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# LEGARI & ASSOCIATES

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Accounting • Taxation • Auditing

May 27, 2020

To: Directors/Board Members  
954874 Ontario Inc  
O/A Eltoc  
Ottawa, Ontario

This report represents the completion of my examination of the financial books and records for the year April 1, 2019 to March 31, 2020.

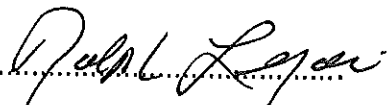
This report also includes the Balance Sheet & Statement of Income and Expenses with comparative figures from the last fiscal year.

I appreciate the opportunity to assist you, and should you have any questions please do not hesitate to contact me.

Yours truly

Ralph F. Legari

Legari & Associates

Dated this 27<sup>th</sup>. Day of May, 2020.....  
Ralph F. Legari

**954874 ONTARIO INCORPORATED**

**O/A ELTOC**

**SCOPE OF THIS INTERNAL EXAMINATION/REVIEW**

**FOR THE FISCAL YEAR ENDED MARCH 31, 2020**

My examination included tests and other auditing procedures to ensure that all revenues were recorded and that proper deployment of expenses procedures were adhered to. The primary purpose of this audit was to ensure:

- That funds raised are for their intended purpose
- That financial & accounting policies & procedures have been strictly adhered to
- That all opening balances agree with the prior year's statements

**ELTOC**  
**954874 ONTARIO INCORPORATED**

**INTERNAL EXAMINATION/REVIEW**  
**FINANCIAL REPORTING**

**MONTHLY BANK RECONCILIATIONS**

This examination/review reviewed Individual reports to ensure the following:

- A) The balances from the previous year end have been properly brought forward
- B) The list of outstanding cheques and deposits were properly noted
- C) The true bank balance as per the bank statement was verified

The documentation to substantiate the banking records were all noted

## **FINANCIAL REPORTS**

### **BALANCE SHEET**

Total assets in any organization are utilized for future projects. This is outlined in the investment documents presented. Overall, the current assets for the fiscal year show an increase in cash of \$20,612.00. A small increase in the investment amount was justified with the increase in interest earned. No changes were noted in the utilization of the funds.

The working papers have properly outlined in detail the final results of the activities and what and how funds were utilized.

### **LIABILITIES/EQUITY**

Proper documentation was all accounted for the various liability amounts. No substantial changes were noted.

An increase in the equity account was due to the increase in current earnings compared to the last year.

**FINANCIAL REPORTS**  
**STATEMENT OF INCOME & EXPENSES**

**REPORTED INCOME**

There was an overall increase in the total revenue compared to the last fiscal year-namely an increase in donations of \$8,073.00 and the IRCC program of \$37,383.00. These increases were properly substantiated.

**GENERAL & ADMINISTRATIVE EXPENSES**

The primary budget reports were all reviewed for continuity.

There was an increase in expenditures over the last fiscal year, namely in the appropriation of wages/benefits to the tune of \$44,631.00. As well rent costs increased. The vast majority of other administrative expenses were in line what was set out.

Records presented were accurate as presented.

### **SUMMATION**

The overall reporting procedures and the documents presented were found to be efficiently administered. Controls were in place and back up documents were all accounted for.

