
**VOICE FOR HEARING IMPAIRED
CHILDREN**

FINANCIAL STATEMENTS

MAY 31, 2015

INDEPENDENT AUDITOR'S REPORT

To the Members,
VOICE for Hearing Impaired Children

We have audited the accompanying financial statements of VOICE for Hearing Impaired Children, which comprise the statement of financial position as at May 31, 2015, and the statements of operations 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.

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 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.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the organization derives revenue from donations and fundraising, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, verification of this revenue 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 revenue, excess of revenue over expenses for the year, assets and net assets.

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 VOICE for Hearing Impaired Children as at May 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.

Comperthwaite Mehta

Chartered Accountants
Licensed Public Accountants

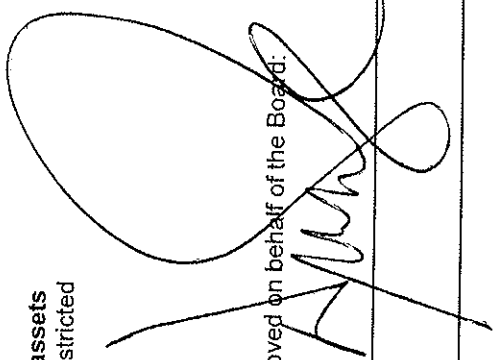
November 7, 2015
Toronto, Ontario

VOICE FOR HEARING IMPAIRED CHILDREN

STATEMENT OF FINANCIAL POSITION

AS AT MAY 31, 2015

	2015	2014
ASSETS		
Current assets		
Cash	\$ 333,244	\$ 100,127
Marketable securities	-	103,374
Amounts receivable	24,511	14,770
HST recoverable	17,000	18,546
Prepaid expenses	<u>28,691</u>	<u>10,018</u>
	<u>\$ 403,446</u>	<u>\$ 246,835</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	\$ 76,878	\$ 108,306
Deferred contributions (note 3)	<u>200,156</u>	<u>98,378</u>
	<u>277,034</u>	<u>206,684</u>
Net assets		
Unrestricted	<u>126,412</u>	<u>40,151</u>
	<u>\$ 403,446</u>	<u>\$ 246,835</u>

Approved on behalf of the Board:


Director

Director

see accompanying notes

VOICE FOR HEARING IMPAIRED CHILDREN

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED MAY 31, 2015

	2015	2014
REVENUE		
Contributions (note 4)	\$ 384,518	\$ 309,438
Grants (note 5)	181,018	120,164
Fundraising and special events	113,345	108,779
Auditory verbal therapy fees	46,250	29,471
Contracted services	33,672	43,336
Membership fees	15,839	16,349
Conference fees	11,143	24,711
Investment income	-	59,542
	<u>785,785</u>	<u>707,790</u>
EXPENSES (notes 6 and 7)		
Program		
Therapy program delivery	150,472	142,338
Ministry E-learning	143,992	-
Parent support	99,895	86,725
Public information	58,993	83,150
Voice camp	38,549	35,433
Advocacy	27,467	13,165
Training and mentorship	17,762	113,140
Outreach grants	-	10,596
	<u>537,130</u>	<u>484,547</u>
Other		
Fundraising and special events	97,007	78,423
Administrative and general support	65,387	74,116
	<u>699,524</u>	<u>637,086</u>
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	86,261	70,704
Net assets, beginning of year	<u>40,151</u>	<u>(30,553)</u>
NET ASSETS, END OF YEAR	<u>\$ 126,412</u>	<u>\$ 40,151</u>

see accompanying notes

VOICE FOR HEARING IMPAIRED CHILDREN

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MAY 31, 2015

	2015	2014
OPERATING ACTIVITIES		
Excess of revenue over expenses for the year	\$ 86,261	\$ 70,704
Net change in non-cash working capital items:		
Decrease (increase) in current assets-		
Accounts receivable	(8,194)	40,761
Prepaid expenses	(18,674)	10,992
Increase (decrease) in current liabilities-		
Accounts payable and accrued liabilities	(31,428)	35,644
Deferred contributions	101,778	(103,409)
	<u>43,482</u>	<u>(16,012)</u>
Cash generated from operations	129,743	54,692
INVESTING ACTIVITIES		
Net proceeds from disposal of marketable securities	<u>103,374</u>	<u>58,394</u>
INCREASE IN CASH FOR THE YEAR	233,117	113,086
Cash, beginning of year	<u>100,127</u>	<u>(12,959)</u>
CASH, END OF YEAR	<u>\$ 333,244</u>	<u>\$ 100,127</u>

see accompanying notes

VOICE FOR HEARING IMPAIRED CHILDREN

NOTES TO THE FINANCIAL STATEMENTS

MAY 31, 2015

VOICE for Hearing Impaired Children (the organization) is incorporated in the province of Ontario without share capital. The organization is exempt from income tax in Canada as a registered charitable organization under the Income Tax Act (Canada).

VOICE for Hearing Impaired Children is a Canadian pediatric hearing association for children with hearing loss whose parents have chosen to help them learn to hear, listen and speak. The organization's mission is to ensure that all children with hearing loss have their rights upheld with access to services for developing their abilities to hear, listen and speak.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Management is responsible for the preparation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations. Outlined below are those policies considered particularly significant:

Capital assets

Capital assets are recorded at cost. Amortization is provided annually at rates calculated to write-off the assets over their estimated useful lives.

