

**Bulimia Anorexia Nervosa
Association - Can-Am**

Financial Statements

March 31, 2014

Gordon B. Lee, Chartered Accountants



Independent Auditor's Report

To: Board of Directors of
Bulimia Anorexia Nervosa Association - Can-Am

Report on the Financial Statements

We have audited the accompanying financial statements of Bulimia Anorexia Nervosa Association - Can-Am, (the Association) which comprise the statement of financial position as at March 31, 2014, the statements of general fund operations and fund balance, capital reserve fund operations and fund balance and cash flows for the year 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 of these financial statements in accordance with the basis of accounting described in Note 2, determining that the described framework is acceptable in the circumstances, 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 auditors 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 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 audit opinion.

Basis for Qualified Opinion

In common with many charitable organizations, the Association derives revenues from donations and other fund raising activities, the completeness of which is not susceptible to conclusive audit verification. These revenues could only be verified from the time they were deposited and entered into the Association's records. Accordingly, we were unable to determine whether any adjustments for unrecorded revenues might be necessary to donation revenue, fundraising revenue, excess of revenue over expenses and fund balances.

Qualified Opinion

In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Bulimia Anorexia Nervosa Association - Can-Am as at March 31, 2014, and the results of its operations and cash flows for the year then ended, in accordance with basis of accounting described in Note 2.

Basis of Accounting and Restriction on Use

Without modifying our opinion, we draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements of Bulimia Anorexia Nervosa Association - Can-Am are prepared for the purpose of providing information to the Erie St. Clair Local Health Integration Network (LHIN) and Ministry of Health & Long Term Care (MOH). As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Association and the LHIN and MOH and should not be distributed to or used by parties other than the LHIN and MOH.

WINDSOR, ONTARIO
June 9, 2014



Gordon B. Lee, C.A.
Licensed Public Accountants
Chartered Professional Accountants



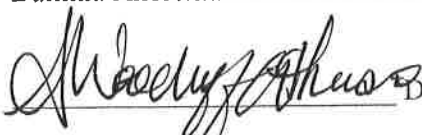
Bulimia Anorexia Nervosa Association - Can-Am

Statement of Financial Position

March 31, 2014

	2014	2013
Assets		
Current		
Cash	\$ 65,134	\$ 51,387
Investments - held for trading	67,022	65,561
Accounts receivable	6,605	3,128
Government revenue receivable	-	11,976
HST receivable	7,641	7,315
Prepaid	<u>3,410</u>	<u>4,171</u>
	<u>149,812</u>	<u>143,538</u>
Capital (Note 2)		
Furniture and equipment	88,930	88,930
Computer equipment	35,224	35,224
Leasehold improvement	<u>20,985</u>	<u>20,985</u>
	<u>145,139</u>	<u>145,139</u>
	<u>\$ 294,951</u>	<u>\$ 288,677</u>
Liabilities and fund balances		
Accounts payable and accrued liabilities	\$ 37,098	\$ 23,984
Deferred revenue (Note 3)	<u>7,177</u>	<u>10,556</u>
	<u>44,275</u>	<u>34,540</u>
Fund balances		
General fund	28,648	33,338
Capital reserve fund	76,889	75,660
Equity in capital assets (Note 2)	<u>145,139</u>	<u>145,139</u>
	<u>250,676</u>	<u>254,137</u>
	<u>\$ 294,951</u>	<u>\$ 288,677</u>

Approved on behalf of the Board of Directors:
Bulimia Anorexia Nervosa Association - Can-Am

 Director

 Director

See accompanying Notes to the Financial Statements

Gordon B. Lee, Chartered Accountants

Bulimia Anorexia Nervosa Association - Can-Am
Statement of General Fund Operations and Fund Balance

