

FCN FAMILY CAREGIVERS' NETWORK SOCIETY

FINANCIAL STATEMENTS

Years ended MARCH 31, 2013 and March 31, 2012



Klompas & Rothwell

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS:

We have audited the accompanying statement of financial position of FCN Family Caregivers Network Society as at March 31, 2013, March 31, 2012 and April 1, 2011 and the statements of operations and changes in net assets and cash flows for the years ended March 31, 2013 and March 31, 2012 and notes, comprising 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 generally accepted accounting principles, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

In common with many charitable organizations, the Society derives part of its revenue from the general public in the form of donations and fund raising activities the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of receipts from those sources was limited to accounting for the amounts recorded in the records of the society and we were not able to determine whether any adjustments might be necessary to donation revenues, excess of receipts over expenditures, assets and capital.

Qualified Opinion

In our opinion, except for the effect of adjustments, if any, which we may have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the donation revenue and fund raising activities referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2013, March 31, 2012 and April 1, 2011 and the results of its operations and its cash flows for the years ended March 31, 2013 and March 31, 2012 in accordance with Canadian accounting standards for not-for profit organizations.

Report on legal and regulatory Requirements

As required by the Society Act (British Columbia) we report that, in our opinion, the accounting principles in the Canadian accounting standards for not-for profit organization have been applied on a consistent basis.

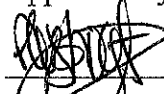
June 21, 2013
Victoria, B.C.

Chartered Accountants

FCN FAMILY CAREGIVERS' NETWORK SOCIETY
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2013

	<u>2013</u>	<u>2012</u>	<u>April 01,</u> <u>2011</u>
<u>ASSETS</u>			
Current assets			
Cash	\$ 108,947	\$ 69,122	\$ 64,196
Accounts receivable	11,679	18,963	16,960
Prepaid expenses	<u>2,095</u>	<u>1,630</u>	<u>2,286</u>
	122,721	89,715	83,442
Equipment, furniture and fixtures (note 5)	<u>2,641</u>	<u>4,223</u>	<u>2,882</u>
	<u>\$ 125,362</u>	<u>\$ 93,938</u>	<u>\$ 86,324</u>
<u>LIABILITIES</u>			
Current liabilities			
Accounts payable and accrued charges	\$ <u>34,192</u>	\$ <u>46,020</u>	\$ <u>32,593</u>
<u>NET ASSETS</u>			
Net assets invested in equipment, furniture and fixtures	2,641	4,223	2,882
Unrestricted net assets	<u>88,529</u>	<u>43,695</u>	<u>50,849</u>
	<u>91,170</u>	<u>47,918</u>	<u>53,731</u>
	<u>\$ 125,362</u>	<u>\$ 93,938</u>	<u>\$ 86,324</u>

Approved by the Board:


 _____ Director
 _____ Director

FCN FAMILY CAREGIVERS' NETWORK SOCIETY
STATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
Receipts		
Grants	\$ 254,090	\$ 180,045
Donations	4,443	8,745
Endowment fund income	590	499
Workshop revenue	505	1,404
Memberships	810	620
Fundraising	16,431	16,439
Interest and sundry	<u>19,590</u>	<u>10,868</u>
	<u>296,459</u>	<u>218,620</u>
 Expenditures		
Amortization	1,582	1,078
Donation to endowment fund	250	-
Educational events	10,716	7,725
Equipment rentals	2,959	4,099
Fundraising	9,396	9,549
Insurance	1,257	907
Library	24	24
Newsletter printing and postage	11,902	14,148
Postage	657	253
Other	1,710	2,405
Professional fees	7,162	7,131
Public relations	3,982	2,618
Rent and janitorial	26,842	26,842
Supplies	5,711	716
Telephone	3,755	3,409
Travel	1,727	783
Wages and benefits	163,016	142,554
Website	<u>559</u>	<u>192</u>
	<u>253,207</u>	<u>224,433</u>
 Net receipts (expenditures)	 \$ <u>43,252</u>	 \$ <u>(5,813)</u>

FCN FAMILY CAREGIVERS' NETWORK SOCIETY
STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED MARCH 31, 2013

	<u>Invested In Equipment, furniture and fixtures</u>	<u>Restricted for Endowment Purposes</u>	<u>Unrestricted</u>	<u>2013 Total</u>	<u>2012 Total</u>
Balance, beginning of year	\$ 4,223	\$ -	\$ 43,695	\$ 47,918	\$ 53,731
Excess (deficiency) of revenue over expenses	(1,582)	-	44,834	43,252	(5,813)
Investment in equipment, furniture and fixtures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net assets	\$ <u>2,641</u>	\$ <u>-</u>	\$ <u>88,529</u>	\$ <u>91,170</u>	\$ <u>47,918</u>

FCN FAMILY CAREGIVERS' NETWORK SOCIETY
STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
Operating activities		
Net receipts (expenditures), for the year	\$ 43,252	\$ (5,813)
Amortization of equipment, furniture and fixtures	<u>1,582</u>	<u>1,078</u>
	44,834	(4,735)
Changes in non-cash operating working capital		
Accounts receivable	7,284	(2,003)
Prepaid expenses	(465)	656
Accounts payable and accrued charges	<u>(11,828)</u>	<u>13,427</u>
Net cash generated through operating activities	<u>39,825</u>	<u>7,345</u>
 Financing and investing activities		
Purchase of equipment, furniture and fixtures	<u>-</u>	<u>(2,419)</u>
Net cash (used in) financing and investing activities	<u>-</u>	<u>(2,419)</u>
 Net increase during the year	 39,825	 4,926
Cash position, beginning of year	<u>69,122</u>	<u>64,196</u>
Cash position, end of year	\$ <u>108,947</u>	\$ <u>69,122</u>

No interest was paid during 2013 and 2012.

