

**CHOICES Association Inc.**  
**Financial Statements**  
**For the year ended March 31, 2017**

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**Financial Statements**  
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## Independent Auditor's Report

### To the Directors of CHOICES Association Inc.

We have audited the accompanying financial statements of CHOICES Association Inc. (the "Association"), which comprise the statement of financial position as at March 31, 2017, and the statements of revenue and expenses, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information. These financial statements have been prepared by management based on the financial reporting provisions of the Program Guidelines of the Ministry of Community and Social Services, as described in Note 1.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Ministry of Community and Social Services, as described in Note 1; this includes the determination that the basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances, and for such internal control as management determines is necessary to enable the preparation of the 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 Association'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 purposes of expressing an opinion on the effectiveness of the Association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Association, as well as evaluating the overall presentation of the financial statements.

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2017, and the results of its operations and its cash flows for the year then ended in accordance with the financial reporting provisions of the Program Guidelines of the Ministry of Community and Social Services as described in Note 1.

### Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Association to comply with the financial reporting provisions of the Ministry of Community and Social Services. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Association and the Ministry of Community and Social Services and should not be distributed to or used by parties other than the Association or the Ministry of Community and Social Services.

*BDO Canada LLP*

Chartered Professional Accountants, Licensed Public Accountants  
Burlington, Ontario  
September 11, 2017

## CHOICES Association Inc. Statement of Financial Position

**March 31** **2017** **2016**

### Assets

#### Current

Cash	\$ 647,049	\$ 134,942
Accounts receivable	209,129	137,970
Prepaid expenses	48,216	24,206
HST receivable	135,441	243,234
	<u>1,039,835</u>	<u>540,352</u>

Capital assets (Note 2)	2,590,341	2,546,318
Cash - restricted (Note 4)	46,597	43,849
	<u>46,597</u>	<u>43,849</u>

**\$ 3,676,773    \$ 3,130,519**

### Liabilities and Net Assets

#### Current

Accounts payable and accrued liabilities	\$ 1,107,588	\$ 684,890
Current portion of long-term debt (Note 3)	302,856	74,942
Ministry of Housing capital reserve (Note 4)	46,597	43,849
	<u>1,457,041</u>	<u>803,681</u>

Long-term debt (Note 3)	497,373	800,229
	<u>497,373</u>	<u>800,229</u>
	<u>1,954,414</u>	<u>1,603,910</u>

#### Net assets

Net assets in Nevada lottery fund	8,319	8,319
Net assets internally restricted (Note 5)	123,000	123,000
Net assets in operating fund	1,591,040	1,395,290
	<u>1,722,359</u>	<u>1,526,609</u>

**\$ 3,676,773    \$ 3,130,519**

On behalf of the Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**CHOICES Association Inc.**  
**Statement of Changes in Net Assets**

<b>For the year ended March 31</b>	<b>Nevada Lottery Fund</b>	<b>Internally Restricted Reserve Fund</b>	<b>Operating Fund</b>	<b>2017</b>	<b>2016</b>
<b>Net assets, beginning of year</b>	\$ 8,319	\$ 123,000	\$ 1,395,290	\$ 1,526,609	\$ 1,617,816
<b>Excess (deficiency) of revenue over expenses for the year</b>	-	-	195,750	195,750	(91,207)
<b>Net assets, end of year</b>	\$ 8,319	\$ 123,000	\$ 1,591,040	\$ 1,722,359	\$ 1,526,609

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

## CHOICES Association Inc. Statement of Revenue and Expenses

For the year ended March 31

2017

2016

### Revenue

Provincial subsidy	\$ 8,115,287	\$ 8,054,716
Federal subsidy	81,254	81,254
Paper products program	-	40,940
Program revenue	140,230	198,352
Ontario disability support program	605,956	602,682
Fee for service	218,310	286,965
Client support funding	52,252	90,034
Special needs funding	221,425	119,704
Donations	4,465	10,295
Fundraising	3,994	2,102
Interest income	-	995
Rent	58,460	68,270
Miscellaneous income	-	6,920
	<u>9,501,633</u>	<u>9,563,229</u>

