

INDEPENDENT LIVING CENTRE OF WATERLOO REGION

FINANCIAL STATEMENTS

MARCH 31, 2009

Clarke Starke & Diegel LLP

Chartered Accountants

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AUDITORS' REPORT

TO THE MEMBERS OF
INDEPENDENT LIVING CENTRE OF WATERLOO REGION

We have audited the balance sheet of Independent Living Centre of Waterloo Region as at March 31, 2009 and the statements of revenues and expenditures, changes in fund balance and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many charitable organizations, the organization derives revenue from donations and fundraising, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our examination of donation and fundraising revenues was confined principally to a comparison on a test basis of recorded revenues against duplicate receipts and bank deposits. We were unable to determine whether adjustments to cash, revenues, excess of revenues over expenditures and fund balances might be necessary.

In our opinion, except for the effects of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of donations and fundraising revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Clarke Starke + Diegel LLP

Kitchener, Ontario
April 30, 2009

CHARTERED ACCOUNTANTS
LICENSED PUBLIC ACCOUNTANTS



Independent Living Centre of Waterloo Region

BALANCE SHEET

March 31, 2009

		<u>2009</u>	<u>2008</u>
ASSETS			
CURRENT			
Cash		\$ 225,659	\$ 248,738
Accounts receivable		54,060	68,465
Prepaid expenses		<u>53,977</u>	<u>43,975</u>
		333,696	361,178
CAPITAL	(notes 2,3)	<u>213,808</u>	<u>215,845</u>
		<u>\$ 547,504</u>	<u>\$ 577,023</u>
LIABILITIES AND FUND BALANCE			
CURRENT			
Accounts payable and accrued liabilities		\$ 271,661	\$ 283,244
DEFERRED CONTRIBUTIONS	(note 4)	<u>2,045</u>	<u>8,568</u>
		<u>273,706</u>	<u>291,812</u>
FUND BALANCE			
Unappropriated		232,214	244,164
Appropriated	(note 6)	33,595	33,595
Access Fund	(note 7)	3,550	7,019
Transportation Fund		-	433
ILSM Network	(note 8)	<u>4,439</u>	<u>-</u>
		<u>273,798</u>	<u>285,211</u>
		<u>\$ 547,504</u>	<u>\$ 577,023</u>

Approved on behalf of the Board of Directors

 Director
 Director

Independent Living Centre of Waterloo Region

STATEMENT OF REVENUES AND EXPENDITURES

For the Year Ended March 31, 2009

	<u>2009</u>	<u>2008</u>
REVENUES		
Subsidy	\$ 4,953,838	\$ 4,866,034
Grants	207,168	214,302
Attendant service contracts	285,235	273,255
Other revenues	47,558	45,943
Sponsorship revenues	<u>6,125</u>	<u>9,864</u>
	<u>5,499,924</u>	<u>5,409,398</u>
EXPENDITURES		
Salaries, Wages and Benefits		
Salaries and wages - see schedule	4,063,130	4,092,207
Employee benefits	<u>913,967</u>	<u>809,615</u>
Total Salaries, Wages and Benefits	<u>4,977,097</u>	<u>4,901,822</u>
Direct Attendant Service Expenses		
Staff training	8,156	3,098
Recruitment	4,391	1,943
Meeting expenses	3,936	8,204
Travel expense - attendant services	60,476	37,699
Supplies and equipment	11,427	13,837
Contract attendant services	41,600	41,600
Building occupancy	38,938	55,838
Miscellaneous expense	<u>10,337</u>	<u>9,507</u>
Total Direct Attendant Service Expenses	<u>179,261</u>	<u>171,726</u>
Administrative Expenses		
Travel expense - administration	3,641	4,520
Hiring, training and development	47,802	33,246
Occupancy cost	91,644	90,084
Stationery and supplies	34,397	30,999
Communications and postage	38,084	40,297
Advertising and promotion	9,459	11,248
Insurance	16,717	16,402
Board and volunteer expense	723	208
Contract and professional fees	62,215	76,061
Repair and maintenance	-	185
Capital acquisition	3,021	2,494
Amortization	40,471	32,235
Miscellaneous - administration	<u>7,342</u>	<u>12,962</u>
Total Administrative Expenses	<u>355,516</u>	<u>350,941</u>
	<u>5,511,874</u>	<u>5,424,489</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>\$ (11,950)</u>	<u>\$ (15,091)</u>

Independent Living Centre of Waterloo Region

SCHEDULE OF SALARIES AND WAGES

For the Year Ended March 31, 2009

	<u>2009</u>	<u>2008</u>
Direct wages and supervisor salaries	\$ 2,961,031	\$ 3,055,097
Administrative and program support salaries	622,266	557,381
Training and development	69,097	54,239
Statutory holidays and vacation	347,027	389,804
Sick and compassionate	<u>63,709</u>	<u>35,686</u>
 TOTAL SALARIES AND WAGES	 <u>\$ 4,063,130</u>	 <u>\$ 4,092,207</u>

Independent Living Centre of Waterloo Region

STATEMENT OF CHANGES IN FUND BALANCE

For the Year Ended March 31, 2009

	<u>Unappropriated</u>	<u>Appropriated</u>	<u>Access</u>	<u>Transportation</u>	<u>ILSM</u>	<u>2009</u>	<u>2008</u>
			<u>Fund</u>	<u>Fund</u>	<u>Network</u>	<u>Total</u>	<u>Total</u>
					<u>Fund</u>		
OPENING	\$ 244,164	\$ 33,595	\$ 7,019	\$ 433	\$ -	\$ 285,211	\$ 298,459
Excess of revenues over expenditures	(11,950)	-	-	-	-	(11,950)	(15,091)
Contributions	-	-	17,709	-	16,099	33,808	18,526
Donations to fund	-	-	-	-	-	-	-
Disbursements	-	-	(21,178)	(433)	(11,660)	(33,271)	(16,683)
CLOSING	<u>\$ 232,214</u>	<u>\$ 33,595</u>	<u>\$ 3,550</u>	<u>\$ -</u>	<u>\$ 4,439</u>	<u>\$ 273,798</u>	<u>\$ 285,211</u>

