

Alzheimer Society of Timmins-Porcupine District Inc.
Financial Statements
March 31, 2019

Alzheimer Society of Timmins-Porcupine District Inc.

Contents

For the year ended March 31, 2019

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Management's Responsibility

To the Directors of Alzheimer Society of Timmins-Porcupine District Inc.:

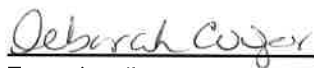
Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed primarily of Directors who are neither management nor employees of the Charity. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management, and external auditors. The Board is also responsible for recommending the appointment of the Charity's external auditors.

MNP LLP is appointed by the directors to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

May 29, 2019



Executive director

Independent Auditor's Report

To the of Alzheimer Society of Timmins-Porcupine District Inc.:

Qualified Opinion

We have audited the financial statements of Alzheimer Society of Timmins-Porcupine District Inc. (the "Charity"), which comprise the statement of financial position as at March 31, 2019, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter(s) described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Charity 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.

Basis for Qualified Opinion

In common with many not-for-profit organizations, Alzheimer Society of Timmins-Porcupine District Inc. derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of organization and we were not able to determine whether any adjustments might be necessary to donations and fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2019 and March 31, 2018 and assets and net assets as at March 31, 2019 and March 31, 2018. The audit opinion on the financial statements for the year ended March 31, 2018 was qualified accordingly because of the possible effects of the limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other Matter

The supplementary information contained in the Schedules is presented for purposes of additional information and is not part of the basic audited financial statements. The information in the schedules was derived from the accounting records testing in forming an opinion on the financial statements as a whole.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Charity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Charity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Timmins, Ontario

May 29, 2019

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants

Alzheimer Society of Timmins-Porcupine District Inc.
Statement of Financial Position

As at March 31, 2019

	2019	2018
Assets		
Current		
Cash	184,054	140,194
Accounts receivable (Note 3)	6,520	5,259
Prepaid expenses and deposits	-	15,904
	190,574	161,357
Liabilities		
Current		
Accounts payable and accruals (Note 4)	7,204	8,989
Due to the Northeastern Local Health Integration Network	26,500	26,500
	33,704	35,489
Net Assets		
Internally restricted net assets	33,000	-
Unrestricted net assets	123,870	125,868
	156,870	125,868
	190,574	161,357

Approved on behalf of the Board



Director

Director

The accompanying notes are an integral part of these financial statements

Alzheimer Society of Timmins-Porcupine District Inc.

Statement of Operations

For the year ended March 31, 2019

	2019	2018
Revenue		
Allocation of Provincial fundraising - ongoing	9,578	5,348
Donations	30,007	4,179
Green Shield Canada grant	-	4,797
Interest	-	27
Memorials	10,171	9,101
Canada Summer Jobs	3,360	4,783
Northern Ontario Heritage Fund Corporation	12,560	4,444
Northeast Local Health Integration Network (NELHIN) (Schedule 2)	329,928	236,479
Fundraising (Schedule 1)	93,432	49,937
	489,036	319,095
Expenses		
Advertising	1,281	228
Bank charges and interest	451	266
Capital purchases	125	-
Insurance	2,313	2,314
Office	15,812	(613)
Professional fees	5,702	8,768
Rent	-	3,000
Salaries and benefits	63,057	28,746
Steering committee	1,574	5,181
Subcontracts	-	2,691
Support	3,409	1,578
Telephone	1,559	1,122
Training	561	4,658
Travel	6,414	3,865
NELHIN (Schedule 2)	331,411	222,563
Fundraising (Schedule 1)	24,365	15,521
	458,034	299,888
Excess of revenue over expenses before due to NELHIN	31,002	19,207
Due to NELHIN	-	(15,000)
Excess of revenue over expenses	31,002	4,207

The accompanying notes are an integral part of these financial statements

Alzheimer Society of Timmins-Porcupine District Inc.
Statement of Changes in Net Assets
For the year ended March 31, 2019

	<i>Internally restricted funds</i>	<i>Unrestricted funds</i>	2019	2018
Net assets beginning of year	-	125,868	125,868	121,661
Excess of revenue over expenses	-	31,002	31,002	4,207
Transfer	33,000	(33,000)	-	-
Net assets, end of year	33,000	123,870	156,870	125,868

The accompanying notes are an integral part of these financial statements

Alzheimer Society of Timmins-Porcupine District Inc.

Statement of Cash Flows

For the year ended March 31, 2019

	2019	2018
Cash provided by (used for) the following activities		
Operating		
Excess of revenue over expenses	31,002	4,207
Changes in working capital accounts		
Accounts receivable	(1,261)	5,509
Prepaid expenses and deposits	15,904	(15,904)
Accounts payable and accruals	(1,785)	2,329
Deferred contributions	-	(4,798)
Due to NELHIN	-	12,500
Increase in cash resources	43,860	3,843
Cash resources, beginning of year	140,194	136,351
Cash resources, end of year	184,054	140,194

The accompanying notes are an integral part of these financial statements

Alzheimer Society of Timmins-Porcupine District Inc.

