

CAMPBELL, SAUNDERS & CO.

JEWISH HOME FOR THE AGED
OF BRITISH COLUMBIA

OPERATING AS
LOUIS BRIER HOME AND HOSPITAL

FINANCIAL STATEMENTS
MARCH 31, 2011

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CAMPBELL, SAUNDERS & CO.

Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

To: The Members of
Jewish Home For The Aged Of British Columbia
Operating as Louis Brier Home and Hospital

We have audited the accompanying financial statements of **The Jewish Home For The Aged of British Columbia**, which comprise the statement of financial position as at March 31, 2011, and the statements of earnings, 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 generally accepted accounting principles, 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 audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **The Jewish Home For The Aged of British Columbia** as at March 31, 2011, and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.


CHARTERED ACCOUNTANTS

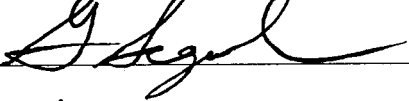
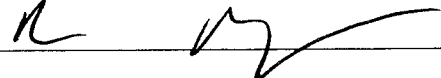
Vancouver, B.C.
May 17, 2011

**JEWISH HOME FOR THE AGED OF BRITISH COLUMBIA
OPERATING AS LOUIS BRIER HOME AND HOSPITAL**

**STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2011**

	2011	2010
CURRENT ASSETS		
Cash	\$ 426,031	\$ 534,779
Accounts receivable	283,672	131,689
Term deposits	2,015,000	1,500,000
Due from Louis Brier Jewish Aged Foundation	1,843	5,734
Due from Louis Brier Jewish Residence Society (Note 3)	467,725	599,286
Inventory	112,846	118,917
Prepaid expenses	<u>86,083</u>	<u>69,875</u>
	3,393,200	2,960,280
RESTRICTED CASH (Note 4)	258,055	183,082
CAPITAL ASSETS (Note 5)	<u>6,546,502</u>	<u>6,726,564</u>
	<u>\$10,197,757</u>	<u>\$ 9,869,926</u>
 TRUST FUNDS (Note 6)		
 CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 2,013,463	\$ 1,664,493
Deferred operating revenue (Note 7)	510,968	521,491
Current portion of sick and severance payable (Note 8)	181,989	225,822
Current portion of mortgage payable (Note 9)	<u>17,502</u>	<u>16,182</u>
	2,723,922	2,427,988
REPLACEMENT RESERVE (Note 4)	258,055	183,082
SICK AND SEVERANCE PAYABLE (Note 8)	1,118,431	986,395
MORTGAGE PAYABLE (Note 9)	636,854	654,357
DEFERRED CAPITAL FUNDING (Note 10)	<u>5,921,247</u>	<u>6,103,558</u>
	<u>10,658,509</u>	<u>10,355,380</u>
 NET ASSETS		
Unrestricted	(1,032,314)	(1,067,231)
Invested in capital assets	514,855	525,364
Restricted Special Purpose (Note 11)	<u>56,707</u>	<u>56,413</u>
	<u>(460,752)</u>	<u>(485,454)</u>
	<u>\$10,197,757</u>	<u>\$ 9,869,926</u>

APPROVED BY THE DIRECTORS:

JEWISH HOME FOR THE AGED OF BRITISH COLUMBIA
OPERATING AS LOUIS BRIER HOME AND HOSPITAL

STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2011

	Unrestricted	Invested in Capital Assets	Restricted Special Purpose	2011 Total	2010 Total
BALANCE - BEGINNING OF YEAR	<u>\$ (1,067,231)</u>	<u>\$ 525,364</u>	<u>\$56,413</u>	<u>\$ (485,454)</u>	<u>\$ (567,803)</u>
Excess of revenue over expenses	24,408	-	294	24,702	82,349
Amortization of deferred capital funding	(443,618)	443,618	-	-	-
Amortization of capital assets	470,309	(470,309)	-	-	-
Mortgage principal repaid	<u>(16,182)</u>	<u>16,182</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in year	<u>34,917</u>	<u>(10,509)</u>	<u>294</u>	<u>24,702</u>	<u>82,349</u>
BALANCE - END OF YEAR	<u>\$ (1,032,314)</u>	<u>\$ 514,855</u>	<u>\$56,707</u>	<u>\$ (460,752)</u>	<u>\$ (485,454)</u>

