
JEWISH FAMILY SERVICE AGENCY OF VANCOUVER
FINANCIAL STATEMENTS
FOR THE YEARS ENDED
AUGUST 31, 2013 AND 2012





MANNING ELLIOTT
CHARTERED ACCOUNTANTS

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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 statements of financial positions as at August 31, 2013, August 31, 2012 and September 1, 2011 and the statements of changes in net assets, revenue and expenses and cash flows for the years ended August 31, 2013 and 2012 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 audits. We conducted our audits 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 audits 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, assets and cash flows from operations for the years ended August 31, 2013 and 2012, and total and net assets as at August 31, 2013, August 31, 2012 and September 1, 2011.



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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, 2013 and 2012 and September 1, 2011 and the results of its operations and cash flows for the years ended August 31, 2013 and August 31, 2012 in accordance with Canadian accounting standards for not-for-profit organizations.

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 12, 2013

JEWISH FAMILY SERVICE AGENCY OF VANCOUVER
STATEMENTS OF FINANCIAL POSITION
AS AT AUGUST 31, 2013, 2012 AND SEPTEMBER 1, 2011

	August 31 2013	August 31 2012	September 1 2011
ASSETS			
CURRENT ASSETS			
Cash	\$ 475,921	\$ 10,313	\$ -
Accounts receivable	191,591	151,342	125,443
Prepaid expenses	68,702	35,926	36,950
	736,214	197,581	162,393
CAPITAL ASSETS (Note 2)	29,860	40,920	53,257
INTERNALLY RESTRICTED CASH AND INVESTMENTS (Note 3)	280,358	426,542	646,522
	\$ 1,046,432	\$ 665,043	\$ 862,172
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Bank indebtedness	\$ -	\$ -	\$ 9,065
Accounts payable and accrued liabilities	115,282	92,055	117,078
Deferred revenue (Note 5)	181,948	21,642	61,477
	297,230	113,697	187,620
DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS (Note 6)	15,243	25,385	28,234
	312,473	139,082	215,854
COMMITMENTS (Note 7)			
INVESTED IN CAPITAL ASSETS	14,617	15,535	25,023
INTERNALLY RESTRICTED (Note 3)	280,358	426,542	646,522
UNRESTRICTED	438,984	83,884	(25,229)
	733,959	525,961	646,316
	\$ 1,046,432	\$ 665,043	\$ 862,170

Approved by the Board:

_____ Director

_____ Director



JEWISH FAMILY SERVICE AGENCY OF VANCOUVER
STATEMENTS OF CHANGES IN NET ASSETS
FOR THE YEARS ENDED AUGUST 31, 2013 AND 2012

	Invested in capital assets	Internally restricted	Unrestricted	2013 Total	2012 Total
BALANCE AT BEGINNING OF YEAR	\$ 15,535	\$ 426,542	\$ 83,884	\$ 525,961	\$ 646,316
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE) FOR THE YEAR	-	3,816	204,182	207,998	(120,355)
TRANSFER OF RESTRICTED FUNDS	-	(150,000)	150,000	-	-
ACQUISITION OF CAPITAL ASSETS	5,448	-	(5,448)	-	-
AMORTIZATION OF DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS	10,142	-	(10,142)	-	-
AMORTIZATION OF CAPITAL ASSETS	(16,508)	-	16,508	-	-
BALANCE AT END OF YEAR	\$ 14,617	\$ 280,358	\$ 438,984	\$ 733,959	\$ 525,961



JEWISH FAMILY SERVICE AGENCY OF VANCOUVER
STATEMENTS OF REVENUE AND EXPENSES
FOR THE YEARS ENDED AUGUST 31, 2013 AND 2012

	2013	2012
REVENUE		
Distributions from endowment funds (Note 8)	\$ 162,113	\$ 110,605
Donations and fundraising	803,685	793,289
Fees for services	719,682	634,208
Government and other grants	350,059	234,765
Holocaust Survivor Emergency Assistance Program	248,629	200,410
Interest and other income	35,913	31,771
Jewish Federation of Greater Vancouver	874,766	855,901
Jewish Immigration Assistance Society	22,125	24,500
United Way	110,018	105,085
	3,326,990	2,990,534
EXPENSES		
Administrative expenses	214,733	180,210
Advertising and promotion	18,452	14,154
Amortization	16,508	15,453
Computer system development	9,285	8,036
Financial Aid - Food assistance	135,581	141,635
Financial Aid - Holocaust survivors	200,278	196,695
Financial Aid - Jewish Immigrants	82,984	62,586
Financial Aid - Other	79,880	68,255
Fundraising	124,509	140,872
Kosher meals	45,229	36,440
Programs	18,272	30,045
Rent	201,680	200,748
Wages and benefits	1,955,679	1,996,266
Staff and volunteer training	10,490	7,633
Travel	13,569	15,699
Foreign exchange gain	(8,137)	(3,838)
	3,118,992	3,110,889
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE) FOR THE YEAR	\$ 207,998	\$ (120,355)



