

Society of Saint-Vincent de Paul National Council of Canada

Financial Statements

For the year ended March 31, 2014
(Unaudited)

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Tél./Tel: 613 739 8221
Télec./Fax: 613 739 1517
www.bdo.ca

BDO Canada LLP
1730 St-Laurent Boulevard
Suite 100
Ottawa ON K1G 5L1 Canada

Review Engagement Report

To the directors of
Society of Saint-Vincent de Paul National Council of Canada

We have reviewed the statement of financial position of the Society of Saint-Vincent de Paul National Council of Canada as at March 31, 2014, and the statements of operations, changes in fund balances and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the organization.

A review does not constitute an audit and, consequently, we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

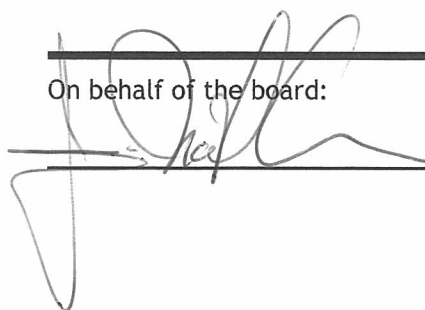
Chartered Accountants, Licensed Public Accountants

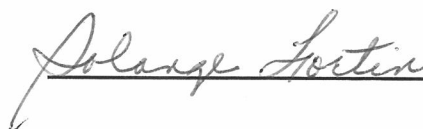
Ottawa, Ontario
June 6, 2014

Society of Saint-Vincent de Paul National Council of Canada
Statement of Financial Position
(Unaudited)

March 31	General fund	Externally restricted fund	2014	2013
Assets				
Current				
Cash	\$ 9,596	\$ 118,175	\$ 127,771	\$ 132,107
Temporary investments (Note 2)	18,343	55,000	73,343	138,224
Accounts receivable	30,161	-	30,161	30,823
Inventory	42,790	-	42,790	24,904
Prepaid expenses	2,474	-	2,474	2,376
	103,364	173,175	276,539	328,434
Tangible capital assets (Note 3)	306,157	-	306,157	318,129
Investments (Note 2)	-	120,000	120,000	55,000
	\$ 409,521	\$ 293,175	\$ 702,696	\$ 701,563
Liabilities and Fund Balances				
Current				
Accounts payable and accrued liabilities (Note 4)	\$ 24,335	\$ -	\$ 24,335	\$ 11,286
Deferred contributions	-	293,175	293,175	281,674
Current portion of long-term debt (Note 5)	2,035	-	2,035	8,139
Long-term debt renewable in the next year (Note 5)	190,071	-	190,071	-
	216,441	293,175	509,616	301,099
Long-term debt (Note 5)	-	-	-	202,150
	216,441	293,175	509,616	503,249
Fund balances	193,080	-	193,080	198,314
	\$ 409,521	\$ 293,175	\$ 702,696	\$ 701,563

On behalf of the board:

 Director

 Director

Society of Saint-Vincent de Paul National Council of Canada
Statement of Changes in Fund Balances
(Unaudited)

For the year ended March 31	General fund		Externally restricted fund	2014		2013
Balance, beginning of the year	\$	198,314	\$	-	\$ 198,314	\$ 184,542
Excess (deficiency) of revenues over expenses		(5,234)		-	(5,234)	13,772
Balance, end of the year	\$	193,080	\$	-	\$ 193,080	\$ 198,314

Society of Saint-Vincent de Paul National Council of Canada
Statement of Operations
(Unaudited)

