

**Society of Saint-Vincent-de-Paul National Council of  
Canada**  
**Financial Statements**  
For the year ended March 31, 2013  
(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 statements of financial position of Society of Saint-Vincent-de-Paul National Council of Canada as at March 31, 2013, March 31, 2012 and April 1, 2011, and the statements of operations, changes in fund balances and cash flows for the years ended March 31, 2013 and March 31, 2012. Our reviews were 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 reviews, 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 17, 2013

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

	General fund	Externally restricted fund	March 31 2013	General fund	Externally restricted fund	March 31 2012	General fund	Externally restricted fund	April 1 2011
<b>Assets</b>									
<b>Current</b>									
Cash	\$ 25,433	\$ 106,674	\$ 132,107	\$ 2,600	\$ 114,554	\$ 117,154	\$ 25,873	\$ 119,815	\$ 145,688
Temporary investments (Note 3)	18,224	120,000	138,224	18,107	175,000	193,107	18,017	-	18,017
Accounts receivable	30,823	-	30,823	28,542	-	28,542	17,517	-	17,517
Inventory	24,904	-	24,904	27,296	-	27,296	24,395	-	24,395
Prepaid expenses	2,376	-	2,376	2,073	-	2,073	5,001	-	5,001
	<b>101,760</b>	<b>226,674</b>	<b>328,434</b>	<b>78,618</b>	<b>289,554</b>	<b>368,172</b>	<b>90,803</b>	<b>119,815</b>	<b>210,618</b>
<b>Tangible capital assets (Note 4)</b>	<b>318,129</b>	<b>-</b>	<b>318,129</b>	<b>328,917</b>	<b>-</b>	<b>328,917</b>	<b>341,804</b>	<b>-</b>	<b>341,804</b>
<b>Investments (Note 3)</b>	<b>-</b>	<b>55,000</b>	<b>55,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>175,000</b>	<b>175,000</b>
	<b>\$ 419,889</b>	<b>\$ 281,674</b>	<b>\$ 701,563</b>	<b>\$ 407,535</b>	<b>\$ 289,554</b>	<b>\$ 697,089</b>	<b>\$ 432,607</b>	<b>\$ 294,815</b>	<b>\$ 727,422</b>
<b>Liabilities and Fund Balances</b>									
<b>Current</b>									
Accounts payable and accrued liabilities (Note 5)	\$ 11,286	\$ -	\$ 11,286	\$ 6,097	\$ -	\$ 6,097	\$ 15,090	\$ -	\$ 15,090
Deferred contributions	-	281,674	281,674	-	289,554	289,554	-	294,815	294,815
Current portion of long-term debt (Note 6)	8,139	-	8,139	7,220	-	7,220	6,257	-	6,257
	<b>19,425</b>	<b>281,674</b>	<b>301,099</b>	<b>13,317</b>	<b>289,554</b>	<b>302,871</b>	<b>21,347</b>	<b>294,815</b>	<b>316,162</b>
<b>Long-term debt (Note 6)</b>	<b>202,150</b>	<b>-</b>	<b>202,150</b>	<b>209,676</b>	<b>-</b>	<b>209,676</b>	<b>233,398</b>	<b>-</b>	<b>233,398</b>
	<b>221,575</b>	<b>281,674</b>	<b>503,249</b>	<b>222,993</b>	<b>289,554</b>	<b>512,547</b>	<b>254,745</b>	<b>294,815</b>	<b>549,560</b>
<b>Fund balances</b>	<b>198,314</b>	<b>-</b>	<b>198,314</b>	<b>182,982</b>	<b>1,560</b>	<b>184,542</b>	<b>177,862</b>	<b>-</b>	<b>177,862</b>
	<b>\$ 419,889</b>	<b>\$ 281,674</b>	<b>\$ 701,563</b>	<b>\$ 405,975</b>	<b>\$ 291,114</b>	<b>\$ 697,089</b>	<b>\$ 432,607</b>	<b>\$ 294,815</b>	<b>\$ 727,422</b>

