

Society of Saint-Vincent de Paul National Council of Canada

Financial Statements

For the year ended March 31, 2016
(Unaudited)

Contents

Review Engagement Report	2
Financial Statements	
Statement of Financial Position	3
Statement of Operations and Changes in Fund Balances	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 9



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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, 2016, and the statements of operations and 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.

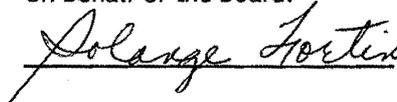
Chartered Professional Accountants, Licensed Public Accountants

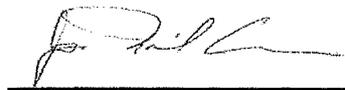
Ottawa, Ontario
June 7, 2016

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

March 31	General fund	Internally restricted fund	Externally restricted fund	2016	2015
Assets					
Current					
Cash	\$ 7,130	\$ 10,136	\$ 88,638	\$ 105,904	\$ 69,520
Temporary investments (Note 2)	24,589	-	150,000	174,589	193,462
Accounts receivable	14,351	-	-	14,351	29,451
Advance receivable	10,000	-	-	10,000	-
Inventory	36,242	-	-	36,242	37,140
Prepaid expenses	3,138	-	-	3,138	4,192
	<u>95,450</u>	<u>10,136</u>	<u>238,638</u>	<u>344,224</u>	<u>333,765</u>
Tangible capital assets (Note 3)	<u>285,454</u>	<u>-</u>	<u>-</u>	<u>285,454</u>	<u>295,080</u>
	<u>\$ 380,904</u>	<u>\$ 10,136</u>	<u>\$ 238,638</u>	<u>\$ 629,678</u>	<u>\$ 628,845</u>
Liabilities and Fund Balances					
Current					
Accounts payable and accrued liabilities (Note 4)	\$ 22,033	\$ -	\$ -	\$ 22,033	\$ 16,863
Interfund payable (receivable)	(1,174)	-	1,174	-	-
Deferred contributions	-	-	237,464	237,464	239,409
Current portion of long-term debt (Note 5)	8,864	-	-	8,864	8,772
	<u>29,723</u>	<u>-</u>	<u>238,638</u>	<u>268,361</u>	<u>265,044</u>
Long-term debt (Note 5)	<u>168,558</u>	<u>-</u>	<u>-</u>	<u>168,558</u>	<u>177,426</u>
	<u>198,281</u>	<u>-</u>	<u>238,638</u>	<u>436,919</u>	<u>442,470</u>
Fund balances	<u>182,623</u>	<u>10,136</u>	<u>-</u>	<u>192,759</u>	<u>186,375</u>
	<u>\$ 380,904</u>	<u>\$ 10,136</u>	<u>\$ 238,638</u>	<u>\$ 629,678</u>	<u>\$ 628,845</u>

On behalf of the board:

 Director

 Director

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

For the year ended March 31	General fund	Internally restricted fund	Externally restricted fund	2016	2015
Revenues					
Contributions from the councils, the AGM and others	\$ 279,978	\$ -	\$ 270,254	\$ 550,232	\$ 461,220
Sales of goods	23,383	-	-	23,383	18,374
Rental and interest income	12,692	-	-	12,692	12,687
Donations	8,800	-	-	8,800	8,110
Projects	3,059	-	-	3,059	4,613
	327,912	-	270,254	598,166	505,004
Expenses					
Promotion of development and expansion	157,924	-	9,961	167,885	137,183
Twinning	-	-	128,312	128,312	107,698
International Emergency Fund	2,334	-	131,945	134,279	68,349
Salaries	67,523	-	-	67,523	68,227
Contribution to the International General Council	42,000	-	-	42,000	40,000
General and administrative	30,304	-	-	30,304	35,019
Amortization of tangible capital assets	10,484	-	-	10,484	11,077
Premises occupancy costs	8,449	-	-	8,449	12,823
Interest on long-term debt	2,510	-	-	2,510	4,957
National Emergency Fund	-	-	36	36	26,376
	321,528	-	270,254	591,782	511,709
Excess (deficiency) of revenues over expenses	6,384	-	-	6,384	(6,705)
Fund balances, beginning of the year	177,275	9,100	-	186,375	193,080
Interfund transfer	(1,036)	1,036	-	-	-
Fund balances, end of the year	\$ 182,623	\$ 10,136	\$ -	\$ 192,759	\$ 186,375

The notes are an integral part of these financial statements.

