

**BREAKING DOWN BARRIERS
AN INDEPENDENT LIVING CENTRE INC.**

**FINANCIAL STATEMENTS
MARCH 31, 2016**

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COLLINS BARROW SGB LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Breaking Down Barriers An Independent Living Centre Inc.:

Report on the Financial Statements

We have audited the accompanying financial statements of Breaking Down Barriers An Independent Living Centre Inc. which comprise the balance sheet as at March 31, 2016, and the statements of operations, changes in net assets and cash flow 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 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.

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 whether the financial statements are free of 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 judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization'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 Organization'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 qualified audit opinion.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Organization derives revenues from donations and fundraising, 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 not able to determine whether any adjustments might be necessary to donation and fundraising revenues, excess of revenue over expenses for the year, assets and net asset balances.

COLLINS BARROW SGB LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

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 Breaking Down Barriers An Independent Living Centre Inc. as at March 31, 2016 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.

Collins Barrow SGB LLP

Licensed Public Accountants
Collingwood, Ontario
June 1, 2016

BREAKING DOWN BARRIERS AN INDEPENDENT LIVING CENTRE INC.

BALANCE SHEET AS AT MARCH 31

	2016	2015
	\$	\$
Assets		
Current		
Cash	288,802	241,644
Cash in trust (Note 2)	7,192	4,938
Grants receivable	14,312	14,321
Prepaid expenses	11,339	24,188
	321,645	285,091
Liabilities		
Current		
Accounts payable and accruals	22,457	28,364
Government remittances payable	5,308	4,957
Deferred revenue (Note 6)	39,213	23,432
Deferred revenue in trust (Note 2)	7,192	4,938
	74,170	61,691
Net assets		
Consumer Contingency Fund (Note 4)	662	862
Unrestricted net assets	246,813	222,538
	247,475	223,400
	321,645	285,091

Approved on behalf of the board:

_____ Director

_____ Director

BREAKING DOWN BARRIERS AN INDEPENDENT LIVING CENTRE INC.

STATEMENT OF OPERATIONS FOR THE YEAR ENDED MARCH 31

	2016	2015
	\$	\$
Revenue		
Regional Opportunities fund grant (Note 8)	71,901	58,566
North Simcoe Muskoka Local Health Integration Network (LHIN) grant	120,907	104,570
Trillium grant	43,823	34,436
Thumbs Up grant and fees for service	1,231	2,760
Independent Living Canada (ILC) grant (Note 8)	20,301	19,800
Job Creation grant	4,115	4,574
Direct Funding grant	72,267	57,360
United Way grant (Note 8)	-	19,219
Donations and fundraising	72,528	47,446
Fee for service	2,154	227
Memberships	10	105
Interest earned	1,657	2,040
Consumer Contingency Fund (Note 4)	-	70
One-time funding/recoveries	6,842	37,855
	417,736	389,028
Expenses		
Purchased administration services	7,849	7,744
Audit and legal	10,838	5,653
Bank charges and interest	1,490	1,327
Fundraising	5,071	4,291
Insurance	2,901	2,940
Program expenses	23,370	15,478
Rent and occupancy costs (Note 5)	59,874	49,977
Supplies, office, repairs and maintenance	36,830	18,979
Telephone	3,315	3,234
Travel, convention	1,596	2,683
Wages and benefits	240,327	259,628
Consumer Contingency Fund (Note 4)	200	127
	393,661	372,061
Excess of revenue over expenses for the year	24,075	16,967

See accompanying notes to the financial statements

BREAKING DOWN BARRIERS AN INDEPENDENT LIVING CENTRE INC.

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED MARCH 31

	Unrestricted Net Assets	Consumer Contingency Fund (Note 4)	2016 Total	2015 Total
	\$	\$	\$	\$
Balance, beginning of year	222,538	862	223,400	206,433
Excess of revenue over expenses (expenses over revenue) for the year	24,275	(200)	24,075	16,967
Balance, end of year	246,813	662	247,475	223,400

See accompanying notes to the financial statements

BREAKING DOWN BARRIERS AN INDEPENDENT LIVING CENTRE INC.

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31

	2016	2015
	\$	\$
Cash flows from (for):		
Operating activities		
Excess of revenue over expenses for the year	24,075	16,967
Changes in		
Grants receivable	9	6,837
Prepaid expenses	12,849	(19,472)
Accounts payable and accruals	(5,907)	7,945
Government remittances payable	351	(683)
Deferred revenue	15,781	23,432
Change in cash	47,158	35,026
Cash position, beginning of year	241,644	206,618
Cash position, end of year	288,802	241,644

See accompanying notes to the financial statements

BREAKING DOWN BARRIERS AN INDEPENDENT LIVING CENTRE INC.

NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2016

Purpose of the organization

Breaking Down Barriers An Independent Living Centre Inc. is a registered charitable organization incorporated under the Ontario Corporations Act in 1987. The mission of the Organization is to create a supportive community where persons with disabilities can live independent lives. The Organization provides peer support, independent living skills, information and referral services, self-managed attendant services, barrier-free design consultations and employment support for many local and regional residents. It is an exempt corporation under the Income Tax Act.

1. Significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (referred to as "ASNFPO") and are in accordance with Canadian generally accepted accounting principles.

The following is a summary of certain significant accounting policies followed in the preparation of the financial statements:

(a) Financial instruments

The Organization considers any contract that creates a financial asset, a financial liability or equity instrument as a financial instrument, except in limited items such as leases and loan commitments.

Initial recognition and measurement

A financial asset or a financial liability is recognized when the Organization becomes a party to the contractual provisions of the financial instrument.

Financial assets originated or acquired or financial liabilities issued or assumed in an arm's length transaction, are initially measured at their fair value.

Subsequent measurement

Changes in fair value of investments in equity instruments are recognized in operations in the period incurred. All other financial assets and financial liabilities are measured at amortized cost.

Impairment

At the end of each reporting period, the Organization assesses whether there are any indications that financial assets measured at cost or amortized cost may be impaired.

(b) Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

BREAKING DOWN BARRIERS AN INDEPENDENT LIVING CENTRE INC.

NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2016

1. Significant accounting policies (continued)

(c) Capital assets

The Organization expenses capital assets when purchased pursuant to Canadian generally accepted accounting policies for non-for-profit organizations with average annual revenues less than \$500,000.

(d) Revenue recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. 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.

(e) Contributed services and materials

Contributed materials which are used in the normal course of the Organization's operations and would otherwise have been purchased are recorded at fair value at the time the contribution is received if fair value can be reasonably estimated. Volunteers provide services to the Organization for no compensation. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

(f) Allocation of expenses

Breaking Down Barriers allocates expenses based on their various contributors and programs including Work Links, Thumbs Up and the LHIN. The Organization allocates certain of its general expenses by identifying the appropriate basis of allocating each component expense, and applies that basis consistently each year. Allocation is applied to rent, telephone, insurance and audit fees proportionately between the programs which allow for and require such expenses. Of the total expenses in the year \$84,777 (2015 - \$69,548) was allocated to the various programs.

2. Trust account

The Organization holds funds in trust for Leisure Art Recreation Culture for Youth with Special Needs (2015 - the Children's Treatment Network and the Georgian Triangle Accessible Sport Council). The funds will be distributed at the direction of the applicable organization.

3. Capital assets

The capital assets of the Organization consist of office furniture and fixtures and computer hardware. Total capital expenditures during the year amounted to \$NIL (2015 - \$2,092) and have been expensed to the applicable programs. The intangible assets of the Organization consist of a client information database and website design costs. Total expenditures on intangible assets during the year amounted to \$12,430 (2015 - \$12,119) and have been expensed to the applicable programs.

4. Consumer Contingency Fund

The directors approved a fund to allow donors the opportunity to direct their donations to be used to offer assistance to consumers in emergency situations.

BREAKING DOWN BARRIERS AN INDEPENDENT LIVING CENTRE INC.

NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2016

5. Lease commitments

In November 2014, the Organization entered into a three year lease agreement with Charis Developments Ltd. to lease premises in Collingwood at a monthly rental amount of \$2,438 plus \$1,312 for common area costs. The minimum annual payment for the next two years is as follows:

2017	\$	45,000
2018	\$	26,250

6. Deferred revenue

Deferred revenue represents operating funding received in the current period that is related to a subsequent period and consists of the following:

	2016	2015
	\$	\$
Georgian Bay Club Foundation	27,738	12,168
Ontario Trillium Foundation	10,375	11,264
Collingwood General & Marine Hospital Foundation	1,100	-
	39,213	23,432

7. Financial instruments

The Organization's financial instruments consist of cash and grants receivable, which will result in future cash receipts, as well as accounts payable and government remittances payable, which will result in future cash outlays.

The Organization is not exposed to significant credit risk, interest rate risk, market risk, currency risk nor other price risk.

Liquidity risk

Liquidity risk is the risk that the organization will not be able to fund its obligations as they come due. The Organization meets its liquidity requirements through cash flow from operations, anticipating investing and financing activities and holding assets that can be readily converted into cash. This is combined with the fact that almost 75% of the Organization's revenues are from either provincial or regional government sources. (Note 8)

BREAKING DOWN BARRIERS AN INDEPENDENT LIVING CENTRE INC.

NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2016

8. Government funding

The Regional Opportunities (Work Links) funding has not been renewed for fiscal 2017.

9. Subsequent event

Subsequent to the end of the year, the Board of Directors terminated a long-term employee due to lack of program funding. The final costs of the wage settlement have not yet been determined.