JEWISH HOME FOR THE AGED OF BRITISH COLUMBIA
OPERATING AS LOUIS BRIER HOME AND HOSPITAL

STATEMENT OF EARNINGS
FOR THE YEAR ENDED MARCH 31, 2011

	2011	2010
REVENUES		
Vancouver Coastal Health grant	\$10,039,477	\$10,004,495
Resident charges	4,063,262	3,734,888
Foundation contribution	345,291	279,320
Gaming revenue	40,050	-
Other revenue (Note 12)	52,589	54,831
Amortization of deferred capital funding (Note 10)	<u>443,618</u>	<u>423,575</u>
	<u>14,984,287</u>	<u>14,497,109</u>
EXPENSES		
Salaries	9,380,975	9,155,282
Employee benefits (Note 8)	<u>2,585,963</u>	<u>2,594,540</u>
	11,966,938	11,749,822
Administration	245,254	228,184
Amortization	470,309	450,265
Dietary	836,871	820,488
Housekeeping	46,739	41,357
Laundry and linen	55,068	45,555
Nursing and medical	542,882	414,115
Plant operation	339,338	286,058
Plant maintenance	276,772	243,512
Therapy	127,619	82,171
Mortgage interest	<u>52,089</u>	<u>53,318</u>
	<u>14,959,879</u>	<u>14,414,845</u>
Net operating surplus	<u>24,408</u>	<u>82,264</u>
Special Purpose revenue	294	85
Special Purpose expense	<u>-</u>	<u>-</u>
	<u>294</u>	<u>85</u>
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	<u>\$ 24,702</u>	<u>\$ 82,349</u>

JEWISH HOME FOR THE AGED OF BRITISH COLUMBIA
OPERATING AS LOUIS BRIER HOME AND HOSPITAL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2011

	2011	2010
OPERATIONS		
Surplus from operations	\$ 24,408	\$ 82,264
Surplus from special purpose funds	<u>294</u>	<u>85</u>
	24,702	82,349
Non-cash items		
Amortization of deferred capital funding	(443,618)	(423,575)
Amortization capital assets	<u>470,309</u>	<u>450,265</u>
	51,393	109,039
Changes in other operating assets and liabilities	<u>267,947</u>	<u>565,605</u>
	<u>319,340</u>	<u>674,644</u>
FINANCING		
Reduction in mortgage payable	(16,182)	(14,961)
Increase in replacement reserve	74,973	73,848
Increase in deferred capital funding	261,306	364,230
Increase in sick and severance payable	<u>132,035</u>	<u>(142,956)</u>
	<u>452,132</u>	<u>280,161</u>
INVESTMENT		
Additions to capital assets	<u>(290,247)</u>	<u>(310,032)</u>
INCREASE IN CASH	481,225	644,773
Cash and term deposits - beginning of year	<u>2,217,861</u>	<u>1,573,088</u>
CASH AND TERM DEPOSITS - END OF YEAR	<u>\$2,699,086</u>	<u>\$2,217,861</u>
REPRESENTED BY:		
Unrestricted	\$ 369,324	\$ 478,366
Special purpose	56,707	56,413
Term deposits	<u>2,015,000</u>	<u>1,500,000</u>
	2,441,031	2,034,779
Restricted	<u>258,055</u>	<u>183,082</u>
	<u>\$2,699,086</u>	<u>\$2,217,861</u>
SUPPLEMENTAL CASH FLOWS INFORMATION		
Interest received	<u>\$ 23,180</u>	<u>\$ 22,511</u>
Interest paid	<u>\$ 52,089</u>	<u>\$ 53,318</u>

JEWISH HOME FOR THE AGED OF BRITISH COLUMBIA
OPERATING AS LOUIS BRIER HOME AND HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2011

NOTE 1 - PURPOSE OF THE ORGANIZATION

The Jewish Home for the Aged of British Columbia (Society), operating as Louis Brier Home and Hospital provides residential health care, social and religious programs as prescribed by the Ministry of Health. It is registered under the Society Act of British Columbia as a not-for-profit organization and is a registered charity under the Income Tax Act.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition:

The Society prepares its financial statements based on 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 can be reasonably estimated and collection is reasonably assured. Investment income is recognized as it accrues. Investment income earned in a restricted fund is recorded as an increase in the fund balance. Revenue for resident charges is recognized on an accrual basis when services are provided.

Government grants received for current operating expenses or revenues are included in the determination of net income for the year.

Grants or other types of assistance received for the acquisition of capital assets are deferred and amortized to income on the same basis as the related capital assets are amortized.

Cash:

Cash is comprised of operating cash.

Inventory:

Inventory is valued at the lower of cost and replacement cost on a first-in, first-out basis.

Capital assets:

Capital assets are valued at cost.

Amortization of capital assets:

Buildings are amortized on a straight-line basis over 40 years.

Equipment is amortized on a straight-line basis over 10 years.

Transportation equipment is amortized on a straight-line basis over 15 years.

Computer equipment is amortized on a straight-line basis over 5 years.