Year ended March 31, 2014

	Community Mental Health 2014	Institutional Health 2014	Other Revenue 2014	Total 2014	Total 2013
Revenue					
Program funding (Note 2)	\$ 273,912	\$ 280,992	-	\$ 554,904	\$ 490,504
Donations and memberships	-	-	8,343	8,343	6,616
Relocation	-	-	4,489	4,489	36,210
Other income	-	-	6,373	6,373	8,895
Fundraising revenue	-	-	6,522	6,522	9,280
Grant revenue	<u>273,912</u>	<u>280,992</u>	<u>3,472</u>	<u>584,103</u>	<u>570,829</u>
Expenses					
Insurance	2,104	-	-	2,104	2,162
Advertising and promotion	-	-	3,264	3,264	2,070
Professional fees	3,432	-	3,860	7,292	3,432
Wages and benefits	221,146	233,585	-	454,731	429,122
Office equipment/supplies	3,747	-	6,823	10,570	6,790
Computer maintenance	-	-	4,418	4,418	4,928
Telephone	6,203	-	-	6,203	5,469
Rent	-	47,407	-	47,407	44,214
Staff education	1,701	-	9,184	10,885	8,763
Re-allocation	33,644	-	-	33,644	-
Travel	1,935	-	-	1,935	2,594
Fundraising expenses	-	-	30	30	1,048
Relocation expenses	-	-	2,838	2,838	36,210
Grant expenses	<u>273,912</u>	<u>280,992</u>	<u>3,472</u>	<u>584,103</u>	<u>556,135</u>
(Deficiency) excess of revenue over expenses for the year	-	-	(4,690)	(4,690)	14,694
Fund balance beginning of year	-	-	33,338	33,338	18,644
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,648</u>	<u>\$ 28,648</u>	<u>\$ 33,338</u>

Gordon B. Lee, Chartered Accountants

Bulimia Anorexia Nervosa Association - Can-Am

Statement of Capital Reserve Fund Operations and Fund Balance

Year ended March 31, 2014

	2014	2013
Revenue		
Unused Dare To Dream grant	\$ -	\$ 302
Unused relocation expense	<u>1,229</u>	<u>-</u>
	<u>1,229</u>	<u>302</u>
Expenses		
Relocation expense	<u>-</u>	<u>15,000</u>
	<u>-</u>	<u>15,000</u>
Excess (deficiency) of revenue over expenses for the year	1,229	(14,698)
Balance, beginning of year	<u>75,660</u>	<u>90,358</u>
Balance, end of year	<u>\$ 76,889</u>	<u>\$ 75,660</u>

See accompanying Notes to the Financial Statements

Gordon B. Lee, Chartered Accountants

Bulimia Anorexia Nervosa Association - Can-Am

Statement of Cash Flows

Year ended March 31, 2014

	2014	2013
Cash flows provided by (used for):		
Operating activities		
(Deficiency) excess of revenues over expenses	\$ (4,690)	\$ 14,694
Change in non-cash components of working capital		
Accounts receivable	(3,476)	3,648
Government revenue receivable	11,976	(11,976)
HST recoverable	(326)	(871)
Prepaid expense	761	4,583
Accounts payable and accrued liabilities	13,114	3,277
Deferred contributions	(3,380)	(7,837)
	<u>13,979</u>	<u>5,518</u>
Financing activities		
Change in reserve fund	<u>1,229</u>	<u>(14,698)</u>
Increase (decrease) in cash during the year	15,208	(9,180)
Cash, beginning of year	<u>116,948</u>	<u>126,128</u>
Cash, end of year	\$ <u>132,156</u>	\$ <u>116,948</u>
Consists of:		
Cash	\$ 65,134	\$ 51,387
Investments	<u>67,022</u>	<u>65,561</u>
	\$ <u>132,156</u>	\$ <u>116,948</u>

See accompanying Notes to the Financial Statements

Gordon B. Lee, Chartered Accountants

Bulimia Anorexia Nervosa Association - Can-Am

Notes to the Financial Statements

March 31, 2014

1. Purpose of Association

The Association was incorporated, without share capital under the Corporations Act by Letters Patent dated October 22, 1985.

The purpose of the Association is to provide specialized treatment, education and support services for individuals affected directly or indirectly by eating disorders.

The Association is a not for profit entity which qualifies as a charitable organization and as such is not subject to income taxes under Section 149(1)(d) of the Income Tax Act.

2. Summary of significant accounting policies

Basis of presentation

These financial statements include the assets, liabilities, revenue and expenses of the Bulimia Anorexia Nervosa Association - Can-Am which pertain to two distinct programs. The Erie St. Clair Local Health Integration Network provides funding for the Community Health Program in the amount of \$273,912 (2013 - \$209,512) annually for salaries and other operating costs and the Ministry of Health & Long Term Care provides funding for the Institutional Health Program in the amount of \$280,992 (2013 - \$280,992) annually for salaries and operating costs. The financial statements are prepared on the going concern basis which contemplates the realization of assets and the settlement of liabilities in the normal course of operation.

