
**SPINAL CORD INJURY ORGANIZATION OF B.C.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
MARCH 31, 2015**





INDEPENDENT AUDITORS' REPORT

To the Board of Directors of:
Spinal Cord Injury Organization of B.C.

Report on the Financial Statements

We have audited the accompanying financial statements of Spinal Cord Injury Organization of B.C. which comprise the statement of financial position as at March 31, 2015, and the statements of operations, changes in net assets and cash flows for the year then ended, and the related notes comprising 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 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 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 a basis for our qualified audit opinion.



INDEPENDENT AUDITORS' REPORT

Basis for Qualified Opinion

In common with many charitable organizations, the Organization 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 Organization and we were unable to determine whether any adjustments might be necessary to donation revenue, deficiency of revenue over expenses, and cash flows from operations for the years ended March 31, 2015 and 2014, total assets as at March 31, 2015 and 2014, and net assets at both the beginning and end of the March 31, 2015 and 2014 years. The audit opinion on the financial statements for the year ended March 31, 2014 also contained a qualification because of the possible effects of this limitation in scope.

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 Spinal Cord Injury Organization of B.C. as at March 31, 2015 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Comparative Information

The comparative figures were audited by another firm of accountants, whose audit report dated June 11, 2014 included the same qualification as described above in the Basis for Qualified Opinion paragraph.

Report on Other Legal and Regulatory Requirements

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

Manning Elliott LLP

Chartered Professional Accountants

Vancouver, British Columbia

June 29, 2015

SPINAL CORD INJURY ORGANIZATION OF B.C.
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2015

	2015	2014
ASSETS		
CURRENT ASSETS		
Cash	\$ 884,383	\$ 895,322
Accounts receivable	53,777	56,259
Prepaid expenses	29,964	39,696
	968,124	991,277
RESTRICTED CASH (Note 3)	250,000	250,000
CAPITAL ASSETS (Note 4)	38,134	52,055
	\$ 1,256,258	\$ 1,293,332


LIABILITIES AND NET ASSETS

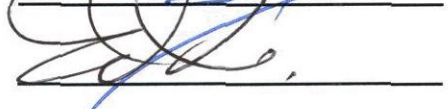
CURRENT LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	\$ 139,393	\$ 188,668
Current portion of deferred contributions (Note 6)	337,320	295,898
	476,713	484,566
DEFERRED CONTRIBUTIONS (Note 6)	68,420	59,623
DEFERRED CAPITAL CONTRIBUTIONS (Note 7)	25,194	37,362
	570,327	581,551
NET ASSETS		
Invested in capital assets (Note 8)	12,940	14,693
Internally restricted	350,000	350,000
Unrestricted	322,991	347,088
	685,931	711,781
	\$ 1,256,258	\$ 1,293,332

COMMITMENTS (Note 9)

TRUST FUNDS (Note 10)

Approved on behalf of the Board:


 _____ Director


 _____ Director



SPINAL CORD INJURY ORGANIZATION OF B.C.
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2015

					2015		2014	
	Invested in capital assets		Internally restricted	Unrestricted	Total		Total	
Balance, beginning of year	\$ 14,693	\$	\$ 350,000	\$ 347,088	\$ 711,781	\$	\$ 732,610	
Deficiency of revenue over expenses for the year	(1,753)		-	(24,097)	(25,850)		(20,829)	
Balance, end of year	\$ 12,940	\$	\$ 350,000	\$ 322,991	\$ 685,931	\$	\$ 711,781	



SPINAL CORD INJURY ORGANIZATION OF B.C.
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2015

	2015	2014
REVENUE		
Government grants	\$ 275,191	\$ 289,254
Gaming grants	250,000	308,000
Fundraising projects and sponsorships	410,351	408,085
General donations (Note 11)	170,748	161,988
Bequests	115,734	70,000
Donations from British Columbia Paraplegic Foundation (Note 12)	325,000	325,000
Fees for services	246,731	259,822
Other	53,360	50,721
United Way grants and other	62,834	64,382
Community groups	173,454	58,930
Membership fees	1,480	1,005
	2,084,883	1,997,187
PROGRAMS		
Salaries and benefits	963,536	830,003
Service delivery and other member services	223,238	213,212
Facilities and office	178,028	181,313
	1,364,802	1,224,528
FUNDRAISING		
Salaries and benefits	148,030	143,812
Direct mail, events and other	36,928	71,177
	184,958	214,989
ADMINISTRATIVE AND SUPPORT SERVICES		
Salaries and benefits	360,814	351,906
Facilities and office	150,856	147,988
Amortization of capital assets	16,175	34,522
Professional services	13,396	22,755
Contract services and other	19,732	21,328
	560,973	578,499
	2,110,733	2,018,016
DEFICIENCY OF REVENUE OVER EXPENSES FOR THE YEAR	\$ (25,850)	\$ (20,829)