For the year ended March 31	General fund	Externally restricted fund	2014	2013
Revenues				
Contributions and others (Schedule)	\$ 334,723	\$ 279,884	\$ 614,607	\$ 379,775
Expenses				
Amortization of tangible capital assets	11,972	-	11,972	13,037
Contribution to the International General Council	30,000	-	30,000	30,000
International Emergency Fund	-	179,674	179,674	34,702
National Emergency Fund	-	99	99	83
Interest on long-term debt	9,388	-	9,388	9,761
General and administrative (Schedule)	41,350	-	41,350	41,786
Twinning	-	100,111	100,111	82,946
Premises occupancy costs (Schedule)	9,496	-	9,496	16,676
Salaries	54,722	-	54,722	46,327
Promotion of development and expansion (Schedule)	183,029	-	183,029	90,685
	339,957	279,884	619,841	366,003
Excess (deficiency) of revenues over expenses	\$ (5,234)	\$ -	\$ (5,234)	\$ 13,772

Society of Saint-Vincent de Paul National Council of Canada
Statement of Cash Flows
(Unaudited)

For the year ended March 31	2014	2013
Cash flows from operating activities		
Cash receipts from councils, donors and customers	\$ 626,653	\$ 369,496
Cash paid to suppliers, employees and twinning recipients	(603,418)	(335,926)
Interest paid	(9,388)	(9,761)
	<u>13,847</u>	<u>23,809</u>
Cash flows from investing activities		
Acquisition of tangible capital assets	-	(2,249)
Cash flows from financing activities		
Repayment of long-term debt	(18,183)	(6,607)
	<u>(18,183)</u>	<u>(6,607)</u>
Net (decrease) increase in cash	(4,336)	14,953
Cash, beginning of the year	132,107	117,154
	<u>132,107</u>	<u>117,154</u>
Cash, end of year	\$ 127,771	\$ 132,107

Society of Saint-Vincent de Paul National Council of Canada
Notes to Financial Statements
(Unaudited)

March 31, 2014

1. Significant Accounting Policies

Purpose of Organization	Society of Saint-Vincent de Paul National Council of Canada is a not-for-profit organization incorporated without share capital under the Canada Not-for-profit Corporations Act. The organization supports national and international activities of the councils and conferences of Saint-Vincent-de-Paul in order to help the deprived people. The organization is a registered charity under the Income Tax Act and, as such, is exempt from income taxes and may issue income tax receipts to donors.
Basis of Accounting	The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.
Use of Estimates	The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.
Fund Accounting	The general fund accounts for the general operations of the organization. The externally restricted fund accounts for restricted amounts related to the National and International activities of the organization.
Revenue Recognition	<p>The organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.</p> <p>Rental income is recognized when earned and sales of goods are recognized when the product is delivered to the customer.</p>

Society of Saint-Vincent de Paul National Council of Canada
Notes to Financial Statements
(Unaudited)

March 31, 2014

1. Significant Accounting Policies (continued)

Financial Instruments	<p><u>Measurement</u></p> <p>The organization initially measures its financial assets and liabilities at fair value. The organization subsequently measures all its financial assets and liabilities at amortized cost.</p> <p>Financial instruments measured at amortized cost are cash, investments, accounts receivable, accounts payable and accrued liabilities and long-term debt.</p> <p><u>Impairment</u></p> <p>Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment.</p> <p><u>Transaction costs</u></p> <p>Financial instruments that are subsequently measured at amortized cost are adjusted by the transaction costs in the initial measurement of the asset or liability.</p>						
Inventory	<p>Inventory is valued at the lower of cost and net realizable value. The cost is determined on a first-in, first-out basis. The amount of inventory expensed during the year is \$31,621 (2013 - \$12,273) and is included in the account purchases of pamphlets, bulletins and translation.</p>						
Tangible Capital Assets	<p>Tangible capital assets are stated at cost less accumulated amortization. Amortization is provided on the basis of their useful lives using the diminishing balance method as follows:</p> <table><tr><td>Building</td><td>5%</td></tr><tr><td>Furniture & equipment</td><td>20%</td></tr><tr><td>Computer equipment</td><td>30%</td></tr></table>	Building	5%	Furniture & equipment	20%	Computer equipment	30%
Building	5%						
Furniture & equipment	20%						
Computer equipment	30%						
Impairment of Tangible Capital Assets	<p>When a tangible capital asset no longer has any long-term service potential to the organization, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations.</p>						
Contributed Services	<p>Volunteers contribute numerous hours per year to assist the organization in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.</p>						

Society of Saint-Vincent de Paul National Council of Canada
Notes to Financial Statements
(Unaudited)

March 31, 2014

2. Investments

Investments are guaranteed investment certificates maturing in January 2015, June 2015 and December 2015 with respective interest rates of 0.65%, 1.55% and 1.25%.

