

**Society of Saint-Vincent de Paul National Council of  
Canada**

**Financial Statements**

For the year ended March 31, 2015

(Unaudited)

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## Review Engagement Report

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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, 2015, 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.

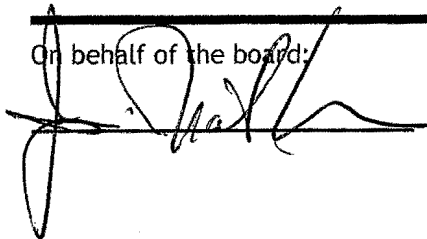
Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Ontario  
June 3, 2015

**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	2015	2014
<b>Assets</b>					
<b>Current</b>					
Cash	\$ 5,111	\$ -	\$ 64,409	\$ 69,520	\$ 127,771
Temporary investments (Note 2)	18,462	-	175,000	193,462	73,343
Accounts receivable	29,451	-	-	29,451	30,161
Inventory	37,140	-	-	37,140	42,790
Prepaid expenses	4,192	-	-	4,192	2,474
	<u>94,356</u>	<u>-</u>	<u>239,409</u>	<u>333,765</u>	<u>276,539</u>
Tangible capital assets (Note 3)	295,080	-	-	295,080	306,157
Investments (Note 2)	-	-	-	-	120,000
	<u>\$ 389,436</u>	<u>\$ -</u>	<u>\$ 239,409</u>	<u>\$ 628,845</u>	<u>\$ 702,696</u>
<b>Liabilities and Fund Balances</b>					
<b>Current</b>					
Accounts payable and accrued liabilities (Note 4)	\$ 16,863	\$ -	\$ -	\$ 16,863	\$ 24,335
Interfund payable (receivable)	9,100	(9,100)	-	-	-
Deferred contributions	-	-	239,409	239,409	293,175
Current portion of long-term debt (Note 5)	8,772	-	-	8,772	2,035
Long-term debt renewable in the next year (Note 5)	-	-	-	-	190,071
	<u>34,735</u>	<u>(9,100)</u>	<u>239,409</u>	<u>265,044</u>	<u>509,616</u>
Long-term debt (Note 5)	177,426	-	-	177,426	-
	<u>212,161</u>	<u>(9,100)</u>	<u>239,409</u>	<u>442,470</u>	<u>509,616</u>
Fund balances	177,275	9,100	-	186,375	193,080
	<u>\$ 389,436</u>	<u>\$ -</u>	<u>\$ 239,409</u>	<u>\$ 628,845</u>	<u>\$ 702,696</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	2015	2014
<b>Revenues</b>					
Contributions from the councils, the AGM and others	\$ 258,797	\$ -	\$ 202,423	\$ 461,220	\$ 571,050
Sales of goods	18,374	-	-	18,374	23,328
Rental and Interest Income	12,687	-	-	12,687	12,235
Donations	8,110	-	-	8,110	7,994
Projects	4,613	-	-	4,613	-
	<u>302,581</u>	<u>-</u>	<u>202,423</u>	<u>505,004</u>	<u>614,607</u>
<b>Expenses</b>					
Promotion of development and expansion	137,183	-	-	137,183	183,029
Twinning	-	-	107,698	107,698	100,111
International Emergency Fund	-	-	68,349	68,349	179,674
Salaries	68,227	-	-	68,227	54,722
Contribution to the International General Council	40,000	-	-	40,000	30,000
General and administrative National Emergency Fund	35,019	-	-	35,019	41,350
Premises occupancy costs	-	-	26,376	26,376	99
Amortization of tangible capital assets	12,823	-	-	12,823	9,496
Interest on long-term debt	11,077	-	-	11,077	11,972
	4,957	-	-	4,957	9,388
	<u>309,286</u>	<u>-</u>	<u>202,423</u>	<u>511,709</u>	<u>619,841</u>
<b>Deficiency of revenues over expenses</b>	<b>(6,705)</b>	<b>-</b>	<b>-</b>	<b>(6,705)</b>	<b>(5,234)</b>
<b>Fund balances, beginning of the year</b>	<b>193,080</b>	<b>-</b>	<b>-</b>	<b>193,080</b>	<b>198,314</b>
<b>Interfund transfer</b>	<b>(9,100)</b>	<b>9,100</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balances, end of the year</b>	<b>\$ 177,275</b>	<b>\$ 9,100</b>	<b>\$ -</b>	<b>\$ 186,375</b>	<b>\$ 193,080</b>