SPINAL CORD INJURY ORGANIZATION OF B.C.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2015

	2015	2014
CASH FROM (USED IN):		
OPERATING ACTIVITIES		
Deficiency of revenue over expenses for the year	\$ (25,850)	\$ (20,829)
Items not involving cash:		
Amortization of capital assets	16,175	34,522
Amortization of deferred capital contributions	(14,422)	(30,295)
	(24,097)	(16,602)
Change in non-cash working capital items:		
Accounts receivable	2,482	22,210
Prepaid expenses	9,732	3,712
Accounts payable and accrued liabilities	(49,275)	13,017
Deferred contributions	50,219	(137,064)
	(10,939)	(114,727)
INVESTING ACTIVITIES		
Purchase of capital assets	(2,254)	(37,699)
FINANCING ACTIVITIES		
Decrease in restricted cash	-	58,000
Deferred capital contributions received	2,254	37,699
	2,254	95,699
DECREASE IN CASH AND EQUIVALENTS DURING THE YEAR	(10,939)	(56,727)
CASH AND EQUIVALENTS, BEGINNING OF YEAR	895,322	952,049
CASH AND EQUIVALENTS, END OF YEAR	\$ 884,383	\$ 895,322



SPINAL CORD INJURY ORGANIZATION OF B.C.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

NATURE OF OPERATIONS

On May 1, 2012, Spinal Cord Injury Organization of B.C. (the "Organization") became the operating name for the legal entity Canadian Paraplegic Association (BC). Prior to May 1, 2012, the operating name of the Organization was the British Columbia Paraplegic Association. The Canadian Paraplegic Association (BC) is incorporated under the Society Act of British Columbia.

The Organization is a not-for-profit charitable organization founded for the purposes of providing counselling, rehabilitation and other related services to persons with spinal cord injuries and other physical disabilities. The Organization is a registered charity under the Income Tax Act (the "Act") and accordingly is exempt from income taxes, provided certain requirements of the Act are met.

The Organization's programs consist of two primary service delivery programs, available to British Columbians with spinal cord injury (SCI and related physical disabilities) and those who support them:

(i) Provincial Peer Support Program

- Support for the newly injured
- Education sessions (Telehealth, forums)
- Peer matching and group sessions (community experiences and networking)

(ii) SCI BC Resource Centres and Information Services

- Infoline (phone and email based information and support services)
- Physical resources centres (information and support services)
- SCI BC Website (includes SCI information database, free classifieds, housing and employment boards)
- The Spin (quarterly magazine for people with SCI, related disabilities and those who support them)

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") under Part III of the CPA Handbook - Accounting. Financial statements prepared in accordance with ASNPO are also in accordance with Canadian generally accepted accounting principles ("GAAP").

These financial statements have, in management's opinion, been prepared within reasonable limits of materiality using the significant accounting policies noted below:

a) Cash

Cash is defined as cash on hand, cash on deposit, and short-term deposits readily convertible to cash.



SPINAL CORD INJURY ORGANIZATION OF B.C.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2015

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Capital assets

Capital assets include furniture and fixtures, information technology equipment and website costs, which are recorded at cost. Furniture and fixtures are amortized on a straight-line basis over ten years. Information technology equipment and website costs are amortized on a straight-line basis over three years.

The Organization monitors the recoverability of capital assets based on their long-term service potential. When a capital asset no longer has any long-term service potential to the Organization, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Write-downs recognized under this policy are not reversed.

c) Accumulated sick leave

Employees hired prior to January 1, 2001, with 10 or more years of service and accumulated sick leave credits, are entitled to receive a payout of these credits upon termination for any reason other than cause. The payment is based on one half of the employee's banked sick days at the employee's salary at the time of termination. Sick days can be accumulated to a maximum of 250 banked days. These credits are recorded as entitlement as earned.

d) Revenue recognition

The Organization follows the deferral method of accounting for contributions, which include donations, government grants and other sources of funding. Government grants and other restricted program funding are recorded when the related expenses are incurred. Where a portion of such grants relates to a future period, it is deferred and recognized in the period in which the related expenses are incurred.