JEWISH FAMILY SERVICE AGENCY OF VANCOUVER
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED AUGUST 31, 2013 AND 2012

	2013	2012
CASH FROM (USED IN):		
OPERATING ACTIVITIES		
Excess of revenue over expenses (expenses over revenue) for the years	\$ 207,998	\$ (120,355)
Items not involving cash:		
Amortization	16,508	15,453
Amortization of deferred contributions related to capital assets	(10,142)	(2,849)
	214,364	(107,751)
Change in non-cash working capital items:		
Accounts receivable	(40,249)	(25,899)
Prepaid expenses	(32,776)	1,024
Accounts payable and accrued liabilities	23,227	(25,025)
Deferred revenue	160,306	(39,835)
	324,872	(197,486)
INVESTING ACTIVITIES		
Acquisition of capital assets	(5,448)	(3,116)
Sale of investments, net	146,184	219,980
	140,736	216,864
INCREASE IN CASH DURING THE YEAR	465,608	19,378
CASH, BEGINNING OF YEAR	10,313	(9,065)
CASH, END OF YEAR	\$ 475,921	\$ 10,313
CASH FLOW SUPPLEMENTAL INFORMATION		
Interest received	\$ 5,452	\$ 2,948



JEWISH FAMILY SERVICE AGENCY OF VANCOUVER
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2013 AND 2012

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") which were adopted as of September 1, 2011, 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 at the end of the reporting period. 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 YEARS ENDED AUGUST 31, 2013 AND 2012

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) Long-lived assets

A long-lived asset is tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset is not recoverable and exceeds its fair value. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value. Impairment losses are not reversed if fair value subsequently increases. To August 31, 2013, no impairment losses have been recorded.

g) 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.

h) 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

			2013		2012
	Cost	Accumulated Amortization	Net Book Value		Net Book Value
Computer equipment	\$ 163,538	\$ 143,984	\$ 19,554	\$	25,385
Equipment	36,476	28,491	7,985		10,982
Leasehold improvements	64,863	62,542	2,321		4,553
	<u>\$ 264,877</u>	<u>\$ 235,017</u>	<u>\$ 29,860</u>	<u>\$</u>	<u>40,920</u>

3. INTERNALLY RESTRICTED CASH AND INVESTMENTS

The Agency holds a capital reserve fund of \$200,000 (2012: \$350,000), plus reinvested income which has accumulated to \$80,358 (2012: \$76,542) in high interest savings accounts bearing interest at 1.25%. 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%. At August 31, 2013, the Agency has used \$nil (2012: \$84,332) of the line of credit.



JEWISH FAMILY SERVICE AGENCY OF VANCOUVER
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2013 AND 2012

5. DEFERRED REVENUE

	2013	2012
Balance, beginning of the year	\$ 21,642	\$ 61,477
Less: Amounts recognized as revenue in the year	(17,737)	(53,490)
Add: Amounts received relating to the following year	178,043	13,655
Balance, end of year	\$ 181,948	\$ 21,642

6. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS

	2013	2012
Balance, beginning of year	\$ 25,385	\$ 28,234
Less: Amount recognized as revenue in the year	(10,142)	(2,849)
Balance, end of year	\$ 15,243	\$ 25,385

7. COMMITMENTS

Commitments under leases for premises and equipment are as follows:

2014	\$ 108,318
2015	53,712

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:

	2013	2012
Jewish Community Foundation	\$ 1,096,383	\$ 1,016,851
Vancouver Foundation	247,923	236,607
Total	\$ 1,344,306	\$ 1,253,458

9. ECONOMIC DEPENDENCE

The Agency is economically dependent upon the Jewish Federation of Greater Vancouver for operating funds as they comprise 26% (2012: 29%) of total revenue.

10. COMPARATIVE FIGURES

The comparative figures for 2012 have been reclassified to ensure comparability with those of the current period. Such reclassification does not have any effect on the assets or earnings previously reported.



