

**TORONTO AND CENTRAL ONTARIO REGIONAL HEMOPHILIA SOCIETY**

**Financial Statements**

**May 23, 2013**

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## Independent Auditors' Report

To the Directors of **Toronto and Central Ontario Regional Hemophilia Society**

We have audited the accompanying financial statements of **Toronto and Central Ontario Regional Hemophilia Society**, which comprise the statement of financial position as at May 23, 2013 and the statements of operations and changes in net assets and cash flows for the period 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.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian 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 in our audit is sufficient and appropriate to provide for a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of Toronto and Central Ontario Regional Hemophilia Society as at May 23, 2013 and the results of its operations, changes in net assets and cash flows for the period then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Toronto, Ontario  
April 7, 2014

*Marinucci & Company*  
Chartered Accountants  
Licensed Public Accountants

**TORONTO AND CENTRAL ONTARIO REGIONAL HEMOPHILIA SOCIETY**

**Statement of Financial Position**

**As at May 23, 2013**

(with comparative figures as at December 31, 2012)

	May 23 2013	December 31 2012
<b>ASSETS</b>		
Current:		
Cash (Note 3)	\$ 101,447	\$ 95,181
Amounts receivable	3,977	1,500
GST/HST receivable	3,738	2,889
Due from Hemophilia Ontario	<u>6,249</u>	<u>-</u>
	<u>\$ 115,411</u>	<u>\$ 99,570</u>
<b>LIABILITIES</b>		
Current:		
Accounts payable and accrued liabilities	\$ 3,704	\$ 3,081
Deferred contributions (Note 4)	<u>64,907</u>	<u>60,465</u>
	68,611	63,546
<b>NET ASSETS</b>		
Accumulated surplus	<u>46,800</u>	<u>36,024</u>
	<u>\$ 115,411</u>	<u>\$ 99,570</u>

Approved on behalf of the Board of Directors:

  
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Director

Director

See accompanying Notes to Financial Statements

**TORONTO AND CENTRAL ONTARIO REGIONAL HEMOPHILIA SOCIETY**

**Statement of Operations and Changes in Net Assets**

**For the period ended May 23, 2013**

(with comparative figures for the year ended December 31, 2012)

	2013	2012
<b>REVENUES</b>		
Grant – City of Toronto (Note 5)	\$ 13,530	\$ 31,845
Fundraising and gaming activities	8,603	35,133
Donations	2,763	28,820
Programs and events	157	15,697
Interest	95	331
Contributions from pharmaceutical sponsors	<u>-</u>	<u>5,000</u>
	<u>25,148</u>	<u>116,826</u>
<b>EXPENSES</b>		
Programs	9,904	69,050
Professional fees	3,500	3,079
Office supplies and expenses	521	8,826
Board and committee meetings	306	1,277
Staff and volunteer development	80	50
Travel	61	210
Building occupancy	-	30,097
Salaries and benefits	<u>-</u>	<u>2,005</u>
	<u>14,372</u>	<u>114,594</u>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>10,776</b>	<b>2,232</b>
<b>ACCUMULATED SURPLUS, beginning of period</b>	<u><b>36,024</b></u>	<u><b>33,792</b></u>
<b>ACCUMULATED SURPLUS, end of period</b>	<u><b>\$ 46,800</b></u>	<u><b>\$ 36,024</b></u>

See accompanying Notes to Financial Statements

# TORONTO AND CENTRAL ONTARIO REGIONAL HEMOPHILIA SOCIETY

## Statement of Cash Flows

For the period ended May 23, 2013

(with comparative figures for the year ended December 31, 2012)

	2013	2012
<b>Cash generated (used in)</b>		
<b>OPERATING ACTIVITIES:</b>		
Excess of revenues over expenses	\$ 10,776	\$ 2,232
Impact on cash of changes in non-cash working capital items:		
Amounts receivable	2,477	(1,500)
GST/HST receivable	(849)	378
Due from Hemophilia Ontario	(6,249)	-
Accounts payable and accrued liabilities	623	(446)
Deferred contributions	<u>4,442</u>	<u>(267)</u>
	<u>6,266</u>	<u>397</u>
<b>INCREASE IN CASH</b>	<b>6,266</b>	<b>397</b>
<b>CASH, beginning of period</b>	<u><b>95,181</b></u>	<u>94,784</u>
<b>CASH, end of period</b>	<u><b>\$ 101,447</b></u>	<u><b>\$ 95,181</b></u>