### Expenses

Administration (Note 10)	926,551	799,857
Advertising and promotion	277	2,050
Amortization	82,000	72,342
Comfort allowance	-	664
Employee benefits	1,046,137	1,041,896
Employee salaries	4,271,013	4,137,136
Expense recovery	(4,526)	-
Food and supplies	177,617	187,569
Insurance	60,546	-
Interest expense	16,351	12,551
Miscellaneous	30,578	7,645
Paper products program costs	2,173	3,711
Purchased services	1,429,194	1,889,290
Purchased services - out paid resources	502,383	597,273
Rent	91,023	122,394
Repairs and maintenance	501,065	580,305
Staff training	20,305	16,946
Staff travel	22,021	41,279
Supplies	663	626
Training incentives	2,886	9,348
Utilities	124,878	128,806
	<u>9,303,135</u>	<u>9,651,688</u>
Capital reserve allowance	2,748	2,748
	<u>9,305,883</u>	<u>9,654,436</u>

<b>Excess (deficiency) of revenue over expenses for the year</b>	<b>\$ 195,750</b>	<b>\$ (91,207)</b>
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The accompanying notes are an integral part of these financial statements.

**CHOICES Association Inc.**  
**Schedule 1 - Revenue and Expenses**  
**Day Programs**

<b>For the year ended March 31</b>	<b>2017</b>	<b>2016</b>
<b>Revenue</b>		
Provincial subsidy	\$ 918,662	\$ 918,238
Paper products program	-	40,940
Miscellaneous income	-	6,920
	<u>918,662</u>	<u>966,098</u>
<b>Expenses</b>		
Administration (Note 10)	54,652	88,404
Advertising and promotion	34	112
Amortization	1,813	-
Employee benefits	158,693	139,951
Employee salaries	511,372	507,344
Expense recovery	(3,292)	-
Food and supplies	8,267	9,087
Miscellaneous	150	19
Paper products program costs	2,173	3,711
Purchased services	40,639	60,090
Rent	9,395	7,270
Repairs and maintenance	104,055	121,800
Staff training	1,246	2,340
Staff travel	1,708	4,665
Training incentives	2,886	9,348
Utilities	24,512	22,492
	<u>918,303</u>	<u>976,633</u>
<b>Excess (deficiency) of revenue over expenses</b>	<b>\$ 359</b>	<b>\$ (10,535)</b>

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



**CHOICES Association Inc.**  
**Schedule 2 - Revenue and Expenses**  
**Family Home Program**

<b>For the year ended March 31</b>	<b>2017</b>	<b>2016</b>
<b>Revenue</b>		
Provincial subsidy	\$ 466,627	\$ 466,627
Ontario disability support program	169,142	190,444
	<u>635,769</u>	<u>657,071</u>
<b>Expenses</b>		
Administration (Note 10)	68,139	46,362
Advertising and promotion	20	70
Employee benefits	34,523	52,848
Employee salaries	131,627	208,638
Miscellaneous	119	165
Purchased services	365,500	300,760
Rent	25,738	27,145
Repairs and maintenance	1,116	5,036
Staff training	1,213	784
Staff travel	4,463	8,011
Supplies	79	306
Utilities	3,767	6,946
	<u>636,304</u>	<u>657,071</u>
<b>Deficiency of revenue over expenditures</b>	<u>\$ (535)</u>	<u>\$ -</u>

