
**JEWISH FAMILY SERVICE AGENCY OF VANCOUVER
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
AUGUST 31, 2014**





INDEPENDENT AUDITORS' REPORT

To the Members of:
Jewish Family Service Agency of Vancouver

Report on the Financial Statements

We have audited the accompanying financial statements of Jewish Family Service Agency of Vancouver which comprise the statement of financial position as at August 31, 2014 and the statements of changes in net assets, revenue and expenses and cash flows for the year ended August 31, 2014 and the related notes comprising a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Financial Statements

Directors are 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 the directors determine 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 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 our 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, we consider 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 directors, 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 a basis for our audit opinion.

Basis for Qualified Opinion

In common with many charitable organizations, the Agency derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Agency and we were unable to determine whether any adjustments might be necessary to donation revenue, excess of revenue over expenses, cash flows from operations, total assets and net assets.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Jewish Family Service Agency of Vancouver as at August 31, 2014 and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.



INDEPENDENT AUDITORS' REPORT

Report on Other Legal and Regulatory Requirements

As required by the British Columbia Society Act, we report that, in our opinion, the Agency's financial statements have been prepared following Canadian accounting standards for not-for-profit organizations.

Manning Elliott LLP

Chartered Accountants

Vancouver, British Columbia

November 21, 2014

JEWISH FAMILY SERVICE AGENCY OF VANCOUVER
STATEMENT OF FINANCIAL POSITION
AS AT AUGUST 31, 2014

	2014	2013
ASSETS		
CURRENT ASSETS		
Cash	\$ 541,298	\$ 475,921
Accounts receivable	217,172	191,591
Prepaid expenses	72,452	68,702
	<u>830,922</u>	<u>736,214</u>
CAPITAL ASSETS (Note 2)	20,994	29,860
INTERNALLY RESTRICTED CASH AND INVESTMENTS (Note 3)	359,562	280,358
	<u>\$ 1,211,478</u>	<u>\$ 1,046,432</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 231,540	\$ 98,417
Government remittances payable	24,001	16,865
Deferred revenue (Note 5)	214,304	181,948
	<u>469,845</u>	<u>297,230</u>
DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS (Note 6)	5,465	15,243
	<u>475,310</u>	<u>312,473</u>
COMMITMENTS (Note 7)		
INVESTED IN CAPITAL ASSETS	15,529	14,617
INTERNALLY RESTRICTED (Note 3)	359,562	280,358
UNRESTRICTED	361,077	438,984
	<u>736,168</u>	<u>733,959</u>
	<u>\$ 1,211,478</u>	<u>\$ 1,046,432</u>

Approved by the Board:

_____ Director

_____ Director



JEWISH FAMILY SERVICE AGENCY OF VANCOUVER
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED AUGUST 31, 2014

				2014	2013
	Invested in capital assets	Internally restricted	Unrestricted	Total	Total
BALANCE AT BEGINNING OF YEAR	\$ 14,617	\$ 280,358	\$ 438,984	\$ 733,959	\$ 525,961
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE) FOR THE YEAR	-	4,204	(1,995)	2,209	207,998
TRANSFER OF RESTRICTED FUNDS	-	75,000	(75,000)	-	-
ACQUISITION OF CAPITAL ASSETS	9,170	-	(9,170)	-	-
AMORTIZATION OF DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS	9,778	-	(9,778)	-	-
AMORTIZATION OF CAPITAL ASSETS	(18,036)	-	18,036	-	-
BALANCE AT END OF YEAR	\$ 15,529	\$ 359,562	\$ 361,077	\$ 736,168	\$ 733,959



JEWISH FAMILY SERVICE AGENCY OF VANCOUVER
STATEMENT OF REVENUE AND EXPENSES
FOR THE YEAR ENDED AUGUST 31, 2014

	2014	2013
REVENUE		
Distributions from endowment funds (Note 8)	\$ 191,471	\$ 162,113
Donations and fundraising	937,870	803,685
Fees for services	921,916	719,682
Foreign exchange gain	22,795	8,137
Government and other grants	337,437	350,059
Holocaust Survivor Emergency Assistance Program	225,460	248,629
Interest and other income	62,050	35,913
Jewish Federation of Greater Vancouver	862,861	874,766
Jewish Immigration Assistance Society	6,375	22,125
United Way	104,036	110,018
	3,672,271	3,335,127
EXPENSES		
Administrative expenses	240,084	214,733
Advertising and promotion	8,329	18,452
Amortization	18,036	16,508
Computer system development	147	9,285
Financial Aid - Food assistance	172,621	162,638
Financial Aid - Holocaust survivors	212,650	200,278
Financial Aid - Jewish Immigrants	34,082	66,709
Financial Aid - Other	83,383	69,097
Fundraising	123,103	124,509
Kosher meals	119,104	53,529
Programs	19,119	9,973
Rent	201,003	201,680
Staff and volunteer training	20,752	10,490
Travel	12,806	13,569
Wages and benefits	2,404,843	1,955,679
	3,670,062	3,127,129
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	\$ 2,209	\$ 207,998



