

**ALZHEIMER SOCIETY OF TIMMINS-PORCUPINE DISTRICT INC.**

**Financial Statements**

**Year Ended March 31, 2014**

**ALZHEIMER SOCIETY OF TIMMINS-PORCUPINE DISTRICT INC.**

**Index to Financial Statements**

**Year Ended March 31, 2014**

---

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Changes in Net Assets	4
Statement of Revenues and Expenditures	5
Fundraising	6
Northeast Local Health Integration Network	7
Statement of Cash Flows	8
Notes to Financial Statements	9 - 11



**FULLER JENKS LANDAU**  
**Chartered Accountants**  
**Comptables agréés**  
151 Second Avenue  
Timmins, Ontario P4N 1E8

Telephone (705) 268-0909  
Facsimile: (705) 264-8581  
email: mailbox@fullerjenkslandau.com  
website: www.fullerjenkslandau.com

---

## **INDEPENDENT AUDITOR'S REPORT**

---

To the Members of Alzheimer Society of Timmins-Porcupine District Inc.

We have audited the accompanying financial statements of Alzheimer Society of Timmins-Porcupine District Inc., which comprise the statement of financial position as at March 31, 2014 and the statements of revenues and expenditures, 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.

### 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.

### Basis for Qualified Opinion

In common with many not-for-profit organizations, Alzheimer Society of Timmins-Porcupine District Inc. derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of Alzheimer Society of Timmins-Porcupine District Inc.. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenditures, and cash flows from operations for the year ended March 31, 2014, current assets and net assets as at April 1, 2013 and March 31, 2014.

*(continues)*

Qualified 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 Alzheimer Society of Timmins-Porcupine District Inc. as at March 31, 2014 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

A handwritten signature in black ink that reads "Fuller Jenks Landau". The signature is written in a cursive, flowing style.

Timmins, Ontario  
May 26, 2014

CHARTERED ACCOUNTANTS  
Licensed Public Accountants

**ALZHEIMER SOCIETY OF TIMMINS-PORCUPINE DISTRICT INC.**

**Statement of Financial Position**

**March 31, 2014**

	2014	2013
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 96,080	\$ 134,081
Accounts receivable	21,931	13,841
Prepaid expenses	828	-
	<b>\$ 118,839</b>	<b>\$ 147,922</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable	\$ 38,150	\$ 14,996
Government remittances	3,866	4,007
Deferred revenue (Note 4)	17,899	33,454
	<b>59,915</b>	<b>52,457</b>
<b>NET ASSETS</b>		
Net assets	<b>58,924</b>	<b>95,465</b>
	<b>\$ 118,839</b>	<b>\$ 147,922</b>

COMMITMENT (Note 5)

**ON BEHALF OF THE BOARD**

\_\_\_\_\_ Director

\_\_\_\_\_ Director

See notes to financial statements

**ALZHEIMER SOCIETY OF TIMMINS-PORCUPINE DISTRICT INC.**

**Statement of Changes in Net Assets**

**Year Ended March 31, 2014**

	<b>2014</b>	2013
<b>NET ASSETS - BEGINNING OF YEAR AS PREVIOUSLY STATED</b>	<b>\$ 103,001</b>	\$ 61,799
Prior period adjustments ( <i>Note 8</i> )	<b>(7,535)</b>	-
As restated	<b>95,466</b>	61,799
Excess (of expenditures over revenues) of revenues over expenditures	<b>(16,808)</b>	33,667
Prior year surplus repayment	<b>(19,734)</b>	-
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 58,924</b>	\$ 95,466

**ALZHEIMER SOCIETY OF TIMMINS-PORCUPINE DISTRICT INC.****Statement of Revenues and Expenditures****Year Ended March 31, 2014**

	<b>2014</b>	2013
<b>REVENUES</b>		
Allocation of Provincial fundraising - ongoing	\$ 9,000	\$ 9,000
Donations	10,284	10,042
Fundraising, page 6	41,982	56,275
Green Shield Canada grant	752	2,723
Interest	66	41
Memberships	105	580
Memorials	13,847	16,571
Northeast Local Health Integration Network, page 7	167,835	174,094
Trillium grant	14,673	15,483
Wage subsidy - Northern Ontario Heritage Fund Corporation	25,234	14,397
	<b>283,778</b>	<b>299,206</b>
<b>EXPENDITURES</b>		
Wages and employee benefits	68,122	57,335
Advertising	709	1,552
Bank charges	10	161
Capital asset purchases	666	1,053
Community donations	990	606
Fundraising, page 6	13,404	19,187
Insurance	3,021	1,881
Northeast Local Health Integration Network, page 7	186,021	154,360
Office	6,339	11,204
Postage	213	518
Professional development	3,448	455
Professional fees	6,585	3,841
Rent	5,782	6,321
Seminars and education	2,242	3,401
Support	940	363
Telecommunications	2,094	3,301
	<b>300,586</b>	<b>265,539</b>
<b>EXCESS (OF EXPENDITURES OVER REVENUES) OF REVENUES OVER EXPENDITURES</b>	<b>\$ (16,808)</b>	<b>\$ 33,667</b>