Fund Accounting Method

The Association maintains separate funds to allow it to monitor and report separately different aspects of its operations, or to segregate certain categories of net assets which must be separately maintained as required by the Centre's funders. The funds maintained by the Centre and their purposes, are as follows:

The general fund reflects the day-to-day revenues and expenditures of the Association and is comprised of various programs provided by grant revenue as well as revenue received from donations and fundraising and expenses related to the operations and administration of the program.

The Capital reserve fund has been allocated for community outreach and improving front line services.

The Capital fund records the equity in the capital assets of the Association.

Bulimia Anorexia Nervosa Association - Can-Am

Notes to the Financial Statements

March 31, 2014

2. Summary of significant accounting policies (continued)

Capital assets

Furniture and equipment, computer equipment and leasehold improvements are stated at cost on the capital fund and are recorded as expenses of the operating fund in the year acquired. Amortization is not recognized in the financial statements. Amortization has not been reported in the statement of General Fund Operations and Fund Balance because it is not funded by the Erie St. Clair Local Health Integration Network and Ministry of Health & Long Term Care.

Had amortization been taken on the capital assets the book value of the capital assets as at March 31, 2014 as shown on the statement of financial position would have been decreased by \$143,414 (2013 - \$142,964) and the equity in capital assets would have decreased by \$143,414 (2013 - \$142,964).

Revenue Recognition

The Association follows the accrual method of accounting for contributions of grants and donations. Grants received or receivable in excess of costs incurred are reported as deferred revenue. Grants approved but not received at the end of an accounting year are accrued. Where a portion of the grant relates to a future period, it is deferred and recognized in that subsequent period.

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

Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized.

Contributions restricted for the purchase of capital assets are deferred and amortized on the same basis as the related capital assets are amortized. Non-restricted contributions, such as fundraising or gifts, used to purchase capital assets are reported as revenue in the operating fund.

Donation and fund raising revenue is recognized as received and is presented at the gross amount with the associated costs and the net amount of each fund raising effort.

Contributed Services

A number of volunteers contribute their time and other resources each year. There is significant measurement uncertainty associated with determining the fair value of the time and other resources, therefore contributed services/resources are not recognized in these financial statements. There was no remuneration paid to Directors or Officers during the year.

Bulimia Anorexia Nervosa Association - Can-Am

Notes to the Financial Statements

March 31, 2014

2. Summary of significant accounting policies (continued)

Measurement uncertainty

The preparation of financial statements requires the Centre's management to make estimates and assumptions that affect the reported value of assets and liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual amounts could differ from those estimates.

Financial Instruments Classification

The Centre recognizes all financial instruments at fair value when they are acquired or become an obligation of the Centre. Subsequent to that date, they are measured at amortized cost.

3. Deferred revenue

Legal, Advocacy and Computers Committee

During the year ended March 31, 2014 the Board of Directors directed no funds to the Advocacy Committee and there were no funds expensed from the Advocacy Committee. The balance at the end of the year is \$3,468 (2013 - \$3,468).

Windsor Family Credit Union (WFCU) grant

During the year, the Association was selected as a recipient of the 2013 Community Donations Fund in the amount of \$1,500 from the WFCU. During the year the Association used \$524 of these funds. The balance of the deferred revenue as at March 31, 2014 is \$976.

University of Windsor - Dr. R. Moriarty

Funds in the amount of \$2,733 were advanced during the prior year to assist with research to be determined by the Board of Directors. These funds will be used in future years.

4. Commitment

The Association has entered into a five year lease agreement effective March 1, 2013 for office and treatment space at the monthly rate of \$3,427 including HST for the first three years and \$3,639 including HST for the last two years for rent and \$621 including HST for cleaning services for the entire term of the lease. This lease can be terminated in the event the funding received from the government ceases.

Bulimia Anorexia Nervosa Association - Can-Am

Notes to the Financial Statements

March 31, 2014

5. Financial instruments

The Association's financial instruments consist of cash and accounts receivable and payable. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

Consistent with earlier years, management does not believe that the Centre has any material exposure to credit risk, or to changes in market prices, interest rates or exchange rates

6. Economic dependence

A significant portion of revenue is granted from the Erie St. Clair Local Health Integration Network and the Ministry of Health & Long Term Care. The ability of the programs to operate as a going concern is dependent on this continued support in the form of ongoing funding.