Notes to the Financial Statements

For the year ended March 31, 2019

1. Incorporation and nature of the organization

Alzheimer Society of Timmins-Porcupine District Inc. (the "Charity") was incorporated under the authority of the Income Tax Act on February 2, 1988 and is a registered charity. In order to maintain its status as a registered charity under the Act, the Charity must meet certain requirements within the Act. In the opinion of management these requirements have been met.

The Charity's objective is to alleviate the personal and social consequences of Alzheimer disease and to promote the search for the causes and cure of the disease.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada which are part of Canadian generally accepted accounting principles, and include the following significant accounting policies:

Fund accounting

The Charity follows the deferral method of accounting for contributions and reports using fund accounting, and maintains two funds: Internally restricted funds and Operating fund.

The Operating Fund reports the Charity's revenues and expenses relating operating activities as set out by budget approved by NELHIN.

The Internally restricted fund reports the Charity's accreditation costs pending to be used in the future years related to Alzheimer Society of Timmins-Porcupine District Inc.'s. These internally restricted amounts are not available for other purposes without approval of the board of directors.

Capital assets

Capital assets are expensed on acquisition.

Revenue recognition

The Charity 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.

Donations, grants, memorials and fundraising revenues are recognized as received.

Interest is accrued as earned.

Contributed services

Contributions of services are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated and when the services are used in the normal course of the Charity's operations and would otherwise have been purchased.

Allocation of expenses

The allocation of expenses was determined by management in reference to the approved budgets submitted to various funding sources.

Alzheimer Society of Timmins-Porcupine District Inc.
Notes to the Financial Statements
For the year ended March 31, 2019

2. Significant accounting policies (continued from previous page)

Financial instruments

The Charity recognizes its financial instruments when the Charity becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with Section 3840 *Related Party Transactions*.

At initial recognition, the Charity may irrevocably elect to subsequently measure any financial instrument at fair value. The Charity has not made such an election during the year.

The Charity subsequently measures its financial assets and liabilities at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the excess of revenues over expenses for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity 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 and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Accounts payable and accrued liabilities are estimated based on historical costs for goods and services.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues and expenses in the periods in which they become known.

3. Accounts receivable

	2019	2018
Accounts receivable	377	-
HST recoverable	6,143	5,259
	6,520	5,259

4. Accounts payable and accruals

	2019	2018
Trade accounts payable and accrued liabilities	6,075	7,703
Wage and employee benefits payable	1,129	1,286
	7,204	8,989

Alzheimer Society of Timmins-Porcupine District Inc.

Notes to the Financial Statements

For the year ended March 31, 2019

5. Commitments

The Charity has entered a five year lease agreement in the amount of \$1,600 per month. Future minimum lease payments as at March 31, 2019 are as follows:

2020	19,200
2021	19,200
2022	19,200
2023	19,200
2024	11,200
	<hr/>
	88,000

6. Financial instruments

The Charity, as part of its operations, carries a number of financial instruments. It is management's opinion that the Charity is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments.

7. Economic dependence

The Charity's primary source of revenue is from NELHIN. The grant funding can be cancelled if the Charity does not observe certain established guidelines. The Charity's ability to continue viable operations is dependent upon maintaining its right to follow the criteria within the provincial government guidelines. As at the date of these financial statements the Charity believes that it is in compliance with the guidelines.

Alzheimer Society of Timmins-Porcupine District Inc.
Schedule 1 - Unaudited Schedule of Fundraising Revenues and Expenses

For the year ended March 31, 2019

	2019	2018
Revenue		
Bingo	17,141	15,405
Catch the Ace	32,500	4,196
Duck Race	8,563	8,613
Country Concert	5,620	-
Mud Factor	13,175	14,790
Others	1,199	50
Ride for Memories	7,718	3,455
Walk for Memories	7,516	3,428
	93,432	49,937
Expenses		
Catch the Ace	13,854	1,912
Duck Race	7,179	6,772
Mud Factor	2,689	2,488
Ride for Memories	643	4,261
Walk for Memories	-	88
	24,365	15,521
Excess of revenue over expenses	69,067	34,416

Alzheimer Society of Timmins-Porcupine District Inc.
Schedule 2 - Unaudited Schedule of NELHIN Revenues and Expenses
For the year ended March 31, 2019

	2019	2018
Revenue		
Administrative and Support Services	43,367	37,689
Behaviour Support Ontario	75,410	65,092
Dementia funding	56,200	21,571
Expansion funding	-	26,320
First Link	56,377	48,797
One time funding- other	-	6,753
Public Education Co-ordinator	65,774	30,257
One time funding - relocation	32,800	-
	329,928	236,479
Expenses		
Advertising	1,138	2,758
Benefit contributions	16,449	12,362
Office	7,461	13,777
Professional fees	4,580	-
One time expenses - relocation	32,800	-
Rent	14,805	4,434
Salaries and wages	239,724	170,621
Seminars and education	2,281	1,578
Telecommunications	4,865	3,746
Travel	7,308	13,287
	331,411	222,563
Excess (deficiency) revenue over expenses	(1,483)	13,916