3. Tangible Capital Assets

	2014		2013	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 100,000	\$ -	\$ 100,000	\$ -
Building	261,785	59,220	261,785	48,559
Furniture & Equipment	11,587	10,306	11,587	9,986
Computer equipment	26,539	24,228	26,539	23,237
	\$ 399,911	\$ 93,754	\$ 399,911	\$ 81,782
Net book value		\$ 306,157		\$ 318,129

4. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$2,441 (2013 - \$2,054).

5. Long-term Debt

	2014	2013
Loan, 4.15 %, renewable in June 2014, payable by monthly instalments of \$ 1,340, principal and interest, secured by the land and building with a net book value of \$ 302,565	\$ 192,106	\$ 210,289
Less: principal portion due within one year	2,035	8,139
Less: long-term debt renewable in the next year	190,071	-
	\$ -	\$ 202,150

The principal payments for the next five years amount to: 2015, \$8,269; 2016, \$8,619; 2017, \$8,984; 2018, \$9,364; 2019, \$9,760. These payments have been calculated under the assumption that the repayment plan will be successfully renewed, based on the present payment terms and interest rates.

Society of Saint-Vincent de Paul National Council of Canada
Notes to Financial Statements
(Unaudited)

March 31, 2014

6. Economic Dependence

The organization receives 58% (2013 - 57%) of its revenue as contributions from the councils. Should this funding not be continued and if it can't be replaced, the organization wouldn't be able to continue its operations at the current level.

7. Financial Instruments

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. Fixed rate instruments subject the organization to a fair value risk while variable rate instruments subject it to a cash flow risk. The organization is also exposed to this risk since the long-term debt is renewable in the next year.

8. Comparative Figures

The comparative figures have not been changed as a result of the new presentation for the AGM revenues and expenses because the information is not readily available. The AGM revenues for the year ended March 31, 2014 represent \$66,631 and the expenses, included in meeting expenses, represent \$69,267.

Society of Saint-Vincent de Paul National Council of Canada
Schedule
(Unaudited)

For the year ended March 31 **2014** **2013**

Revenues

General fund

Contributions from the councils	\$ 214,445	\$ 214,640
Contributions - AGM	66,720	5,000
Contribution - Debt reduction	10,000	-
Voluntary contributions	6,548	2,717
Corporate donations	500	600
Rule book	2,725	4,225
Rental income	8,415	10,125
Interest income	2,620	3,413
Miscellaneous revenues	1,202	1,220
Black bag collection	946	925
Magazine Vincenpaul-Canada	3,000	3,329
Sales of goods	17,602	15,850

\$ 334,723 \$ 262,044

Expenses

Promotion of development and expansion

Purchases of pamphlets, bulletins and translation	\$ 40,738	\$ 43,993
Meeting expenses	98,540	28,462
Travelling expenses	43,751	18,230

\$ 183,029 \$ 90,685

Premises occupancy costs

Insurance	\$ 829	\$ 2,711
Cable TV	64	573
Water & sewer	460	412
Electricity	5,413	6,587
Maintenance and repairs	2,730	6,393

\$ 9,496 \$ 16,676

General and administrative

Insurance	\$ 1,122	\$ 1,176
National committees	14,070	19,242
Professional fees	5,166	4,053
Stationary and office expenses	15,775	10,319
Telecommunication	5,217	6,996

\$ 41,350 \$ 41,786