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



**CHOICES Association Inc.**  
**Schedule 3 - Revenue and Expenses**  
**Supported Independent Living Program**

<b>For the year ended March 31</b>	<b>2017</b>	<b>2016</b>
<b>Revenue</b>		
Provincial subsidy	\$ 279,542	\$ 258,254
<b>Expenses</b>		
Administration (Note 10)	78,846	24,599
Advertising and promotion	4	14
Purchased services	1,022	909
Employee benefits	36,918	40,529
Employee salaries	147,533	170,605
Miscellaneous	1,490	447
Rent	3,571	3,768
Repairs and maintenance	197	325
Staff training	1,018	2,311
Staff travel	6,880	12,804
Supplies	585	320
Utilities	1,478	1,623
	<u>279,542</u>	<u>258,254</u>
<b>Excess of revenue over expenditures</b>	<b>\$ -</b>	<b>\$ -</b>

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

**CHOICES Association Inc.**  
**Schedule 4 - Revenue and Expenses**  
**Group Living Support Program**

**For the year ended March 31**

**2017**

**2016**

**Revenue**

Provincial subsidy	\$ 6,450,456	\$ 6,411,597
Ontario disability support program	436,814	412,238
Client support funding	52,252	90,034
Special needs funding	221,425	119,704
	<u>7,160,947</u>	<u>7,033,573</u>

**Expenses**

Administration (Note 10)	698,484	602,461
Advertising and promotion	219	703
Amortization	5,245	-
Comfort allowance	-	664
Employee benefits	812,442	761,379
Employee salaries	3,458,678	3,036,821
Expense recovery	(1,234)	-
Rent	38,863	68,742
Repairs and maintenance	246,776	222,207
Food and supplies	169,350	178,482
Insurance	60,546	-
Miscellaneous	19,522	1,526
Purchased services	852,858	1,515,998
Purchased services - out paid resources	502,383	597,273
Staff training	16,414	11,511
Staff travel	8,970	15,799
Utilities	63,609	81,799
	<u>6,953,125</u>	<u>7,095,365</u>

**Excess (deficiency) of revenue over expenses**

**\$ 207,822    \$ (61,792)**

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**CHOICES Association Inc.**  
**Schedule 5 - Revenue and Expenses**  
**Inclusion and Respite Support Program**

<b>For the year ended March 31</b>	<b>2017</b>	<b>2016</b>
<b>Revenue</b>		
Fee for service	<u>\$ 218,310</u>	<u>\$ 286,965</u>
<b>Expenses</b>		
Administration (Note 10)	23,410	28,071
Employee benefits	3,561	45,887
Employee salaries	21,803	207,528
Purchased services	168,785	8,181
Staff training and travel	<u>414</u>	<u>-</u>
	<u>217,973</u>	<u>289,667</u>
<b>Excess (deficiency) of revenue over expenses</b>	<u><b>\$ 337</b></u>	<u><b>\$ (2,702)</b></u>

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

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**CHOICES Association Inc.**  
**Schedule 6 - Revenue and Expenses**  
**Small Water Works Program**

<b>For the year ended March 31</b>	<b>2017</b>	<b>2016</b>
<b>Revenue</b>		
Program revenue	<u>\$ 20,000</u>	<u>\$ 20,000</u>
<b>Expenses</b>		
Administration (Note 10)	300	1,800
Repairs and maintenance	14,359	14,248
Utilities	<u>5,341</u>	<u>3,952</u>
	<u>20,000</u>	<u>20,000</u>
<b>Excess of revenue over expenditures</b>	<u>\$ -</u>	<u>\$ -</u>

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

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**CHOICES Association Inc.**  
**Schedule 7 - Revenue and Expenses**  
**Partner Facility Renewal Program**

<b>For the year ended March 31</b>	<b>2017</b>	<b>2016</b>
<b>Revenue</b>		
Program revenue	\$ 120,230	\$ 178,352
<b>Expenses</b>		
Repairs and maintenance	<u>120,230</u>	<u>190,429</u>
<b>Excess (deficiency) of revenue over expenses</b>	<b>\$ -</b>	<b>\$ (12,077)</b>