Basis of presentation - related parties:

Louis Brier Jewish Residence Society, which is controlled by the Society through a majority of members on the Board of Directors, is not consolidated in the Society's financial statements.

The Society reports the most recent financial information of Louis Brier Jewish Residence Society in Note 16 and receivable information in Note 3.

Replacement reserve:

In accordance with the terms of the mortgage referred to in Note 9, the Society has set up a replacement reserve to cover the replacement of certain types of capital assets. The replacement reserve is funded by an annual charge against earnings and any expenditures must be approved by the mortgagor.

**JEWISH HOME FOR THE AGED OF BRITISH COLUMBIA
OPERATING AS LOUIS BRIER HOME AND HOSPITAL**

**NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2011**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Contributed services:

The work of the Society is dependent on the efforts of many volunteers. Because these services are not normally purchased by the Society and because of the difficulty in determining their fair value, donated services are not recognized in these financial statements.

Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the year. Actual results could differ from these estimates.

Future Accounting Changes

The Canadian Accounting Standards Board (AcSB) confirmed that the use of International Financial Reporting Standards (IFRS) or Part III - Accounting Standards for Not-for-Profit Organizations would be required for Not-for-Profit organizations for the years beginning on or after January 1, 2012. IFRS and Part III - Accounting Standards for Not-for-Profit Organizations uses a conceptual framework similar to Canadian GAAP, but there are significant differences in recognition, measurement and disclosures. First reporting under IFRS or Part III - Accounting Standards for Not-for-Profit is required for the Society's annual financial statements beginning on January 1, 2012. The Society is in the process of reviewing the potential impact of these two accounting standards on this reporting framework and financial statements.

NOTE 3 - DUE FROM LOUIS BRIER JEWISH RESIDENCE SOCIETY

The Society has leased a portion of the land referred to in Note 5 to the Louis Brier Jewish Residence Society (Residence Society) for a term of 99 years at an Annual Basic Rent of \$10.00 per annum. The permitted use of the premises are the operation of a charitable non-profit senior's congregate care (assisted living) and multi level facility as a complementary facility to the Jewish Home For The Aged.

In 2003, the Residence Society completed the construction of its facilities and commenced operations in line with the permitted use of the premises under the lease referred to above.

The Society has the right to appoint a majority of the members to the Board of the Residence Society and both Societies share common management.

The amount receivable at year end is as follows:

	Services Provided	Loan Receivable	2011 Total	Services Provided	Loan Receivable	2010 Total
Balance - beginning of year	\$ 217,059	\$ 382,227	\$ 599,286	\$ 183,679	\$425,000	\$ 608,679
Services provided	3,190,000	-	3,190,000	3,047,527	-	3,047,527
Interest charged	2,790	-	2,790	2,574	-	2,574
Loan repayment	-	(179,926)	(179,926)	19,924	(42,773)	(22,849)
	<u>3,192,790</u>	<u>(179,926)</u>	<u>3,012,864</u>	<u>3,070,025</u>	<u>(42,773)</u>	<u>3,027,252</u>
Payments received	2,902,059	-	2,902,059	2,840,603	-	2,840,603
Vancouver Coastal Health Subsidy	242,366	-	242,366	196,042	-	196,042
	<u>3,144,425</u>	<u>-</u>	<u>3,144,425</u>	<u>3,036,645</u>	<u>-</u>	<u>3,036,645</u>
Balance - end of year	<u>\$ 265,424</u>	<u>\$ 202,301</u>	<u>\$ 467,725</u>	<u>\$ 217,059</u>	<u>\$382,227</u>	<u>\$ 599,286</u>

**JEWISH HOME FOR THE AGED OF BRITISH COLUMBIA
OPERATING AS LOUIS BRIER HOME AND HOSPITAL**

**NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2011**

NOTE 3 - DUE FROM LOUIS BRIER JEWISH RESIDENCE SOCIETY (Cont'd)

The services provided to the Residence Society are of an administrative, operational and managerial nature and are provided on a cost recovery basis.

The loan receivable is at prime rate less 1.6% with no fixed terms of repayment.

NOTE 4 - REPLACEMENT RESERVE

Replacement Reserve comprises the following:

	2011	2010
BALANCE - BEGINNING OF YEAR	\$183,082	\$109,234
Annual charge to operations	73,826	73,826
Interest earned	<u>1,147</u>	<u>22</u>
 BALANCE - END OF YEAR	 <u>\$258,055</u>	 <u>\$183,082</u>

Cash of \$258,055 (2010-\$183,082) is restricted for the Replacement Reserve.

