

Society of Saint Vincent de Paul National Council of  
Canada  
Financial Statements  
(Unaudited)  
For the year ended March 31, 2019

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## Independent Practitioner's 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 accompanying financial statements of Society of Saint Vincent de Paul National Council of Canada that comprise the statement of financial position as at March 31, 2019, and the statements of operations and changes in fund balances, and cash flows 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.

### Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Society of Saint Vincent de Paul National Council of Canada as at March 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Ontario

June 5, 2019

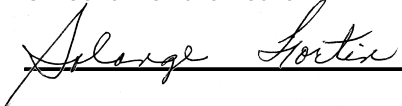
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**Society of Saint Vincent de Paul National Council of Canada**  
**Statement of Financial Position**  
**(Unaudited)**

March 31	General fund	Internally restricted fund	Externally restricted fund	2019	2018
<b>Assets</b>					
<b>Current</b>					
Cash	\$ 258,094	\$ -	\$ -	\$ 258,094	\$ 324,223
Term deposits (Note 2)	200,050	40,000	-	240,050	167,471
Accounts receivable	175,820	-	-	175,820	19,164
Inventories	55,113	-	-	55,113	48,540
Prepaid expenses	4,584	-	-	4,584	10,375
	<u>693,661</u>	<u>40,000</u>	<u>-</u>	<u>733,661</u>	<u>569,773</u>
<b>Tangible capital assets (Note 3)</b>	<u>259,244</u>	<u>-</u>	<u>-</u>	<u>259,244</u>	<u>266,509</u>
	<u>\$ 952,905</u>	<u>\$ 40,000</u>	<u>\$ -</u>	<u>\$ 992,905</u>	<u>\$ 836,282</u>
<b>Liabilities and Fund Balances</b>					
<b>Current</b>					
Accounts payable and accrued liabilities (Note 4)	\$ 28,593	\$ -	\$ -	\$ 28,593	\$ 15,226
Interfund payable (receivable)	450,391	-	(450,391)	-	-
Deferred contributions (Note 5)	62,902	-	450,391	513,293	470,017
Deferred contributions related to tangible capital assets (Note 6)	148,630	-	-	148,630	37,715
Current portion of long-term debt (Note 7)	-	-	-	-	9,443
	<u>690,516</u>	<u>-</u>	<u>-</u>	<u>690,516</u>	<u>532,401</u>
<b>Long-term debt (Note 7)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>110,463</u>
<b>Fund balances</b>	<u>262,389</u>	<u>40,000</u>	<u>-</u>	<u>302,389</u>	<u>193,418</u>
	<u>\$ 952,905</u>	<u>\$ 40,000</u>	<u>\$ -</u>	<u>\$ 992,905</u>	<u>\$ 836,282</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	2019	2018
<b>Revenues</b>					
Contributions from the councils, the AGM and others	\$ 329,361	\$ -	\$ 299,747	\$ 629,108	\$ 638,086
Donations	209,388	-	-	209,388	10,735
Projects	67,265	-	-	67,265	28,051
Rental and interest income	23,997	-	-	23,997	19,122
Sales of goods	20,489	-	-	20,489	48,380
	<u>650,500</u>	<u>-</u>	<u>299,747</u>	<u>950,247</u>	<u>744,374</u>
<b>Expenses</b>					
Promotion of development and expansion	240,210	-	-	240,210	209,239
Twinning	-	-	206,794	206,794	179,007
Salaries and consultants	184,159	-	-	184,159	86,455
National Emergency Fund	-	-	53,908	53,908	134,624
Contribution to the International General Council	53,250	-	-	53,250	42,000
General and administrative	40,445	-	-	40,445	27,766
International Emergency Fund	-	-	39,045	39,045	18,993
Premises occupancy costs	12,993	-	-	12,993	12,414
Amortization of tangible capital assets	9,186	-	-	9,186	9,163
Interest on long-term debt	1,286	-	-	1,286	2,200
	<u>541,529</u>	<u>-</u>	<u>299,747</u>	<u>841,276</u>	<u>721,861</u>
Excess of revenues over expenses	108,971	-	-	108,971	22,513
Fund balances, beginning of the year	184,170	9,248	-	193,418	170,905
Interfund transfer	(30,752)	30,752	-	-	-
Fund balances, end of the year	<u>\$ 262,389</u>	<u>\$ 40,000</u>	<u>\$ -</u>	<u>\$ 302,389</u>	<u>\$ 193,418</u>