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

**CHOICES Association Inc.**  
**Schedule 8 - Revenue and Expenses**  
**Other Programs**

<b>For the year ended March 31</b>	<b>2017</b>	<b>2016</b>
<b>Revenue</b>		
Federal subsidy	\$ 81,254	\$ 81,254
Donations	4,465	10,295
Fundraising	3,994	2,102
Interest income	-	995
Rent	58,460	68,270
	<u>148,173</u>	<u>162,916</u>
<b>Expenses</b>		
Administration (Note 10)	2,720	8,160
Advertising and promotion	-	1,151
Amortization	74,942	72,342
Employee benefits	-	1,302
Employee salaries	-	6,200
Interest expense	16,351	12,551
Rent expense	13,456	15,469
Repairs and Maintenance	28,691	26,260
Miscellaneous	9,297	5,488
Purchase services	390	3,352
Utilities	11,812	11,994
	<u>157,659</u>	<u>164,269</u>
<b>Capital reserve allowance</b>	<u>2,748</u>	<u>2,748</u>
<b>Deficiency of revenue over expenses</b>	<u>\$ (12,234)</u>	<u>\$ (4,101)</u>

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

## CHOICES Association Inc. Statement of Cash Flows

For the year ended March 31	2017	2016
<b>Cash flows from operating activities</b>		
Excess (deficiency) of revenue over expenses for the year	\$ 195,750	\$ (91,207)
Adjustments to reconcile excess (deficiency) of revenue over expenses to net cash provided by operating activities		
Amortization	82,000	72,342
Changes in non-cash working capital balances		
Accounts receivable	(71,159)	74,366
HST receivable	107,793	(25,104)
Inventory	-	5,189
Prepaid expenses	(24,010)	(1,134)
Accounts payable and accrued liabilities	422,698	(142,214)
Ministry of Housing capital reserve	2,748	2,748
	<u>715,820</u>	<u>(105,014)</u>
<b>Cash flows from investing activities</b>		
Change in cash-restricted	(2,748)	(2,748)
Purchase of capital assets	<u>(126,023)</u>	<u>-</u>
	<u>(128,771)</u>	<u>(2,748)</u>
<b>Cash flows from financing activity</b>		
Repayment of long-term debt	<u>(74,942)</u>	<u>(72,342)</u>
<b>Increase (decrease) in cash during the year</b>	<b>512,107</b>	<b>(180,104)</b>
<b>Cash, beginning of year</b>	<u><b>134,942</b></u>	<u><b>315,046</b></u>
<b>Cash, end of year</b>	<u><b>\$ 647,049</b></u>	<u><b>\$ 134,942</b></u>

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



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## CHOICES Association Inc. Notes to Financial Statements

March 31, 2017

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### 1. Significant Accounting Policies

#### Purpose of the Association

CHOICES Association Inc. (the "Association") was incorporated without share capital on June 15, 1981 under the laws of the Province of Ontario and is a registered charity exempt from tax under the *Income Tax Act*.

The Association's mission is to actively pursue a continuum of service that will enhance the quality of life for individuals with developmental disabilities and to promote the worth and self-worth of the individuals they serve.

#### Basis of Presentation

These financial statements have been prepared in accordance with the significant accounting policies set out below to comply with the funding agreement of the Ministry of Community and Social Services (the "MCSS"). The basis of accounting used in these financial statements materially differs from Canadian accounting standards for not-for-profit organizations as follows:

- a) Allocations to the Ministry of Housing (the "MOH") capital reserve fund are made through the statement of revenue and expenses rather than the statement of funds;
- b) Amortization is provided on restricted capital assets in an amount equal to the reduction in the principal balance outstanding on mortgage funds in accordance with the Ministry of Housing guidelines. Similarly, amortization is provided on unrestricted capital assets equal to the reduction in principal balance on the outstanding mortgages;
- c) Major repairs, upgrades and expenditures and replacement of capital assets are either funded as an allocation from the MOH capital reserve fund, or expensed in the year of acquisition.