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)**

<b>For the year ended March 31</b>	<b>2015</b>	<b>2014</b>
<b>Cash flows from operating activities</b>		
Cash receipts from councils, donors and customers	\$ 451,949	\$ 626,772
Cash paid to suppliers, employees and twinning recipients	(499,216)	(603,418)
Interest paid	(4,957)	(9,388)
	<u>(52,224)</u>	<u>13,966</u>
<b>Cash flows from investing activities</b>		
Increase in investments	(119)	(119)
<b>Cash flows from financing activities</b>		
Repayment of long-term debt	(5,908)	(18,183)
	<u>(58,251)</u>	<u>(4,336)</u>
<b>Net decrease in cash</b>	<b>(58,251)</b>	<b>(4,336)</b>
<b>Cash, beginning of the year</b>	<u>127,771</u>	<u>132,107</u>
<b>Cash, end of the year</b>	<u>\$ 69,520</u>	<u>\$ 127,771</u>

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

**March 31, 2015**

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**1. Accounting Policies**

<b>Purpose of Organization</b>	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 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.
<b>Basis of Accounting</b>	The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.
<b>Use of Estimates</b>	The preparation of financial statements 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 for the year covered. The area of significant estimates is the estimated useful lives of the tangible capital assets.
<b>Fund Accounting</b>	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 and 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.
<b>Revenue Recognition</b>	<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>

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

March 31, 2015

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**1. Accounting Policies (continued)**

<b>Financial Instruments</b>	<p><u>Measurement</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, accounts payable and accrued liabilities and long-term debt.</p> <p><u>Impairment</u> Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment.</p> <p><u>Transaction costs</u> 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>						
<b>Inventory</b>	<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 \$36,693 (2014 - \$29,801) and is included in the account purchases of pamphlets, bulletins and translation.</p>						
<b>Tangible Capital Assets</b>	<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 style="text-align: right;">5%</td></tr><tr><td>Furniture &amp; 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%						
<b>Impairment of Tangible Capital Assets</b>	<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>						
<b>Contributed Services</b>	<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>						

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

March 31, 2015

**2. Investments**

Investments are guaranteed investment certificates maturing in June 2015, December 2015 and January 2016 with respective interest rates of 1.55%, 1.25% and 0.65%.

**3. Tangible Capital Assets**

	2015		2014	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 100,000	\$ -	\$ 100,000	\$ -
Building	261,785	69,348	261,785	59,220
Furniture & equipment	11,587	10,562	11,587	10,306
Computer equipment	26,539	24,921	26,539	24,228
	<b>\$ 399,911</b>	<b>\$ 104,831</b>	<b>\$ 399,911</b>	<b>\$ 93,754</b>
Net book value		<b>\$ 295,080</b>		<b>\$ 306,157</b>

**4. Accounts Payable and Accrued Liabilities**

Included in accounts payable and accrued liabilities are government remittances payable of \$1,772 (2014 - \$2,441).

**5. Long-term Debt**

	2015	2014
Loan, 1%, renewable in July 2019, payable by monthly instalments of \$ 883, principal and interest, secured by the land and building with a net book value of \$ 292,437.	\$ 186,198	\$ 192,106
Less: current portion	8,772	2,035
Less: renewable in the next year	-	190,071
	<b>\$ 177,426</b>	<b>\$ -</b>

The principal payments for the next five years amount to: 2016, \$8,772; 2017, \$8,860; 2018, \$8,949; 2019, \$9,039; 2020, \$9,130. 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.



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**6. Economic Dependence**

The Organization receives 51% (2014 - 58%) 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.

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**7. Financial Instruments**

Interest rate risk

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