Independent Living Centre of Waterloo Region

STATEMENT OF CASH FLOWS

For the Year Ended March 31, 2009

	<u>2009</u>	<u>2008</u>
CASH FLOWS PROVIDED BY (USED FOR)		
Operating activities		
Excess of revenues over expenditures	\$ (11,950)	\$ (15,091)
Items not involving cash		
Amortization	40,471	32,235
Change in deferred contributions	<u>(6,523)</u>	<u>8,568</u>
	21,998	25,712
Net changes in non-cash working capital balances related to operations		
Accounts receivable	14,405	(16,263)
Prepaid expenses	(10,002)	(2,755)
Accounts payable and accrued liabilities	<u>(11,583)</u>	<u>40,099</u>
	<u>14,818</u>	<u>46,793</u>
Investing activities		
Purchase of capital assets	<u>(38,434)</u>	<u>(21,518)</u>
Funds		
Access Fund	(3,469)	4,995
Transportation Fund	(433)	(3,152)
ILSM Network	<u>4,439</u>	<u>-</u>
	<u>537</u>	<u>1,843</u>
INCREASE (DECREASE) IN CASH	(23,079)	27,118
CASH, BEGINNING OF YEAR	<u>248,738</u>	<u>221,620</u>
CASH, END OF YEAR	<u>\$ 225,659</u>	<u>\$ 248,738</u>

NOTES TO FINANCIAL STATEMENTS

March 31, 2009

1. PURPOSE OF THE ORGANIZATION

The purpose of the organization is to support persons with disabilities in the Region of Waterloo by facilitating individual growth towards greater independence, creating opportunities to make informed choices and assisting in the removal of barriers to full participation. The organization is incorporated under the laws of Ontario as a not-for-profit organization and is a registered charity under the Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

Revenue Recognition

The organization follows the restricted fund method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which they are received. The unappropriated fund reports unrestricted resources and restricted contributions as described in note 4.

Improvements

Costs incurred to improve living accommodations of program recipients are expensed as incurred.

Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles 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 year. Actual results could differ from management's best estimates as additional information becomes available in the future.

Capital Assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair market value at the date of contribution. Amortization is provided on the declining balance basis at the following rates:

Furniture and fixtures	20%
Computer equipment	30%
Computer software	50%
Leasehold improvements	20 years straight line

3. CAPITAL ASSETS

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2009 Net Book Value</u>	<u>2008 Net Book Value</u>
Furniture and fixtures	\$ 256,681	\$ (191,025)	\$ 65,656	\$ 73,985
Computer equipment	157,900	(147,279)	10,621	4,309
Computer software	29,170	(18,096)	11,074	2,664
Leasehold improvements	<u>168,609</u>	<u>(42,152)</u>	<u>126,457</u>	<u>134,887</u>
	<u>\$ 612,360</u>	<u>\$ (398,552)</u>	<u>\$ 213,808</u>	<u>\$ 215,845</u>

Independent Living Centre of Waterloo Region

NOTES TO FINANCIAL STATEMENTS (continued)

March 31, 2009

4. DEFERRED CONTRIBUTIONS

Deferred contributions represent restricted operating funding received in the current and prior period that is related to a subsequent period. Changes in the deferred contributions balance are as follows:

	<u>2009</u>	<u>2008</u>
Beginning balance	\$ 8,568	\$ -
Less - amount recognized as revenue in the year	(6,523)	-
Add - amount received related to a following year	<u>-</u>	<u>8,568</u>
Ending balance	<u>\$ 2,045</u>	<u>\$ 8,568</u>

5. PENSION COSTS

The organization sponsors a defined contribution pension plan for its employees. The employees contribute 3% of their earnings and the organization matches the contribution. Pension benefits vest after two years of service. The total pension costs of the organization for the year were \$79,616 (2008 - \$86,745).

6. APPROPRIATED FUND BALANCE

The appropriated fund balance has been set aside for the following purposes:

- (a) future programming support
- (b) accessibility needs in the community
- (c) quality improvement initiatives, and
- (d) information technology enhancement

7. ACCESS FUND

During 2002 - 2003, the Board of Directors approved the allocation of \$10,000 from the unappropriated fund to start an access fund. A fundraising campaign was started to receive additional funds. These funds are available to persons with physical disabilities to apply and receive a grant to assist them with the purchase of equipment.

8. ILSM NETWORK FUND

In 2009, ILC began to administer the funds of the Independent Living Senior Manager's (ILSM) Network. This is a group of senior managers of attendant service organization across the province. Transactions of this fund include revenue for annual membership and conference fees and expenditures of the steering committee meetings and the conference.

9. LEASE COMMITMENT

The organization entered into a 20-year lease to rent its premises, commencing August 1, 2004, with minimum lease payments of \$85,554 per annum.

10. FINANCIAL INSTRUMENTS

At March 31, 2009 the carrying value reported in the balance sheet for cash, accounts receivable and current liabilities approximate fair value due to their short term nature. It is the Board's opinion that the organization is not exposed to significant interest rate, currency or credit risks arising from its financial instruments.