**954874 ONTARIO INC**  
**OPERATING AS ELTOC**  
**BALANCE SHEET**

**AS AT MARCH 31 2020-WITH COMPARISON FIGURES FROM THE PREVIOUS YEAR**

	<b><u>ASSETS</u></b>	
	<b><u>2019-2020</u></b>	<b><u>2018-2019</u></b>
<b><u>CURRENT ASSETS</u></b>		
BANK	\$ 90,279.53	\$ 69,667.41
PETTY CASH	\$ 400.00	\$ 400.00
INVESTMENTS	\$ 56,961.37	\$ 56,239.86
ACCOUNTS RECEIVABLE		
GRANT RECEIVABLES	\$ 23,812.00	\$ 26,826.00
PREPAID EXPENSE		\$ 575.44
TOTAL CURRENT ASSETS	<b><u>\$ 171,452.90</u></b>	<b><u>\$ 153,708.71</u></b>
<b><u>LIABILITIES &amp; EQUITY</u></b>		
<b><u>CURRENT LIABILITIES</u></b>		
ACCOUNTS PAYABLE/ACCRUED EXPENSES	\$ 11,461.13	\$ 9,090.23
DEFERRED INCOME	\$ 33,571.58	\$ 33,571.58
GST REFUND	\$ (3,414.66)	\$ (4,028.37)
TOTAL CURRENT ASSETS	<b><u>\$ 41,618.05</u></b>	<b><u>\$ 38,633.44</u></b>
<b><u>EQUITY</u></b>		
RETAINED EARNINGS-APRIL 1,2019	\$ 115,075.27	\$ 108,775.19
CURRENT EARNINGS-STATEMENT OF INCOME & EXPENSES	\$ 14,759.58	\$ 6,300.08
RETAINED EARNINGS-MARCH 31,2020	<b><u>\$ 129,834.85</u></b>	<b><u>\$ 115,075.27</u></b>
TOTAL LIABILITY & EQUITY	<b><u>\$ 171,452.90</u></b>	<b><u>\$ 153,708.71</u></b>

**954874 ONTARIO INC**  
**OPERATING AS ELTOC**  
**STATEMENT OF INCOME & EXPENSES**  
**FOR THE YEAR ENDED MARCH 31 2020 WITH COMPARISON FIGURES FROM THE PREVIOUS YEAR**

**INCOME**

	<b>2019-2020</b>	<b>2018-2019</b>
IRCC	\$ 453,838.00	\$ 416,456.00
DONATIONS	\$ 18,817.12	\$ 10,744.78
FUND RAISING	\$ 5,340.00	\$ 4,045.00
GRANT REVENUE	\$ 4,785.00	\$ 4,785.00
INTEREST INCOME	\$ 739.09	\$ 614.59
DONATIONS REALIZED		

TOTAL INCOME GENERATED	<b><u>\$ 483,519.21</u></b>	<b><u>\$ 436,645.37</u></b>
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**GENERAL & ADMINISTRATIVE EXPENSES**

ADMINISTRATIVE EXPENSES/STAFF APPRECIATION	\$ (649.97)	\$ (155.48)
ADVERTISING/PROMOTION	\$ (1,250.69)	\$ (1,034.69)
INTEREST/BANK CHARGES	\$ (1,550.48)	\$ (1,418.07)
3RD PARTY CONSULTING FEES	\$ (51,000.00)	\$ (51,000.00)
EQUIPMENT RENTAL	\$ (349.44)	\$ (352.88)
FURNITURE/EQUIPMENT		\$ (11,048.19)
GST/PST IRCC EXPENSE	\$ (1,259.30)	\$ (1,572.78)
INSURANCE-DIRECTORS LIABILITY	\$ (1,715.04)	\$ (1,597.96)
INSURANCE-OFFICE	\$ (2,608.20)	\$ (2,512.52)
IT SUPPORT	\$ (2,041.15)	\$ (3,178.68)
OFFICE SUPPLIES	\$ (2,976.86)	\$ (2,118.84)
PROFESSIONAL DEVELOPMENT-TRAINING MANUALS-WORKSHOPS	\$ (5,272.80)	\$ (5,820.02)
PROFESSIONAL FEES	\$ (8,806.89)	\$ (8,704.82)
REPAIRS & MAINTENANCE	\$ (1,316.63)	
RESOURCE PEOPLE	\$ (1,733.56)	
RENT	\$ (26,819.38)	\$ (24,975.85)
TELEPHONE/INTERNET	\$ (945.67)	\$ (1,121.48)
TRAVEL	\$ (3,077.42)	\$ (3,211.04)
VOLUNTEER APPRECIATION	\$ (531.04)	\$ (297.57)
WAGES/BENEFITS	\$ (354,855.11)	\$ (310,224.42)
TOTAL GENERAL/ADMINISTRATIVE EXPENSES	<b><u>\$ (468,759.63)</u></b>	<b><u>(430,345.29)</u></b>
NET INCOME	<b><u>\$ 14,759.58</u></b>	<b><u>\$ 6,300.08</u></b>