

ALZHEIMER SOCIETY OF TIMMINS-PORCUPINE DISTRICT INC.

Financial Statements

Year Ended March 31, 2015

ALZHEIMER SOCIETY OF TIMMINS-PORCUPINE DISTRICT INC.

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Year Ended March 31, 2015

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FJL CPAs
Chartered Professional Accountants
Comptables professionnels agréés
172 Algonquin Boulevard East
Timmins, Ontario P4N 1A9

Telephone (705) 268-0909
Facsimile: (705) 264-8581
email: info@fjl.ca
website: www.fjl.ca

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, 2015 and the statements of revenues and expenditures, changes in net assets and cash flow 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 audit opinion.

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Independent Auditor's Report to the Members of Alzheimer Society of Timmins-Porcupine District Inc. *(continued)*

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Alzheimer Society of Timmins-Porcupine District Inc. as at March 31, 2015 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Timmins, Ontario
May 25, 2015

Handwritten signature in black ink, appearing to read "FJL CPA".

Chartered Professional Accountants
Licensed Public Accountants

ALZHEIMER SOCIETY OF TIMMINS-PORCUPINE DISTRICT INC.

Statement of Financial Position

March 31, 2015

	2015	2014
ASSETS		
CURRENT		
Cash	\$ 65,926	\$ 96,080
Accounts receivable	17,092	21,931
Prepaid expenses	406	828
	\$ 83,424	\$ 118,839
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 6,641	\$ 38,147
Government remittances	-	3,866
Deferred revenue <i>(Note 2)</i>	12,176	17,899
	18,817	59,912
NET ASSETS		
Net assets	64,607	58,927
	\$ 83,424	\$ 118,839

COMMITMENT *(Note 3)*

ON BEHALF OF THE BOARD

Deborah Cooper Director

Director

ALZHEIMER SOCIETY OF TIMMINS-PORCUPINE DISTRICT INC.**Statement of Revenues and Expenditures****Year Ended March 31, 2015**

	2015	2014
REVENUES		
Allocation of Provincial fundraising - ongoing	\$ 9,000	\$ 9,000
Alzheimer Society of Ontario Integration Funding	10,000	-
Donations	11,483	10,284
Funding your way	5,400	-
Fundraising (<i>Schedule 1</i>)	47,242	41,982
Green Shield Canada grant	139	752
Interest	49	66
Memberships	260	105
Memorials	13,455	13,847
Northeast Local Health Integration Network (<i>Schedule 2</i>)	169,335	167,835
Trillium grant	1,176	14,673
Wage subsidies - Ministry of Citizenship and Immigration	2,237	-
- Northern Ontario Heritage Fund Corporation	26,636	25,234
	296,412	283,778
EXPENDITURES		
Advertising	1,109	709
Bank charges	46	10
Capital asset purchases	2,119	666
Community donations	294	990
Consulting	10,000	-
Fundraising (<i>Schedule 1</i>)	16,853	13,404
Insurance	3,074	3,021
Northeast Local Health Integration Network (<i>Schedule 2</i>)	176,310	186,021
Office	2,747	6,339
Postage	-	213
Professional development	1,873	3,448
Professional fees	8,020	6,585
Rent	-	5,782
Seminars and education	599	2,242
Support	818	940
Telecommunications	48	2,094
Wages and employee benefits	66,822	68,122
	290,732	300,586
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 5,680	\$ (16,808)

ALZHEIMER SOCIETY OF TIMMINS-PORCUPINE DISTRICT INC.