Unrestricted contributions and fundraising activities are recognized as revenue when received or receivable if the amount 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 recognized as revenue on a straight-line basis, at a rate corresponding with the amortization rate for the related capital assets.

Revenue from fees for service and other contracts are recognized when the services are provided.

e) Donated materials and services

Donated materials and services are recorded at fair value when a fair value can be reasonably estimated.

f) Internally restricted net assets

Certain net assets have been internally restricted for operating reserves.

g) Pension plan

The Organization provides a pension plan for employees. The plan's current service costs are charged to operations in the year incurred. Pension benefits are based on accumulated contributions by both the Organization and the employee. The plan is a defined contribution plan which specifies the amount of the contribution based on employee compensation. The assets and liabilities of the plan are not included in the Organization's financial statements.



SPINAL CORD INJURY ORGANIZATION OF B.C.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2015

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

h) Use of accounting estimates

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions about future events that affect the reported amounts of assets, liabilities, revenues and expenses as at the end of or during 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 allowance for doubtful accounts receivable and provision for contingencies.

i) Financial instruments

Measurement

The Organization's financial instruments consist of cash, accounts receivable, restricted cash, and accounts payable.

The Organization initially measures all of its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The Organization subsequently measures all of its financial assets and liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value of equity instruments carried at fair value are recognized in the statement of operations.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down that is determined is recognized in the statement of operations. A previously recognized impairment loss may be reversed to the extent of any improvement, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations in the period in which it is determined.

j) Allocation of expenses

The Organization allocates certain of its administrative and support services expenses by identifying the appropriate basis of allocating each expense. Administrative and support service expenses are allocated on the following basis:

- (i) Salaries and benefits expenses are allocated proportionately on the basis of time incurred by the employees within a program.
- (ii) Facilities and office expenses are allocated proportionately on the basis of the salary of individuals employed within a program.

The administrative and support services expenses reported on the statement of operations are reported after allocation to the programs.



SPINAL CORD INJURY ORGANIZATION OF B.C.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2015

2. FINANCIAL INSTRUMENT RISKS

The Organization's financial instruments are described in Note 1(i). In management's opinion the Organization is not exposed to significant credit, currency, liquidity, interest rate or other market risk arising from these financial instruments, other than as described below. In addition, the Organization is not exposed to any material concentrations of risk and there has been no change in risk exposures from the prior year.

a) Credit risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Organization is exposed to credit risk with respect to accounts receivable. The Organization assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance of doubtful accounts.

b) Liquidity risk

Liquidity risk is the risk that the Organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Organization manages its liquidity risk by monitoring its operating requirements. The Organization prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

3. RESTRICTED CASH

Restricted cash consists of \$250,000 (2014 - \$250,000) externally restricted for expenditures based on the Organization's application for funding, which requires approval by the British Columbia Gaming Commission.

4. CAPITAL ASSETS

			2015		2014
	Cost	Accumulated Amortization	Net Book Value		Net Book Value
Furniture and fixtures	\$ 120,767	\$ 95,885	\$ 24,882	\$	28,555
Information technology equipment	331,853	320,651	11,202	\$	19,400
Website costs	23,169	21,119	2,050	\$	4,100
	<u>\$ 475,789</u>	<u>\$ 437,655</u>	<u>\$ 38,134</u>	<u>\$</u>	<u>52,055</u>

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Included in accounts payable and accrued liabilities are government remittances payable of \$4,304 (2014 - \$3,626).

At March 31, 2015, a liability for accumulated sick leave of \$68,365 (2014 - \$70,275) is included in accounts payable and accrued liabilities.



SPINAL CORD INJURY ORGANIZATION OF B.C.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2015

6. DEFERRED CONTRIBUTIONS

Deferred contributions represent externally restricted grants and donations for future activities.