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

For the year ended March 31	2016	2015
Cash flows from operating activities		
Cash receipts from councils, donors and customers	\$ 611,324	\$ 451,949
Cash paid to suppliers, employees and twinning recipients	(581,669)	(499,216)
Interest paid	(2,510)	(4,957)
	<u>27,145</u>	<u>(52,224)</u>
Cash flows from investing activities		
Acquisition of tangible capital assets	(858)	-
Increase in investments	(15,120)	(119)
Decrease in investments	33,993	-
	<u>18,015</u>	<u>(119)</u>
Cash flows from financing activities		
Repayment of long-term debt	(8,776)	(5,908)
Net increase (decrease) in cash	36,384	(58,251)
Cash, beginning of the year	<u>69,520</u>	<u>127,771</u>
Cash, end of the year	\$ 105,904	\$ 69,520

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

March 31, 2016

1. 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 the Society of Saint-Vincent de Paul in order to embrace the world in a network of Charity, serving Christ in the suffering, poor or marginalized, bringing them love and respect, aid and development, hope and joy in a more just society. 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 Organization applies the Canadian accounting standards for not-for-profit organizations.
Use of Estimates	The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses for the year covered. The main estimates relate to the estimated useful lives of the tangible capital assets.
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 disaster relief and development activities of the Organization. The internally restricted fund accounts for amounts internally restricted by the Board of directors for youth bursaries.
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, 2016

1. Accounting Policies (continued)

Financial Instruments	<p><u><i>Initial and subsequent measurement</i></u> 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, advance receivable, accounts payable and accrued liabilities and long-term debt.</p> <p><u><i>Impairment</i></u> Financial assets measured at amortized cost are tested for impairment when there are indications of possible impairment.</p> <p><u><i>Transaction costs</i></u> Transaction costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the asset or liability and recognized in the statement of operations over the life of the instrument using the straight-line method.</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 \$17,455 (2015 - \$36,693) and is included in the promotion of development and expansion expense.</p>						
Tangible Capital Assets	<p>Tangible capital assets are accounted for at cost and amortized on the basis of their useful life using the diminishing balance method as follows:</p> <table><tr><td>Building</td><td style="text-align: right;">5%</td></tr><tr><td>Furniture & equipment</td><td style="text-align: right;">20%</td></tr><tr><td>Computer equipment</td><td style="text-align: right;">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, 2016

2. Investments

Investments are guaranteed investment certificates maturing in January 2017 with interest rates of 0.50% and 1.42%.

3. Tangible Capital Assets

	2016		2015	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 100,000	\$ -	\$ 100,000	\$ -
Building	261,785	78,970	261,785	69,348
Furniture & equipment	12,445	10,939	11,587	10,562
Computer equipment	26,539	25,406	26,539	24,921
	<u>\$ 400,769</u>	<u>\$ 115,315</u>	<u>\$ 399,911</u>	<u>\$ 104,831</u>
Net carrying amount		<u>\$ 285,454</u>		<u>\$ 295,080</u>

4. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$2,132 (2015 - \$1,772).

5. Long-term Debt

	2016	2015
Loan, 1%, renewable in July 2019, payable by monthly instalments of \$ 883, principal and interest, secured by the land and building with a net carrying amount of \$ 282,815.	\$ 177,422	\$ 186,198
Less: current portion	<u>8,864</u>	<u>8,772</u>
	<u>\$ 168,558</u>	<u>\$ 177,426</u>

The principal payments for the next five years amount to: 2017, \$8,864; 2018, \$8,953; 2019, \$9,042; 2020, \$9,133; 2021, \$9,225. 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, 2016

6. Financial Instruments

Interest rate risk

Fixed rate instruments subject the Organization to a fair value risk.