#### Capital Assets

Capital assets are stated at cost. Amortization is provided on restricted capital assets in an amount equal to the reduction in the principal balance outstanding on mortgage funds in accordance with the Ministry of Housing guidelines. Similarly, amortization is provided on unrestricted capital assets equal to the reduction in principal balance on the outstanding mortgages. Vehicles are amortized on a straight line basis over five years.

#### Revenue Recognition

The Association follows the deferral method of accounting for contributions. Restricted contributions are deferred and recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received.

Revenue from unrestricted donations is recognized as donation revenue as it is received and is receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

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## CHOICES Association Inc. Notes to Financial Statements

March 31, 2017

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### 1. Significant Accounting Policies (Continued)

#### **Revenue Recognition** (continued)

Revenue from services is recognized as revenue when the service is provided and if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue from the Mulberry Bush and paper products sales is recorded as revenue as goods are received, price is fixed and determinable and collection is reasonably assured.

Revenue from rent is recognized as revenue as it is received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

#### **Use of Estimates**

The preparation of the financial statements in accordance with the financial reporting provisions established by the MCSS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the year. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in the period in which they become known. Actual results could differ from management's best estimates as additional information becomes available in the future.

#### **Allocation of Central Administration Expenses**

The Association allocates central administration costs to programs in accordance with the MCSS financial policy directive. Central administration expenses (Note 10), which do not pertain specifically to a project, are allocated based on management's best estimate on the service or effort expended, the amount of revenue related to the project and are expected not to exceed 10% of total expenditures.

#### **Financial Instruments**

Financial instruments are recorded at fair value when acquired or issued. Subsequently, all financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each statement of financial position date and charged to the financial instrument for those measured at amortized cost.

#### **Contributed Goods and Services**

The Association, from time to time, receives donations of goods. Because of the difficulty in determining their fair value, contributed goods and services are not recognized in the financial statements.

## CHOICES Association Inc. Notes to Financial Statements

**March 31, 2017**

### 2. Capital Assets

#### Capital assets (unrestricted):

	2017		2016	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land and buildings				
Westfield Residence	\$ 780,420	\$ -	\$ 780,420	\$ -
Silver Court Residence	391,497	270,466	391,497	251,939
Mohawk Residence	745,074	597,304	745,074	574,344
Vehicles	125,898	7,058	-	-
	<b>\$ 2,042,889</b>	<b>\$ 874,828</b>	<b>\$ 1,916,991</b>	<b>\$ 826,283</b>

#### Capital assets (restricted):

Capital assets acquired through funds provided by the Government of Ontario consist of the following:

	2017		2016	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land and buildings				
Orkney Road Residence	\$ 416,741	\$ -	\$ 416,741	\$ -
Harvest Road Residence	473,986	-	473,986	-
Carlisle Residence	462,522	177,560	462,522	165,365
Rockton Residence	554,301	307,710	554,301	286,575
	<b>\$ 1,907,550</b>	<b>\$ 485,270</b>	<b>\$ 1,907,550</b>	<b>\$ 451,940</b>

<b>Total net book value of land and buildings</b>	<b>\$ 2,590,341</b>	<b>\$ 2,546,318</b>
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The Association operates several group homes, the acquisition of which was funded by the Province of Ontario through its respective Ministries: the MCSS and the MOH. Accordingly, the Province of Ontario has registered its financial interest on title thereby restricting the disposition of these facilities. The Association is required under the Portfolio Operating Agreement, section 7.1, to obtain written consent prior to the disposition of these residences, to which consent may be withheld. In the event of such disposition, the excess of proceeds less any encumbrances against the respective project would be payable to the Province of Ontario through the respective Ministries. Due to fluctuations in market values and the uncertainty regarding the timing of any disposition, the extent of such liability is not determinable and has not been recorded in the financial statements. During the year, there were no dispositions which would require a liability to be recorded to MCSS or the MOH.