No income taxes were paid during 2013 and 2012.

FCN FAMILY CAREGIVERS' NETWORK SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2013

1. Purpose of the Organization

The FCN Family Caregivers' Network Society (the Society) is a registered charitable organization whose purpose is to inform, support and educate on issues of concern to family caregivers with a focus on:

- Helping family caregivers to navigate the health care system – match people with resources
- Decreasing family caregivers stress and burden through education and support with an emphasis on self care
- Increasing awareness of the demands and responsibilities of the family caregiver role
- Representing family caregiver issues within the Health Care system and influencing policy changes at various levels of government
- Working together with other organizations to maximize resources and support for family caregivers

2. Significant accounting policies

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for profit organizations.

Financial instruments

The Society's financial instruments consist of cash, accounts receivable, and accounts payable and accrued liabilities. The fair values of these accounts approximate their carrying values because of the short-term nature of these instruments.

Equipment, furniture and fixtures

Purchased assets are recorded at cost. Assets in use are amortized at rates estimated to be sufficient to amortize the cost of the assets over their estimated useful life at the following annual rates and methods:

Computer equipment	5 yrs straight-line
Furniture and fixtures	5 yrs straight-line

FCN FAMILY CAREGIVERS' NETWORK SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2013

2. Significant accounting policies, continued

Revenue recognition

The FCN Family Caregivers' Network Society follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue of the appropriate fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in the Endowment Fund balance.

Management estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts and disclosures reported in the financial statements and accompanying notes. Management believes that the estimates utilized in preparing these financial statements are reasonable; however, results could differ from these estimates.

3. Adoption of new accounting standards

During the year ended March 31, 2013 the Society adopted the new Canadian accounting standards for not-for profit organizations (ASNPOs) issued by the Canadian Institute of Chartered Accountants (CICA). In accordance with Section 1501 of the CICA Handbook, 'first-time adoption', (Section 1501) the date of transition to ASNPOs is April 1, 2011 and the Society has presented an opening statement of financial position as at that date.

This opening statement of financial position is the starting point for the Society's accounting under ASNPOs.

In its opening statement of financial position, under the recommendations of Section 1501 the Society:

- Recognized all assets and liabilities in recognition of which is required by ASNPOs;
- did not recognize items as assets or liabilities if ASNPOs do not permit such recognition, and;
- applied ASNPOs in measuring all recognized assets and liabilities

In accordance with the requirements of Section 1501, the accounting policies set out in Note 2 have been consistently applied to all years presented.

FCN FAMILY CAREGIVERS' NETWORK SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2013

3. Adoption of new accounting standards, continued

The adoption of ASNPOs has no impact on the previously reported statement of financial position as at March 31, 2012 or on the previously reported statement of operations, changes in net assets, and cash flows for the year ended March 31, 2012. Consequently, a reconciliation of the previously reported items to reporting using ASNPOs has not been prepared

4. Operations

During the year ended March 31, 2013, the Society operated using grants from the Vancouver Island Health Authority in the amount of \$ 131,090 for general operations; the B.C. Gaming Commission \$ 44,000, the Greater Victoria Savings Credit Union Legacy Fund \$ 25,000, and a \$ 50,000 grant from the United Way of Greater Victoria; fundraising and donations completed the remaining operational revenue.

The funding term of the United Way of Greater Victoria commitment is January 1, 2012 to December 31, 2014 in the amount of \$ 50,000 per year. Funding will be disbursed in equal monthly payments of \$ 4,165 and is contingent upon the availability of the United Way Board approved funds and compliance with their reporting requirements.

5. Equipment, furniture and fixtures

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>2013 Net Book Value</u>	<u>2012 Net Book Value</u>	<u>Depreciation Rates</u>
Computer equipment	\$ 7,613	\$ 6,423	\$ 1,190	\$ 2,288	20 %
Furniture and fixtures	<u>10,473</u>	<u>9,022</u>	<u>1,451</u>	<u>1,935</u>	20 %
	<u>\$ 18,086</u>	<u>\$ 15,445</u>	<u>\$ 2,641</u>	<u>\$ 4,223</u>	

6. Lease commitment

The Society leases its office premises under a lease expiring March 31, 2015 at \$ 2,120 per month plus GST.

7. Endowment fund

In 2006, the Society entered into an agreement with the Victoria Foundation to establish the Family Caregivers' Network Society Endowment Fund. The fair market value of the fund at March 31, 2013 was \$ 20,939, (March 31, 2012 - \$ 19,303). Under the terms of the Fund, the contributions are to be held in perpetuity by the Victoria Foundation.

The amount available for grant purposes at March 31, 2013 is \$ 590.