	2015	2014
Balance, beginning of year	\$ 355,521	\$ 492,585
Amount received in the year	337,320	287,101
Amount recognized as revenue in the year	(287,101)	(424,165)
	405,740	355,521
Less: Current portion	337,320	295,898
	\$ 68,420	\$ 59,623

7. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent the unamortized amount of funding received for the purchase of capital assets. The amortization of deferred capital contributions is recorded as revenue in the statement of operations.

	2015	2014
Balance, beginning of year	\$ 37,362	\$ 29,958
Amount received in the year	2,254	37,699
Amount amortized to revenue	(14,422)	(30,295)
	\$ 25,194	\$ 37,362



SPINAL CORD INJURY ORGANIZATION OF B.C.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2015

8. NET ASSETS INVESTED IN CAPITAL ASSETS

	2015	2014
a) Net assets invested in capital assets is comprised of the following:		
Capital assets	\$ 38,134	\$ 52,055
Amount financed by deferred capital contributions	(25,194)	(37,362)
	<u>12,940</u>	<u>14,693</u>
b) Deficiency of revenue over expenses is comprised of the following:		
Amortization of deferred capital contributions	14,422	30,295
Amortization of capital assets	(16,175)	(34,522)
	<u>(1,753)</u>	<u>(4,227)</u>
c) Net change in invested capital in assets is comprised of the following:		
Capital assets acquired	2,254	37,699
Amount funded by deferred capital contributions	(2,254)	(37,699)
	<u>-</u>	<u>-</u>

9. COMMITMENTS

The Organization leases office equipment and premises (see Note 12c). The minimum anticipated fiscal payments under these leases are as follows:

2016	\$ 75,274
2017	73,159
2018	57,346
2019	50,000
2020	50,000

10. TRUST FUNDS

The Organization holds funds and provides administrative services to certain individuals who require attendant care. The Organization receives a fee for this service. During the year, \$255,407 of receipts and \$229,105 of disbursements were made. In addition, \$83,469 of unused funds were returned to WorkSafe BC. The trust assets, liabilities, receipts and disbursements are not included in the Organization's financial statements.

	2015	2014
Trust assets	\$ -	\$ 57,167
Trust liabilities	-	(57,167)
	<u>\$ -</u>	<u>\$ -</u>



SPINAL CORD INJURY ORGANIZATION OF B.C.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2015

11. DONATIONS IN KIND

During the year, the Organization received donated materials for which a fair market value of \$28,427 (2014 - \$2,655) was reasonably determinable. This amount is included in general donations revenue.

12. RELATED ENTITIES

- a) The Organization exercises significant influence over the Lions Paraplegic Lodge Society of British Columbia (the "Society") by virtue of its ability to appoint three of the six Society's board of directors. The Society is incorporated under the Society Act (British Columbia) to promote and improve housing options for people with disabilities in British Columbia. The net assets and results from operations of the Society have not been included in these financial statements.
- b) The Organization exercises significant influence over the British Columbia Paraplegic Association Housing Society ("BCPA Housing") by virtue of its common members of the board of directors. BCPA Housing is incorporated under the Society Act (British Columbia) to promote and improve housing options for people with disabilities in British Columbia. The net assets and results from operations of BCPA Housing have not been included in these financial statements. As at March 31, 2015, there were \$Nil (2014 - \$1,299) in receivables from BCPA Housing.
- c) The Organization has an economic interest in the British Columbia Paraplegic Foundation (the "Foundation"). The constitution and bylaws of the Foundation state that its net assets on dissolution would be transferred to the Organization. The net assets and results from operations of the Foundation have not been included in these financial statements.

Included in expenses is \$50,000 (2014 - \$50,000) paid to the Foundation for use of the Foundation's building. Included in fees for services revenue is \$40,000 (2014 - \$40,000) for administrative services provided by the Organization to the Foundation.

During the year, the Organization received \$325,000 (2014 - \$325,000) in donations from the Foundation.

As at March 31, 2015, the Organization has \$3,908 (2014 - \$359) receivable from the Foundation and has \$4,167 (2014 - \$4,167) payable to the Foundation.

13. PENSION PLAN

The Organization provides a pension plan for its employees. The plan is a defined contribution plan which specifies the amount of the contribution based on employee compensation. The Organization's contributions for the year ended March 31, 2015 were \$34,004 (2014 - 33,834).

14. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to ensure comparability with those of the current year's financial statement presentation. Such reclassification does not have any effect on the net assets or deficiency of revenue over expenses previously reported.

