

FRIENDS OF WE CARE FOUNDATION INC.

Financial Statements

Year Ended December 31, 2013

FRIENDS OF WE CARE FOUNDATION INC.
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Year Ended December 31, 2013

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INDEPENDENT AUDITOR'S REPORT

To the Directors of Friends of We Care Foundation Inc.

We have audited the accompanying financial statements of Friends of We Care Foundation Inc., which comprise the statement of financial position as at December 31, 2013 and the statements of revenues and expenditures, changes in general 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 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.

(continues)

Basis for Qualified Opinion

In common with many not-for-profit organizations, Friends of We Care Foundation Inc. derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of Friends of We Care Foundation Inc.. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended December 31, 2013, current assets and net assets as at January 1, 2013 and December 31, 2013

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 Friends of We Care Foundation Inc. as at December 31, 2013 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.

Newmarket, Ontario
February 20, 2014

Chaggares & Bonhomme
Chartered Accountants
Authorized to practise public accounting by
The Institute of Chartered Accountants of Ontario

FRIENDS OF WE CARE FOUNDATION INC.
Statement of Financial Position
December 31, 2013

	2013		2012
ASSETS			
CURRENT			
Cash	\$ 502	\$	216
General fund	\$ 502	\$	216
NET ASSETS	\$ 502	\$	216

ON BEHALF OF THE BOARD

_____ *Treasurer*

_____ *Executive-Director*

See notes to financial statements

FRIENDS OF WE CARE FOUNDATION INC.
Statement of Revenues and Expenditures
Year Ended December 31, 2013

	2013	2012
REVENUES	\$ 1,086,449	\$ 1,012,046
EXPENSES		
Donations	1,086,163	1,013,220
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 286	\$ (1,174)

See notes to financial statements

FRIENDS OF WE CARE FOUNDATION INC.
Statement of Changes in General Fund Balance
Year Ended December 31, 2013

	2013	2012
NET ASSETS - BEGINNING OF YEAR	\$ 216	\$ 1,390
Excess (Deficiency) of revenues over expenses	286	(1,174)
NET ASSETS - END OF YEAR	\$ 502	\$ 216

See notes to financial statements

FRIENDS OF WE CARE FOUNDATION INC.
Statement of Cash Flows
Year Ended December 31, 2013

	2013	2012
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ 286	\$ (1,174)
Changes in non-cash working capital:		
Due from Friends of We Care Inc.	-	50,000
Due to Easter Seals Societies of Canada	-	(50,000)
	-	-
INCREASE (DECREASE) IN CASH FLOW	286	(1,174)
Cash - beginning of year	216	1,390
CASH - END OF YEAR	\$ 502	\$ 216

See notes to financial statements

FRIENDS OF WE CARE FOUNDATION INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

Friends of We Care Foundation Inc. follows the deferral method of accounting for contributions.

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.

Basis of presentation

The financial statements were prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations (ASNFPO).

Measurement uncertainty

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Fund Accounting

The accounts of the organization are maintained in accordance with principles of fund accounting. Under these principles, resources for various purposes are classified into funds that are in accordance with specified activities or objectives.

General Fund

The general fund processes the cash raised through fundraising events held in Friends of We Care Inc. and donates the funds to Easter Seal Societies of Canada.

2. DESCRIPTION OF BUSINESS

Friends of We Care Foundation Inc. was incorporated as a not-for-profit corporation on February 15, 2006 to sponsor and encourage promotional and other activities in the food service industry and among its suppliers, distributors, operators and customers for the purpose of raising money for charitable works and organizations. The foundation received charitable status on August 22, 2007. The foundation is exempt from income tax according to section 149 (1)(l) of the Canadian Income Tax Act.

3. FINANCIAL INSTRUMENTS

The organization' financial instruments consist of cash. Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest, currency or credit risks arising from this financial instrument. The fair value of this financial instrument approximates its carrying value, unless otherwise noted.