**ALZHEIMER SOCIETY OF TIMMINS-PORCUPINE DISTRICT INC.****Fundraising****Year Ended March 31, 2014**

	<b>2014</b>	<b>2013</b>
<b>REVENUES</b>		
Bingo	\$ 7,834	\$ 10,374
Coffee break - Krispy Kreme	982	14,192
Duck Race	11,964	11,800
Las Vegas Draw	9,380	19,420
Mud Factor	10,452	-
Others	1,370	489
	<b>41,982</b>	<b>56,275</b>
<b>EXPENDITURES</b>		
Coffee break - Krispy Kreme	-	6,177
Duck Race	4,508	7,925
Las Vegas Draw	4,914	5,065
Mud Factor	3,957	-
Others	25	20
	<b>13,404</b>	<b>19,187</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>\$ 28,578</b>	<b>\$ 37,088</b>



**ALZHEIMER SOCIETY OF TIMMINS-PORCUPINE DISTRICT INC.****Northeast Local Health Integration Network****Year Ended March 31, 2014**

	<b>2014</b>	<b>2013</b>
<b>REVENUES</b>		
Administrative and Support Services	\$ 37,689	\$ 75,237
Behaviour Supports Ontario	51,092	62,137
Public Education Co-ordinator	30,257	-
First Link	48,797	36,720
	<b>167,835</b>	<b>174,094</b>
<b>EXPENDITURES</b>		
Salaries and wages	160,623	134,325
Advertising	483	118
Benefit contributions	8,731	9,237
Capital asset purchases	-	893
Office	1,596	1,321
Postage	411	146
Rent	3,623	2,467
Seminars and education	940	61
Telecommunications	2,266	472
Travel	7,348	5,320
	<b>186,021</b>	<b>154,360</b>
<b>EXCESS (OF EXPENDITURES OVER REVENUES) OF REVENUES OVER EXPENDITURES</b>	<b>\$ (18,186)</b>	<b>\$ 19,734</b>

**ALZHEIMER SOCIETY OF TIMMINS-PORCUPINE DISTRICT INC.****Statement of Cash Flows****Year Ended March 31, 2014**

	2014	2013
<b>OPERATING ACTIVITIES</b>		
Excess of (revenues over expenditures) of expenditures over revenues	\$ (16,808)	\$ 33,667
Changes in non-cash working capital:		
Accounts receivable	(8,090)	(8,267)
Accounts payable	23,155	6,314
Government remittances	(141)	975
Deferred revenue	(15,555)	18,712
Prepaid expenses	(828)	-
	(1,459)	17,734
Cash flow from (used by) operating activities	(18,267)	51,401
<b>FINANCING ACTIVITY</b>		
Surplus recovery	(19,734)	-
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>(38,001)</b>	<b>51,401</b>
Cash - beginning of year	134,081	82,680
<b>CASH - END OF YEAR</b>	<b>\$ 96,080</b>	<b>\$ 134,081</b>

# ALZHEIMER SOCIETY OF TIMMINS-PORCUPINE DISTRICT INC.

## Notes to Financial Statements

Year Ended March 31, 2014

---

### 1. PURPOSE OF THE ORGANIZATION

Alzheimer Society of Timmins-Porcupine District Inc. (the "organization") was incorporated in Ontario on February 2, 1988 without share capital and is exempt from income tax as a charitable organization. The object of the organization is to alleviate the personal and social consequences of Alzheimer disease and to promote the search for the causes and cure of the disease.

### 2. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (GAAP).

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of accounting

The accrual basis of accounting is used for financial reporting purposes.

#### Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

#### Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are investments in treasury bills and are valued at cost plus accrued interest. The carrying amounts approximate fair value because they have maturities at the date of purchase of less than ninety days.

#### Capital assets

In common with many non-profit organizations, capital assets are expenses in the statement of operations in the year acquired. The capital assets which have been expensed consist mainly of office equipment and computer hardware.

#### Revenue recognition

The organization follows the deferral method of accounting for contributions. Donations and fundraising revenues are recognized as received.

#### Contributed time and materials

The organization is dependent upon and thankful for much time and materials contributed by its members and various other individuals and organizations. Because of the difficulty involved in determining fair value, contributed time and materials are not recognized in these financial statements.

#### Allocation of expenses

The allocation of expenses was determined by management in reference to the approved budgets submitted to various funding sources.

*(continues)*

# ALZHEIMER SOCIETY OF TIMMINS-PORCUPINE DISTRICT INC.

## Notes to Financial Statements

Year Ended March 31, 2014

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### 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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

The significant area requiring management estimate is timing of revenue recognition.

### 4. DEFERRED REVENUE

	2014	2013
Fundraising	\$ -	\$ 130
Greenshield	10,555	11,307
Trillium	7,344	22,017
	<u>\$ 17,899</u>	<u>\$ 33,454</u>

### 5. COMMITMENT

The organization has entered into a premise rental agreement requiring the following annual payments:

2015	\$ 10,600
2016	1,800
	<u>\$ 12,400</u>

### 6. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of March 31, 2014.

#### Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources and accounts payable.

### 7. ECONOMIC DEPENDENCE

Much of the organization's revenue is derived from the Northeast Local Health Integration Network. The organization's continued operation is therefore contingent on securing future funding.

**ALZHEIMER SOCIETY OF TIMMINS-PORCUPINE DISTRICT INC.**

**Notes to Financial Statements**

**Year Ended March 31, 2014**

---

8. RESTATEMENT OF PRIOR YEAR FINANCIAL STATEMENTS

The comparative figures contained accounting errors which have been restated to reflect the following adjustments:

(a) The following item has been increased at March 31, 2013

Deferred income	\$	7,535	\$	-
-----------------	----	-------	----	---

---

(b) The following item has been decreased for the year ended March 31, 2013

Trillium grant	\$	7,535	\$	-
----------------	----	-------	----	---

---