## CHOICES Association Inc. Notes to Financial Statements

**March 31, 2017**

### 3. Long-term Debt

	2017	2016
Mortgage - \$3,764 monthly payments of principal and interest at 2.16% semi-annually, secured by Carlisle and Rockton Residences, maturing November 2019	\$ 531,552	\$ 564,883
Mortgage - \$2,054 monthly payments of principal and interest at 4.66% annually, secured by Silver Court Residence, maturing February 2018	121,011	139,558
Mortgage - \$2,544 monthly payments of principal and interest at 4.66% semi-annually, secured by Mohawk Residence, maturing January 2018	147,666	170,730
	<u>800,229</u>	<u>875,171</u>
Less: Current portion	302,856	74,942
	<u>\$ 497,373</u>	<u>\$ 800,229</u>

Principal repayments for the next three years are as follows:

2018	\$ 302,856
2019	34,797
2020	462,576
	<u>\$ 800,229</u>

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## **CHOICES Association Inc. Notes to Financial Statements**

**March 31, 2017**

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### **4. Ministry of Housing Capital Reserve**

The Ministry of Housing Capital Reserve Fund has been established to provide for the future major expenditures of the residences. The Association increases this reserve each year by \$2,748.

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### **5. Internally Restricted Reserve Fund**

On April 24, 2012, the Board of Directors resolved to create an Internally Restricted Reserve Fund with proceeds from the sale of the Hildegard residence. Funds in the amount of \$123,000 are restricted for use for future real estate purchases or as directed by the Board of Directors.

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### **6. Economic Interest**

The Association has an economic interest in CHOICES Foundation Inc. (the "Foundation"). The objective of the Foundation is to pursue fundraising activities, which may benefit the Association. The net assets reported by the Foundation are \$810,977 (2016 - \$816,261).

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### **7. Contingencies**

There are certain legal claims outstanding that have arisen in the normal course of business. Due to the nature of these claims and the inability to estimate the outcome, no amounts have been recorded in these financial statements.

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**CHOICES Association Inc.**  
**Notes to Financial Statements**

**March 31, 2017**

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**8. Financial Instrument Risks**

**Credit Risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Association is exposed to credit risk resulting from the possibility that a customer or counterparty to a financial instrument defaults on their financial obligations. The Association is subject to credit risk through its accounts receivable. This risk has not changed from the prior year.

**Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Association is exposed to interest rate risk arising from the possibility that changes in interest rates will affect the fair value of its long-term debt. This risk has not changed from the prior year.

**Liquidity Risk**

Liquidity risk is the risk that the Association encounters difficulty in meeting its obligations associated with its financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Association will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. Liquidity risk arises from the Association's accounts payable and accrued liabilities and long-term debt. This risk has not changed from the prior year.

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**9. Comparative Amounts**

The comparative amounts presented in the financial statements have been reclassified to conform to the current year's presentation.

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**CHOICES Association Inc.**  
**Notes to Financial Statements**

**March 31, 2017**

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**10. Administrative Expenses**

The Association's administrative expenses are allocated based on project costs, which are based on management's best estimate on the service or effort expended, as follows:

	<u>2017</u>	<u>2016</u>
<b>Expenses</b>		
Employee salaries	\$ 408,272	\$ 276,770
Employee benefits	103,226	84,068
Insurance	12,118	66,236
Miscellaneous	13,337	2,746
Purchased services	183,350	247,441
Rent	64,763	64,518
Repairs and maintenance	19,119	13,733
Staff training	64,247	10,154
Staff travel	2,571	4,101
Supplies	45,072	16,418
Utilities	10,476	13,672
	<u>\$ 926,551</u>	<u>\$ 799,857</u>
<b>Allocation to programs</b>		
Day Programs	\$ 54,652	\$ 88,404
Family Home Program	68,139	46,362
Supported Independent Living Program	78,846	24,599
Group Living Support Program	698,484	602,461
Inclusion and Respite Support Program	23,410	28,071
Small Water Works Program	300	1,800
Ministry of Housing Program	2,720	8,160
	<u>\$ 926,551</u>	<u>\$ 799,857</u>