>
	<u>188,946</u>	<u>(15,565)</u>
Financing activity		
Mortgage repayment	<u>(3,112)</u>	<u>(2,746)</u>
Investing activity		
Endowment Fund receipts	354,762	-
Proceeds (purchases) of investments	<u>130,879</u>	<u>(27,075)</u>
	<u>485,641</u>	<u>(27,075)</u>
Net increase (decrease) in cash and cash equivalents	671,475	(45,386)
Cash and cash equivalents, beginning of year	<u>17,719</u>	<u>63,105</u>
Cash and cash equivalents, end of year	\$ <u>689,194</u>	\$ <u>17,719</u>

Other information:

Cash and cash equivalents consist of:

Cash on hand and balances with banks	\$ <u>689,194</u>	\$ <u>17,719</u>
Interest paid	\$ <u>4,924</u>	\$ <u>7,828</u>

See accompanying notes to the financial statements.

The St. Christopher House

Notes to the Financial Statements

March 31, 2009

1. Purpose of the organization

The St. Christopher House is a multi-service neighbourhood centre operating programs and providing social and economic support services for individuals in the City of Toronto's west end. The St. Christopher House is a registered charity under the Income Tax Act.

2. Future accounting changes

The CICA released the following new standards that are expected to be relevant to the organization's financial statements for its fiscal year commencing April 1, 2009:

Section 1535, "*Capital Disclosures*", establishes standards for disclosing information about an entity's capital and how it is managed. It describes the disclosure of the entity's objectives, policies and processes for managing capital as well as summary quantitative data on the elements included in the management of capital. The section seeks to determine if the entity has complied with capital requirements and if not, the consequences of such non-compliance.

CICA 4400 – "*Financial Statement Presentation by Not for Profit Organizations*" – This section was amended to permit a not for profit organization to present net assets invested in capital assets as a category of internally restricted net assets and clarification of presentation of revenue and expenses on a gross basis when the entity is acting as the principal in a transaction.

CICA 4460 – "*Disclosure of Related Party Transactions by Not for Profit Organizations*" – This section was amended to align the definition of related parties to CICA 3840 – "*Related Party Transactions*."

CICA 4470 – "*Disclosure of Allocated Expenses by Not-for-Profit Organizations*" – This section establishes disclosure standards for a Not-for-Profit Organization that classified its expenses by function and allocated its expenses to a number of functions to which the expenses relate.

The organization is currently assessing the impact of these new standards on its financial statements.

3. Significant accounting policies

Fund accounting

The St. Christopher House follows the restricted fund method of accounting for contributions.

General fund

The General Fund accounts for the organization's core program delivery and administrative activities as well as the fundraising activities of the Annual Art Affair. The fund reports unrestricted resources.

The St. Christopher House

Notes to the Financial Statements

March 31, 2009

3. Significant accounting policies (continued)

Restricted funds

Satellite operations are reported as externally restricted funds that are to be used for specific programs.

Specific Purposes Funds have been formally set aside by the St. Christopher House to be used for specific purposes.

The Capital Asset Fund reports the assets, liabilities, revenues and expenses of the St. Christopher House's capital assets.

The Endowment Fund reports resources contributed as endowments. Interest earned on those funds is recognized in core operations and is used to subsidize programs in accordance with the wishes of the donors. For clarity, the Endowment Fund is distinct from St. Christopher Endowment, which is a separate organization.

Deferral method

The deferral method is used to account for contributions recorded in a fund that includes other than externally restricted contributions, which are restricted as to their use.

Capital assets

Rates and bases of amortization applied to write off the cost less estimated salvage value of property and equipment over their estimated useful lives on a straight line basis are as follows:

Buildings	-	5%
Furniture, equipment and computers	-	25%
Automotive equipment	-	30%

Donated services and materials

Donated services of the volunteers are not recorded in the financial statements as the fair value of these services cannot reasonably be estimated. Donated materials received by way of gifts-in-kind are not recorded in the financial statements.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, balances with banks and short term investments with original maturities of three months or less.

The St. Christopher House

Notes to the Financial Statements

March 31, 2009

3. Significant accounting policies (continued)

Revenue recognition

Contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. Contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. All restricted contributions are recognized as revenue of the appropriate restricted fund, except that contributions for endowment are recognized as a direct increase in the Endowment Fund net assets.

Use of estimates

In preparing The St. Christopher House's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and reported amounts of revenue and expenses. Actual amounts could differ from these estimates.

Financial instruments

St. Christopher House classifies investments included on the balance sheet as held for trading and therefore are recorded at fair value. The accounts receivable was classified as loans and receivables and the payables and accruals and the mortgage payable were classified as other financial liabilities. The loans and receivables and other financial liabilities are reflected at amortized cost.

4. Capital assets			<u>2009</u>	<u>2008</u>
	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Land	\$ 197,200	\$ -	\$ 197,200	\$ 197,200
Buildings	1,555,803	870,056	685,747	763,539
Furniture, equipment and computers	200,943	200,943	-	7,305
Automotive equipment	<u>151,185</u>	<u>151,185</u>	<u>-</u>	<u>16,294</u>
	<u>\$ 2,105,131</u>	<u>\$ 1,222,184</u>	<u>\$ 882,947</u>	<u>\$ 984,338</u>

The St. Christopher House

Notes to the Financial Statements

March 31, 2009

5. Deferred operating grants

Deferred operating grants reported in the General Fund represent funding for programs received in the current period that relates to the subsequent period programs.

6. Mortgage payable

The mortgage payable is amortized over a 25 year term renewable every 5 years. Currently, the mortgage payable bears interest at 7.0% and matures June 2012. The building at 248 Ossington Ave. having a carrying value of \$170,177 is pledged as collateral.

7. Deferred revenue

Deferred revenue represents restricted grants and donations received to purchase capital assets. This amount will be amortized on the same basis as the cost of the related assets.

8. Commitments

The St. Christopher House has entered into various agreements to lease office equipment. The future minimum payments over the next five years and beyond are as follows:

2010	\$ 49,473
2011	49,473
2012	46,360
2013	27,484
Thereafter	51,897

9. Financial instruments

Fair value of financial instruments

The estimated fair values of cash and short term investments, receivables and payables and accruals approximate carrying value due to the relatively short term nature of the instruments. The estimated fair value of the mortgage payable approximates the amortized cost due to the effective interest rate that is not significantly different from market rate.

Credit risk

The credit risk with respect to receivables is limited due to the majority of revenue coming from government sources.

Interest risk

The St. Christopher House is exposed to interest rate risk because the interest on its short term investments and mortgage payable may vary from time to time.