Revenue recognition

The principal sources of revenue and recognition of these revenues for financial statement purposes are as follows:

Contributions

The organization follows the deferral method of revenue recognition for contributions.

Externally restricted contributions, including project grants and restricted donations, related to current expenses are recognized as revenue in the current year. Externally restricted contributions received in the year for expenses to be incurred in the following year are recorded as deferred contributions. Unrestricted contributions, including donations and amounts received from fundraising, are recorded when received.

Contributed materials and services

Donated materials and services are not recorded in the accounts.

Special events and conference fees

Special event and conference fee revenue is recognized in the period in which the event is held.

Contracted services

Contracted service revenue and audio verbal therapy fees are recognized in the period in which the services are performed.

Membership fees

Membership fees are recognized as revenue in the year to which they apply. Membership fees received for future periods are deferred in the accounts.

Interest income

Interest income is recognized as revenue when earned.

Allocation of expenses

Program costs include the costs of personnel, premises, administrative and other expenses that are directly related to providing the programs. Non-direct expenses required for delivery of programs are allocated to the programs on an equitable basis applied consistently each year (see note 6). The organization allocates personnel costs based on time spent (see note 7)

VOICE FOR HEARING IMPAIRED CHILDREN

NOTES TO THE FINANCIAL STATEMENTS

MAY 31, 2015

2. FINANCIAL INSTRUMENTS AND RELATED FINANCIAL RISKS

The organization's financial instruments include cash, amounts receivable, accounts payable and accrued liabilities. Amounts receivable, accounts payable and accrued liabilities are initially recorded at fair value and are subsequently recorded net of any provisions for impairment in value. It is management's opinion that the organization's financial instruments are not exposed to significant financial risks.

3. DEFERRED CONTRIBUTIONS

Deferred contributions are composed of the following:

	2015	2014
Ontario Ministry of Education		
Training and mentorship program	\$ 81,008	\$ -
Donations from chapters	47,074	24,841
Scholarship	12,201	12,201
Manitoba Education and Advanced Learning		
Program and student services	11,400	-
Other	<u>48,473</u>	<u>61,336</u>
Deferred contributions, end of year	<u>\$ 200,156</u>	<u>\$ 98,378</u>

Continuity of deferred contributions for the year is as follows:

Deferred contributions, beginning of year	\$ 98,378	\$ 201,787
Add cash received from grants and contributions	667,314	326,193
Contribution and grant revenue recognized	<u>(565,536)</u>	<u>(429,602)</u>
Deferred contributions, end of year	<u>\$ 200,156</u>	<u>\$ 98,378</u>

4. CONTRIBUTIONS

Contributions received in the year were from the following sources:

	2015	2014
Chapters	\$ 106,649	\$ 13,482
Services clubs	96,887	79,797
Foundations	88,849	38,425
Corporations	64,100	64,850
Individuals	<u>28,033</u>	<u>112,884</u>
	<u>\$ 384,518</u>	<u>\$ 309,438</u>

VOICE FOR HEARING IMPAIRED CHILDREN

NOTES TO THE FINANCIAL STATEMENTS

MAY 31, 2015

5. GRANTS

Grant revenue recognized in the year was as follows:

	2015	2014
Ontario Ministry of Education		
Training and mentorship program	\$ 143,992	\$ 108,364
Other programs	9,100	10,800
Manitoba Education and Advanced Learning		
Program and student services	19,298	-
Newfoundland and Labrador Department of Education and Early Childhood Development		
Program and student services	8,628	-
Human Resources Skills Development Canada	<u>-</u>	<u>1,000</u>
	<u>\$ 181,018</u>	<u>\$ 120,164</u>

6. ALLOCATION OF OVERHEAD COSTS

Overhead costs, which include rent, professional fees, insurance and other office expenses are allocated in the statement of operations as follows:

	2015	2014
Fundraising and special events	\$ 31,497	\$ 39,795
Therapy program delivery	22,921	30,347
Parent support	19,659	32,046
Administrative and general support	18,769	31,392
Public information	17,307	22,065
Training and mentorship	9,475	5,687
Advocacy	<u>9,213</u>	<u>3,440</u>
	<u>\$ 128,841</u>	<u>\$ 164,772</u>

7. ALLOCATION OF PERSONNEL EXPENSES

Personnel expenses are allocated in the statement of operations as follows:

	2015	2014
Therapy program delivery	\$ 72,793	\$ 61,729
Training and mentorship	72,165	86,387
Fundraising and special events	70,510	38,629
Parent support	53,539	50,541
Administrative and general support	46,616	42,724
Public information	23,227	15,912
Advocacy	<u>18,254</u>	<u>9,725</u>
	<u>\$ 357,104</u>	<u>\$ 305,647</u>

VOICE FOR HEARING IMPAIRED CHILDREN

NOTES TO THE FINANCIAL STATEMENTS

MAY 31, 2015

8. LEASE COMMITMENTS

The organization leases office space in Toronto, Canada. Minimum lease payments under the lease agreement are as follows:

2016	\$ 38,800
2017	38,800
2018	38,800
2019	38,800
2020	19,400