On behalf of the board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

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

<b>For the year ended March 31</b>	<b>2013</b>		<b>2012</b>		
	<b>General fund</b>	<b>Externally restricted fund</b>	<b>General fund</b>	<b>Externally restricted fund</b>	
<b>Balance, beginning of the year</b>	\$ 184,542	\$ -	\$ 177,862	\$ -	\$ 177,862
<b>Excess of revenues over expenses</b>	<u>13,772</u>	-	<u>5,120</u>	<u>1,560</u>	<u>6,680</u>
<b>Balance, end of the year</b>	<u>\$ 198,314</u>	<u>\$ -</u>	<u>\$ 182,982</u>	<u>\$ 1,560</u>	<u>\$ 184,542</u>

**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	2013	General fund	Externally restricted fund	2012
<b>Revenues</b>						
Contributions and others (Schedule)	\$ 262,044	\$ 117,731	\$ 379,775	\$ 266,367	\$ 103,238	\$ 369,605
<b>Expenses</b>						
Amortization of tangible capital assets	13,037	-	13,037	13,370	-	13,370
Contribution to the International General Council	30,000	-	30,000	25,000	-	25,000
International Emergency Fund	-	34,702	34,702	-	16,544	16,544
National Emergency Fund	-	83	83	-	5,086	5,086
Interest on long-term debt	9,761	-	9,761	10,657	-	10,657
General and administrative (Schedule)	41,786	-	41,786	45,199	-	45,199
Twinning	-	82,946	82,946	-	80,048	80,048
Premises occupancy costs (Schedule)	16,676	-	16,676	21,062	-	21,062
Salaries	46,327	-	46,327	45,306	-	45,306
Promotion of development and expansion (Schedule)	90,685	-	90,685	100,653	-	100,653
	<u>248,272</u>	<u>117,731</u>	<u>366,003</u>	<u>261,247</u>	<u>101,678</u>	<u>362,925</u>
<b>Excess of revenues over expenses</b>	<b>\$ 13,772</b>	<b>\$ -</b>	<b>\$ 13,772</b>	<b>\$ 5,120</b>	<b>\$ 1,560</b>	<b>\$ 6,680</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>2013</b>	<b>2012</b>
<b>Cash flows from operating activities</b>		
Cash receipts from councils, donors and customers	\$ 369,496	\$ 353,232
Cash paid to suppliers, employees and twinning recipients	(335,926)	(347,867)
Interest paid	(9,761)	(10,657)
	<u>23,809</u>	<u>(5,292)</u>
<b>Cash flows from investing activities</b>		
Acquisition of tangible capital assets	(2,249)	(483)
<b>Cash flows from financing activities</b>		
Repayment of long-term debt	(6,607)	(22,759)
	<u>14,953</u>	<u>(28,534)</u>
<b>Net increase (decrease) in cash</b>	<b>14,953</b>	<b>(28,534)</b>
<b>Cash, beginning of the year</b>	<u>117,154</u>	<u>145,688</u>
<b>Cash, end of year</b>	<b>\$ 132,107</b>	<b>\$ 117,154</b>

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

**March 31, 2013**

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**1. Significant 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 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.
<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 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.
<b>Fund Accounting</b>	The general fund accounts for the general operation of the organization. The externally restricted fund accounts for restricted amounts related to the National and International activities of the organization.
<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, 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, 2013**

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**1. Significant Accounting Policies (continued)**

<b>Financial Instruments</b>	<p><b><u>Measurement</u></b> 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><b><u>Impairment</u></b> Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment.</p> <p><b><u>Transaction costs</u></b> 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 \$12,273 (2012 - \$17,070) 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**  
**Notes to Financial Statements**  
**(Unaudited)**

**March 31, 2013**

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**2. First-time Adoption of Accounting Standards for Not-for-Profit Organizations**

Effective April 1, 2012, the organization adopted the requirements of the new accounting framework: Canadian Accounting Standards for Not-for-Profit Organization (ASNPO), which is Part III of the CICA Handbook - Accounting. These are the organization's first financial statements prepared in accordance with this framework and the transitional provisions of Section 1501, First-time adoption by not-for-profit organizations have been applied. Section 1501 requires retrospective application of the accounting standards with certain elective exemptions and mandatory exceptions. The accounting policies set out in Note 1 - Significant Accounting Policies have been applied in preparing the financial statements for the year ended March 31, 2013, the comparative information presented in these financial statements for the year ended March 31, 2012 and in the preparation of an opening ASNPO statement of financial position at the date of transition of April 1, 2011.