See accompanying Notes to Financial Statements

# TORONTO AND CENTRAL ONTARIO REGIONAL HEMOPHILIA SOCIETY

## Notes to Financial Statements

May 23, 2013

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### 1. NATURE AND PURPOSE OF THE ORGANIZATION

Toronto and Central Ontario Regional Hemophilia Society ("TCOR") was incorporated without share capital under the Ontario Business Corporations Act as a not-for-profit organization in 1992. Its objective is to promote opportunities for improving the quality of life for all affected with bleeding disorders. The ultimate aim is cure. Towards those ends, TCOR is committed to provide and support programs of research; consumer, public and professional education; and consumer, family and community services.

TCOR is a registered charity under the Income Tax Act (Canada) and, as such, is exempt from income taxes provided that it continues to fulfill the requirements and regulations of the Act in respect to registered charities.

Prior to May 24, 2013, TCOR was a regional office of Hemophilia Ontario, which is a separately incorporated not-for-profit charitable organization. Effective May 24, 2013, TCOR amalgamated with Hemophilia Ontario.

### 2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are the representation of management and have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the *CICA Handbook* and include the following significant accounting policies.

#### Amalgamation

These financial statements present the assets, liabilities and net assets of TCOR as at May 23, 2013 and TCOR revenues, expenses and cash flows for the period to May 23, 2013.

As at May 24, 2013 the assets, liabilities and net assets reported on the balance sheet were amalgamated with Hemophilia Ontario.

#### Revenue recognition

TCOR follows the deferral method of accounting for contributions, which include donations, contributions from pharmaceutical sponsors, fundraising and gaming activities and government grants.

Unrestricted contributions are recognized as revenues in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted contributions received for programs and expenses of the current period are recognized as revenues in the year received. Restricted contributions received for programs and expenses of future years are recognized initially as deferred revenues on the statement of financial position in the year received and then recognized as revenues in the year in which the related program takes place and expenses are incurred.

#### Financial instruments

TCOR initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost.

The financial assets subsequently measured at amortized cost include cash and amounts receivable. The financial liabilities measured at amortized cost include accounts payable.

# TORONTO AND CENTRAL ONTARIO REGIONAL HEMOPHILIA SOCIETY

## Notes to Financial Statements

May 23, 2013

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### 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Measurement uncertainty

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 at the date of the financial statements and the reported amounts of revenues and expenses during the period. These estimates are reviewed periodically and adjustments are made to revenues and expenses as appropriate in the period they become known.

#### Contributed services

TCOR would not be able to carry out its activities without the services of many volunteers who contribute a considerable amount of their time and services. Because of the difficulty of determining their fair value, contributed services are not recognized in these financial statements.

### 3. FINANCIAL INSTRUMENTS

Cash consists of bank deposits residing in interest-bearing chequing accounts at major Canadian financial institutions. TCOR is exposed to credit risk for the amount of cash held in these accounts in the event of non-performance by the financial institutions. To date, TCOR has not incurred losses related to cash balances and does not anticipate non-performance by other parties.

TCOR manages its cash based on its cash flow needs and with a view to optimizing its interest income.

Cash at May 23, 2013 includes \$40,908 (December 31, 2012 - \$33,986) in a Bingo account, disbursements from which are restricted to activities and expenses approved by the City of Toronto through a Bingo license.

The carrying value of TCOR's financial instruments approximates their fair value due to the relatively short term to maturity of those instruments.

TCOR does not have significant credit risk in respect to its accounts receivable, and has no currency risk.

### 4. DEFERRED CONTRIBUTIONS

Deferred contributions are as follows:

	May 23 2013	December 31 2012
Contributions and donations	\$ 21,699	\$ 24,179
Proceeds from gaming activities	<u>43,208</u>	<u>36,286</u>
	<u>\$ 64,907</u>	<u>\$ 60,732</u>

### 5. CITY OF TORONTO

TCOR receives annual grant funding from the City of Toronto Community Services Grants Program for hemophilia support, advocacy, counseling and educational programs. The grant is subject to an annual review.

Grant revenues for the period to May 23, 2013 of \$13,530 represent the portion of the City of Toronto 2013 grant up to the date of the amalgamation.