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

For the year ended March 31	2019	2018
Cash flows from operating activities		
Cash receipts from councils, donors and customers	\$ 901,878	\$ 710,322
Cash paid to suppliers, employees and twinning recipients	(772,315)	(712,168)
Interest paid	(1,286)	(2,200)
	<u>128,277</u>	<u>(4,046)</u>
Cash flows from investing activities		
Acquisition of tangible capital assets	(1,921)	-
Decrease (increase) in term deposits	(72,579)	9,516
	<u>(74,500)</u>	<u>9,516</u>
Cash flows from financing activities		
Repayment of long-term debt	(119,906)	(48,652)
Net decrease in cash	(66,129)	(43,182)
Cash, beginning of the year	<u>324,223</u>	<u>367,405</u>
Cash, end of the year	<u>\$ 258,094</u>	<u>\$ 324,223</u>

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

March 31, 2019

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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 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 and interest income and projects are 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, 2019

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1. Accounting Policies (continued)

Financial Instruments	<p><u>Initial and subsequent 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><u>Impairment</u> Financial assets measured at amortized cost are tested for impairment when there are indications of possible impairment.</p> <p><u>Transaction costs</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>						
Inventories	<p>Inventories are measured at the lower of cost and net realizable value. The cost is determined on a first-in, first-out method. The amount of inventories expensed during the year are \$12,723 (2018 - \$43,508) 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 &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%						
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>						

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Society of Saint Vincent de Paul National Council of Canada  
Notes to Financial Statements  
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March 31, 2019

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2. Term Deposits

	2019	2018
Internally restricted fund		
Guaranteed investment certificate, 3.25%, maturing in November 2023	\$ 40,000	\$ -
General fund		
Guaranteed investment certificate, 2.75%, maturing in November 2023	\$ 100,000	\$ -
Market-linked guaranteed investment certificate, no rate of return, maturing in February 2024	25,050	-
Market-linked guaranteed investment certificate, minimum return of 1%, maturing in June 2024	75,000	-
Guaranteed investment certificate, 1.7%, matured in January 2019	\$ -	167,471
	\$ 200,050	\$ 167,471

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3. Tangible Capital Assets

	2019		2018	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 100,000	\$ -	\$ 100,000	\$ -
Building	261,785	105,045	261,785	96,795
Furniture & equipment	12,445	11,674	12,445	11,481
Computer equipment	28,460	26,727	26,539	25,984
	\$ 402,690	\$ 143,446	\$ 400,769	\$ 134,260
Net carrying amount		\$ 259,244		\$ 266,509

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4. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$1,849 (2018 - \$4,503)

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Society of Saint Vincent de Paul National Council of Canada  
Notes to Financial Statements  
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March 31, 2019

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5. Deferred Contributions

Deferred contributions represent contributions received for expenses that will be incurred in the coming year. Changes in the balance of deferred contributions are as follows:

	<u>2019</u>	<u>2018</u>
Externally restricted fund		
Balance at the beginning of the year	\$ 425 662	\$ 528 186
Plus: contributions received during the year	324 476	230 100
Less: amounts amortized during the year	<u>(299 747)</u>	<u>(332 624)</u>
Balance at the end of the year	<u>\$ 450 391</u>	<u>\$ 425 662</u>
General fund		
Balance at the beginning of the year	\$ 44 355	\$ 5 605
Plus: contributions received during the year	62 902	61 855
Less: amounts amortized during the year	<u>(44 355)</u>	<u>(23 105)</u>
Balance at the end of the year	<u>\$ 62 902</u>	<u>\$ 44 355</u>

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6. Deferred Contributions Related to Tangible Capital Assets

Deferred contributions related to tangible capital assets consist of amounts received which are dedicated to the repayment of the mortgage on the building. As the building is amortized on the basis of its useful life using the diminishing balance rate of 5%, the contributions will therefore be recognized at the same rate.

	<u>2019</u>	<u>2018</u>
Balance, opening of the year	\$ 37,715	\$ -
Plus: contributions received during the year	118,738	39,700
Less: amount amortized during the year	<u>(7,823)</u>	<u>(1,985)</u>
Balance, end of the year	<u>\$ 148,630</u>	<u>\$ 37,715</u>

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Society of Saint Vincent de Paul National Council of Canada  
Notes to Financial Statements  
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March 31, 2019

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7. Long-term Debt

	<u>2019</u>	<u>2018</u>
Mortgage, 1%, repaid during the year.	\$ -	\$ 119,906
Less: current portion	-	<u>9,443</u>
	<u>\$ -</u>	<u>\$ 110,463</u>

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8. Financial Instruments

Interest rate risk

Fixed rate instruments subject the Organization to a fair value risk, since fair value fluctuates inversely to changes in market interest rates.

Credit risk

The Organization is exposed to credit risk for its accounts receivable. The Organization reviews the collectibility of its accounts receivable and will record a bad debt when not collectible.

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9. Comparative Figures

For comparison purposes, certain prior year figures have been reclassified to make their presentation identical to the current year.