JEWISH FAMILY SERVICE AGENCY OF VANCOUVER
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2014

	2014	2013
CASH FROM (USED IN):		
OPERATING ACTIVITIES		
Excess of revenue over expenses for the year	\$ 2,209	\$ 207,998
Items not involving cash:		
Amortization	18,036	16,508
Amortization of deferred contributions related to capital assets	(9,778)	(10,142)
	10,467	214,364
Change in non-cash working capital items:		
Accounts receivable	(25,581)	(40,249)
Prepaid expenses	(3,750)	(32,776)
Accounts payable and accrued liabilities	133,123	6,362
Government remittances payable	7,136	16,865
Deferred revenue	32,356	160,306
	153,751	324,872
INVESTING ACTIVITIES		
Acquisition of capital assets	(9,170)	(5,448)
Sale (acquisition) of investments, net	(79,204)	146,184
	(88,374)	140,736
INCREASE IN CASH DURING THE YEAR	65,377	465,608
CASH, BEGINNING OF YEAR	475,921	10,313
CASH, END OF YEAR	\$ 541,298	\$ 475,921
CASH FLOW SUPPLEMENTAL INFORMATION		
Interest received	\$ 5,519	\$ 5,452



JEWISH FAMILY SERVICE AGENCY OF VANCOUVER

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2014

PURPOSE OF THE ORGANIZATION

The Jewish Family Service Agency of Vancouver (the "Agency") is a not-for-profit organization incorporated under the Society Act of British Columbia and a registered charity under the Income Tax Act. The purpose of the Agency is to provide resources and opportunities to strengthen and embrace the quality of life of individuals and families within the Jewish and broader communities.

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO"), using the accounting policies below:

a) Use of estimates

The preparation of the financial statements requires management to make estimates and assumptions about future events that affect the reported amounts of assets and liabilities. Management believes that the estimates used are reasonable and prudent, however, actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the determination of the useful lives of assets for amortization and the recognition of revenue.

b) Revenue recognition

The Agency follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Contributions towards expenditures that will be incurred in future years are reported as deferred revenue. Unrestricted contributions are recognized as revenue when received or receivable if the amount receivable can be reasonably estimated and collection is reasonably assured. Unrestricted investment income is recognized as revenue when earned. Other revenue is recognized when received or receivable if the amount receivable can be reasonably estimated and collection is reasonably assured.

c) Cash and cash equivalents

Cash consists of cash on hand, balances with banks and treasury bill savings accounts.

d) Foreign currency translation

Transactions and balances in currencies other than the Canadian dollar are translated using the temporal method. Accordingly revenue, expenses and non-monetary balances are translated at the rate of exchange prevailing at the transaction dates, and monetary balances are translated at the rate prevailing at the balance sheet date with resulting exchange gains and losses being included in the determination of income.

e) Capital assets

Capital assets are stated at cost less accumulated amortization which is recorded over the useful lives of the assets at the following annual rates:

Computer equipment	25%	straight-line method
Equipment	20%	straight-line method
Leasehold improvements		Over the lease term



JEWISH FAMILY SERVICE AGENCY OF VANCOUVER
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2014

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) Financial Instruments

The Agency measures its financial instruments, comprised of cash, accounts receivable, investments, accounts payable at amortized cost. In management's opinion, the Agency is not exposed to significant risks related to its financial instruments.

g) Contributed services and materials

The Agency benefits greatly from contributed services in the form of volunteer time. The value of volunteer time is not recognized in these financial statements as the fair value thereof is not determinable. Other contributed materials and services are recognized only when their fair values can be reasonably estimated.

2. CAPITAL ASSETS

			2014			2013
	Cost	Accumulated Amortization	Net Book Value	Net Book Value	Net Book Value	Net Book Value
Computer equipment	\$ 172,181	\$ 156,074	\$ 16,107	\$	\$ 19,554	\$ 19,554
Equipment	54,238	49,351	4,887	\$	7,985	7,985
Leasehold improvements	64,863	64,863	-	\$	2,321	2,321
	\$ 291,282	\$ 270,288	\$ 20,994	\$	\$ 29,860	\$ 29,860

3. INTERNALLY RESTRICTED CASH AND INVESTMENTS

The Agency holds a capital reserve fund invested in high interest savings accounts bearing interest at 1.25% per annum. These amounts are for acquisition of real estate and not available for other purposes without approval of the board of directors.

4. LINE OF CREDIT

The Agency has an operating line of up to \$150,000, secured by an agreement under the Personal Property Security Act and bearing interest at the credit union's prime interest rate plus 1% per annum. At August 31, 2014, the Agency has used \$nil (2013: \$nil) of the line of credit.

5. DEFERRED REVENUE

	2014	2013
Balance, beginning of the year	\$ 181,948	\$ 21,642
Less: Amounts recognized as revenue in the year	(178,043)	(17,737)
Add: Amounts received relating to the following year	210,399	178,043
Balance, end of year	\$ 214,304	\$ 181,948



JEWISH FAMILY SERVICE AGENCY OF VANCOUVER
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2014

6. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS

	2014	2013
Balance, beginning of year	\$ 15,243	\$ 25,385
Less: Amount recognized as revenue in the year	(9,778)	(10,142)
	<u>\$ 5,465</u>	<u>\$ 15,243</u>

7. COMMITMENTS

Commitments under leases for premises and equipment are \$111,650 for 2015.

8. ENDOWMENT FUNDS

The Agency is the beneficiary of endowment funds held in perpetuity by the Vancouver Foundation and the Jewish Community Foundation of Greater Vancouver, the income from which is distributed to the Agency annually for use in its operations.

The market value of the investments held through the endowment funds is as follows:

	2014	2013
Jewish Community Foundation	\$ 1,227,969	\$ 1,096,383
Vancouver Foundation	279,046	247,923
	<u>\$ 1,507,015</u>	<u>\$ 1,344,306</u>

9. ECONOMIC DEPENDENCE

The Agency is economically dependent upon the Jewish Federation of Greater Vancouver for operating funds as they comprise 24% (2013: 26%) of total revenue.

10. COMPARATIVE FIGURES

The comparative figures for 2013 have been reclassified to ensure comparability with those of the current period. Such reclassification does not have any effect on the net assets previously reported.