Statement of Changes in Net Assets

Year Ended March 31, 2015

	2015	2014
NET ASSETS - BEGINNING OF YEAR	\$ 58,927	\$ 95,469
Excess (deficiency) of revenues over expenditures	5,680	(16,808)
Prior year surplus repayment	-	(19,734)
NET ASSETS - END OF YEAR	\$ 64,607	\$ 58,927

ALZHEIMER SOCIETY OF TIMMINS-PORCUPINE DISTRICT INC.**Statement of Cash Flow****Year Ended March 31, 2015**

	2015	2014
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenditures	\$ 5,680	\$ (16,808)
Changes in non-cash working capital:		
Accounts receivable	4,839	(8,090)
Prepaid expenses	422	(828)
Accounts payable	(31,506)	23,155
Government remittances	(3,866)	(141)
Deferred revenue	(5,723)	(15,555)
	(35,834)	(1,459)
Cash flow used by operating activities	(30,154)	(18,267)
FINANCING ACTIVITY		
Surplus recovery	-	(19,734)
DECREASE IN CASH FLOW	(30,154)	(38,001)
Cash - beginning of year	96,080	134,081
CASH - END OF YEAR	\$ 65,926	\$ 96,080

ALZHEIMER SOCIETY OF TIMMINS-PORCUPINE DISTRICT INC.

Notes to Financial Statements

Year Ended March 31, 2015

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

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

Financial instruments policy

The company initially measures its financial assets and financial liabilities at fair value, except for certain related party transactions that are measured at the carrying amount or exchange amount, as appropriate.

The company subsequently measures all its financial assets and financial liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which is measured at fair value. Changes in fair value of these financial instruments are recognized in net income.

Financial asset measured at amortized cost on a straight-line basis is accounts receivable.

Financial liabilities measured at amortized cost on a straight-line basis include accounts payable, government remittances and deferred revenue.

Cash and cash equivalents

Cash and cash equivalents includes bank balances.

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.

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ALZHEIMER SOCIETY OF TIMMINS-PORCUPINE DISTRICT INC.

Notes to Financial Statements

Year Ended March 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Use of estimates

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.

2. DEFERRED REVENUE

	2015	2014
Fundraising	\$ 1,760	\$ -
Greenshield	10,416	10,555
Trillium	-	7,344
	<u>\$ 12,176</u>	<u>\$ 17,899</u>

3. COMMITMENT

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

2016	<u>\$ 1,800</u>
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4. 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, 2015.

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.

5. 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.**Fundraising***(Schedule 1)***Year Ended March 31, 2015**

	2015	2014
REVENUES		
Bingo	\$ 9,094	\$ 7,834
Coffee break - Krispy Kreme	1,992	982
Duck Race	4,905	11,964
Gala	4,111	-
Las Vegas Draw	11,110	9,380
Mud Factor	7,661	10,452
Others	621	1,370
Ride for memories	7,748	-
	47,242	41,982
EXPENDITURES		
Duck Race	871	4,508
Gala	3,819	-
Las Vegas Draw	5,096	4,914
Mud Factor	3,066	3,957
Others	570	25
Ride for Memories	3,431	-
	16,853	13,404
EXCESS OF REVENUES OVER EXPENDITURES	\$ 30,389	\$ 28,578

ALZHEIMER SOCIETY OF TIMMINS-PORCUPINE DISTRICT INC.**Northeast Local Health Integration Network****(Schedule 2)****Year Ended March 31, 2015**

	2015	2014
REVENUES		
Administrative and Support Services	\$ 37,689	\$ 37,689
Behaviour Supports Ontario	51,092	51,092
Public Education Co-ordinator	30,257	30,257
First Link	48,797	48,797
Telemedicine Equipment grant	1,500	-
	169,335	167,835
EXPENDITURES		
Advertising	948	483
Benefit contributions	9,785	8,731
Office	7,109	1,596
Postage	507	411
Rent	7,572	3,623
Salaries and wages	131,372	160,623
Seminars and education	1,261	940
Telecommunications	4,090	2,266
Travel	13,666	7,348
	176,310	186,021
EXCESS (OF EXPENDITURES OVER REVENUES) OF REVENUES OVER EXPENDITURES	\$ (6,975)	\$ (18,186)