The organization issued financial statements for the year ended March 31, 2012 using Canadian generally accepted accounting principles prescribed by the CICA Handbook - Accounting Part V - Pre-changeover accounting standards. The adoption of ASNPO had no impact on the previously reported assets, liabilities, fund balances, excess of revenues over expenses and cash flows of the organization. Accordingly, no adjustments have been recorded in the comparative statements of financial position, changes in fund balances, operations and cash flows. Certain of the organization's disclosures included in these financial statements reflect the new disclosure requirements of ASNPO.

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**3. Investments**

Investments are guaranteed investment certificates maturing in November 2013, January 2014 and December 2015 with respective interest rates of 1.85%, 0.65% and 1.25%.

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

**March 31, 2013**

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**4. Tangible Capital Assets**

	2013		2012	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 100,000	\$ -	\$ 100,000	\$ -
Building	261,785	48,559	261,785	37,337
Furniture & Equipment	11,587	9,986	11,587	9,586
Computer equipment	26,539	23,237	24,290	21,822
	<b>\$ 399,911</b>	<b>\$ 81,782</b>	<b>\$ 397,662</b>	<b>\$ 68,745</b>
Net book value		<b>\$ 318,129</b>		<b>\$ 328,917</b>

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**5. Accounts Payable and Accrued Liabilities**

Included in accounts payable and accrued liabilities are government remittances payable of \$2,054 (2012 - \$-).

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**6. Long-term Debt**

	2013	2012
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 \$ 313,226	\$ 210,289	\$ 216,896
Less: principal portion due within one year	8,139	7,220
	<b>\$ 202,150</b>	<b>\$ 209,676</b>

The principal payments for the next five years amount to: 2014, \$8,139; 2015, \$7,843; 2016, \$8,175; 2017, \$8,521; 2018, \$8,881. 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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**Society of Saint-Vincent-de-Paul National Council of Canada  
Notes to Financial Statements  
(Unaudited)**

**March 31, 2013**

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**7. Economic Dependence**

The organization receives 57% (2012 - 54%) 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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**8. 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 exposed to this risk for its long-term debt and its investments. The risk associated with investments is reduced to a minimum since these assets are invested in government securities and represent short-term maturities. The organization is also exposed to interest rate risk arising from the possibility that changes in interest rates will affect the value of its long-term debt.

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

**For the year ended March 31** **2013** **2012**

**Revenues**

<b>General fund</b>		
Youth scholarship	\$ -	\$ 10,500
Contributions from the councils	214,640	199,670
Contribution - AGM	5,000	-
Contribution - Debt reduction	-	16,500
Voluntary contributions	2,717	867
Corporate donations	600	4,130
Rule book	4,225	1,880
Rental income	10,125	11,685
Interest income	3,413	4,138
Miscellaneous revenues	1,220	-
Black bag collection	925	458
Magazine Vincenpaul-Canada	3,329	2,210
Sale of goods	15,850	14,329
	<b>\$ 262,044</b>	<b>\$ 266,367</b>

**Expenses**

<b>Promotion of development and expansion</b>		
Purchases of pamphlets, bulletins and translation	\$ 43,993	\$ 51,682
Meeting expenses	28,462	22,225
Travelling expenses	18,230	26,746
	<b>\$ 90,685</b>	<b>\$ 100,653</b>
 <b>Premises occupancy costs</b>		
Insurance	\$ 2,712	\$ 2,712
Cable TV	573	653
Water & sewer	412	298
Electricity	6,586	4,453
Maintenance and repairs	6,393	12,946
	<b>\$ 16,676</b>	<b>\$ 21,062</b>
 <b>General and administrative</b>		
Insurance	\$ 1,177	\$ 1,167
National committees	19,242	23,261
Professional fees	4,053	3,950
Stationary and office expenses	10,319	10,217
Telecommunication	6,996	6,605
	<b>\$ 41,787</b>	<b>\$ 45,200</b>