

**Glaucoma Research Society of Canada**

**Financial Statements**

**May 31, 2017**

# Glaucoma Research Society of Canada

## Financial Statements

May 31, 2017

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September 12, 2017

### **Independent Auditors' Report**

To the Directors of Glaucoma Research Society of Canada

We have audited the accompanying financial statements of Glaucoma Research Society of Canada, which comprise the statement of financial position as at May 31, 2017 and the statements of revenue and expenses and changes in net assets, 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 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 the auditors' 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 auditor considers 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 qualified audit opinion.

Roger Chaplin CPA, CA LPA MA [Oxon] Gail Bergman CPA, CA LPA B Comm

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**Basis for qualified opinion**

In common with many charitable organizations, Glaucoma Research Society of Canada derives revenue from public 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 Glaucoma Research Society of Canada. Therefore, we were not able to determine whether any adjustments might be necessary to total revenues, excess of revenues over expenses and cash flow.

**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 Glaucoma Research Society of Canada as at May 31, 2017 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.

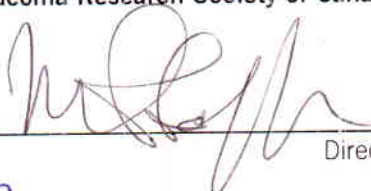


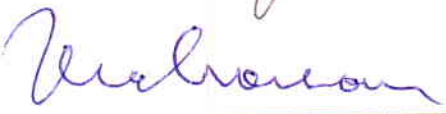
Chartered Accountants  
Licensed Public Accountants  
Toronto, Ontario

	Notes	May 31	
		2017	2016
<b>Assets</b>			
Current			
Cash and cash equivalents	2	\$ 293,152	\$ 328,255
Interest receivable		29	176
GST/HST receivable		4,708	3,044
Prepaid expenses		3,518	3,447
		<u>301,407</u>	<u>334,922</u>
Capital assets	3	330	472
		<u>\$ 301,737</u>	<u>\$ 335,394</u>
<b>Liabilities</b>			
Current			
Accounts payable and accrued liabilities		\$ 3,750	\$ 3,750
Research grants payable		156,180	141,123
		<u>159,930</u>	<u>144,873</u>
<b>Net assets</b>		<u>141,807</u>	<u>190,521</u>
		<u>\$ 301,737</u>	<u>\$ 335,394</u>

See accompanying notes

**Approved on behalf of the Board of Directors of  
Glaucoma Research Society of Canada:**

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

# Glaucoma Research Society of Canada

## Statement of Revenue and Expenses and Changes in Net Assets

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	Year ended May 31	
	2017	2016
Revenue		
Donations	\$ 218,289	\$ 187,777
Bequests	97,148	73,938
Interest	1,076	2,017
Other	609	180
	<u>317,122</u>	<u>263,912</u>
 Expenses		
Amortization	142	202
Costs of annual meeting	5,725	5,508
Directors and commercial insurance	4,762	4,641
Newsletter and communication	7,850	6,519
Office and stationery	18,505	21,193
Postage	3,334	2,417
Professional fees	3,750	4,148
Rent	6,624	6,624
Secretarial services	21,789	20,979
	<u>72,481</u>	<u>72,231</u>
 Excess of revenue over expenses available for research grants	 244,641	 191,681
 Research grants	 <u>(293,355)</u>	 <u>(271,749)</u>
 Excess of expenses over revenue after grants for the year	 (48,714)	 (80,068)
 Net assets, beginning of year	 <u>190,521</u>	 <u>270,589</u>
 Net assets, end of year	 <u>\$ 141,807</u>	 <u>\$ 190,521</u>

See accompanying notes

Statement of Cash Flows

	Year ended May 31	
	2017	2016
Net cash provided by (used in):		
Operations		
Excess of expenses over revenue after grants for the year	\$ (48,714)	\$ (80,068)
Items not involving cash:		
Amortization	142	202
	<u>(48,572)</u>	<u>(79,866)</u>
Changes in non-cash working capital items:		
Interest receivable	147	394
GST/HST receivable	(1,664)	(419)
Prepaid expenses	(71)	(85)
Accounts payable and accrued liabilities	-	250
Research grants payable	15,057	67,543
	<u>15,057</u>	<u>67,543</u>
Net decrease in cash and cash equivalents during the year	(35,103)	(12,183)
Cash and cash equivalents, beginning of year	328,255	340,438
Cash and cash equivalents, end of year	<u>\$ 293,152</u>	<u>\$ 328,255</u>

See accompanying notes

Glaucoma Research Society of Canada (the Society), was incorporated under Part II of the Canada Corporations Act on September 25, 1996. Effective October 10, 2014, the Society transitioned from the Canada Corporation Act to the Canada Not-for-profit Corporation Act. The purpose of the Society is to promote, and provide funds for, medical and scientific research in Canada into the causes of, control of, and cures for glaucoma.

The Society is registered as a public foundation by Canada Revenue Agency and as such, is not subject to income tax.

## 1. Summary of accounting policies

### **Basis of presentation**

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations. The Society follows the deferral method of accounting.

### **Revenue recognition**

Donations are recorded on a cash basis.

Interest and other revenue is recognized as revenue when earned.

### **Cash and cash equivalents**

Cash and cash equivalents include all highly liquid investments with original maturities greater than three months but less than one year.

### **Capital assets**

Capital assets are recorded at their acquisition cost and are amortized over the useful life of the asset. Computer equipment is amortized at the rate of 30% per year on the declining-balance basis.

### **Contributed services and materials**

Volunteers contribute a substantial amount of time each year to assist the Society with its activities. Due to the difficulty in determining its fair value, volunteer services are not recognized in the financial statements.

### **Measurement of financial instruments**

The Society initially measures its financial assets and liabilities at fair value. The Society subsequently measures all its financial assets and financial liabilities at amortized cost. Financial assets measured at amortized cost includes cash and cash equivalents. Financial liabilities measured at amortized cost includes accounts payable and accrued liabilities. The Society has not designated any financial asset or financial liability to be measured at fair value.

### **Use of estimates**

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Such estimates include the determination of accrued liabilities. Actual results could differ from managements best estimates as additional information becomes available in the future.



**2. Cash and cash equivalents**

Included in cash and cash equivalents is a term deposit of \$50,502 bearing interest at .58% and maturing August 4, 2017.

**3. Capital assets**

	<b>2017</b>		
	<b>Cost</b>	<b>Accumulated amortization</b>	<b>Net</b>
Computer equipment	\$ 3,566	\$ 3,236	\$ 330

	<b>2016</b>		
	<b>Cost</b>	<b>Accumulated amortization</b>	<b>Net</b>
Computer equipment	\$ 3,566	\$ 3,094	\$ 472

**4. Financial risks**

**Interest rate risk**

Interest rate risk arises as the fair value of future cash flows from a financial instrument can fluctuate because of changes in market interest rates.

**Credit risk**

Financial instruments that potentially subject the Society to concentrations of credit risk consist of cash and accounts receivable. The Society deposits its cash with reputable financial institutions and therefore management believes the risk of loss to be remote.

**Liquidity risk**

Liquidity risk is the risk the Society may encounter difficulties in meeting obligations associated with financial liabilities and commitments.