NOTE 5 - CAPITAL ASSETS

Capital assets comprise the following:

	2011		2010	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Cost				
Land (Note 3)	\$ 316,475	\$ -	\$ 316,475	\$ -
Buildings	15,272,149	10,282,010	15,272,149	10,036,535
Equipment	5,104,183	3,972,937	4,826,057	3,757,061
Bus	134,364	53,746	134,364	44,788
Projects in progress	<u>28,024</u>	<u>-</u>	<u>15,903</u>	<u>-</u>
	<u>\$20,855,195</u>	<u>\$14,308,693</u>	<u>\$20,564,948</u>	<u>\$13,838,384</u>
 Net Book Value	 <u>\$ 6,546,502</u>		 <u>\$ 6,726,564</u>	

NOTE 6 - TRUST FUNDS

The Society administers certain funds on behalf of the residents. These amounts are not reflected in the financial statements and are comprised as follows:

	2011	2010
Residents' Trust Fund	<u>\$21,555</u>	<u>\$30,641</u>
Residents' Trust Liabilities	<u>\$21,555</u>	<u>\$30,641</u>

**JEWISH HOME FOR THE AGED OF BRITISH COLUMBIA
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**NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2011**

NOTE 7 - DEFERRED OPERATING REVENUE

Deferred operating revenue represents revenue received in advance and comprises the follows:

	Seniors Initiative	Vancouver Coastal Health Grant Education	Gaming Contribution	Resident Charges	Targeted Donations	Total 2011	Total 2010
Balance-beginning of year	\$403,335	\$39,955	\$ 40,000	\$ 17,509	\$ 20,692	\$521,491	\$502,215
Revenue	-	-	40,000	12,538	19,000	71,538	67,559
Expenses	-	-	(40,000)	(17,509)	(24,552)	(82,061)	(48,283)
Balance-end of year	<u>\$403,335</u>	<u>\$39,955</u>	<u>\$ 40,000</u>	<u>\$ 12,538</u>	<u>\$ 15,140</u>	<u>\$510,968</u>	<u>\$521,491</u>

NOTE 8 - SICK AND SEVERANCE

Under the terms of the employer's union contracts, employees with ten years of service and having reached a certain age are entitled to receive special payments upon retirement (or other circumstances specified in the collective agreement). These payments are based upon accumulated sick leave credits and entitlements for each year of service. The liability for amounts which may become payable to retiring employees have been estimated by actuarial valuation as at March 31, 2011, using an early measurement date of December 31, 2010.

The accumulation benefit obligation for sick leave and severance benefits as at March 31, 2011 is as follows:

	2011	2010
Per actuarial valuation		
Sick leave benefits	\$ 360,904	\$ 377,050
Severance benefits	<u>770,545</u>	<u>782,674</u>
Total	<u>\$1,131,449</u>	<u>\$1,159,724</u>
Per financial statements		
Current	\$ 181,989	\$ 225,822
Long term	<u>1,118,431</u>	<u>986,395</u>
	<u>\$1,300,420</u>	<u>\$1,212,217</u>
Excess of recorded amount over actuarial valuation	<u>\$ 168,971</u>	<u>\$ 52,493</u>

In 2011 a charge of \$115,237 (2010 - \$112,738) was included in Employee Benefits.

The significant actuarial assumptions adopted in measuring the Society's sick and severance liabilities are as follows:

	2011	2010
Interest discount rate	5.25%	6.25%
Salary increases	2.50%	2.50%

**JEWISH HOME FOR THE AGED OF BRITISH COLUMBIA
OPERATING AS LOUIS BRIER HOME AND HOSPITAL**

**NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2011**

NOTE 9 - MORTGAGE PAYABLE

Mortgage payable comprises the following:

	2011	2010
CMHC 8%, payable \$5,698 monthly, principal and interest, due January 2030, secured by a first mortgage on land and buildings, costing \$946,270.	\$654,357	\$670,539
Less: Principal amount due within one year	<u>(17,502)</u>	<u>(16,182)</u>
	<u>\$636,855</u>	<u>\$654,357</u>

Principal repayments due within the next five fiscal years are as follows:

March 31, 2012	\$17,502
2013	18,930
2014	20,475
2015	22,146
2016	23,953

NOTE 10 - DEFERRED CAPITAL FUNDING

Deferred capital funding comprises the following:

	2011	2010
BALANCE - BEGINNING OF YEAR	\$6,103,559	\$6,162,904
Foundation contribution	9,596	41,148
Vancouver Coastal Health contribution	132,748	80,000
Other amounts	118,962	243,082
Amortization	<u>(443,618)</u>	<u>(423,575)</u>
BALANCE - END OF YEAR	<u>\$5,921,247</u>	<u>\$6,103,559</u>

Deferred capital funding represents grants and donations received towards the acquisition of capital assets. Such amounts are deferred and amortized to income on the same basis as the related capital assets are amortized.

At March 31, 2011, \$501,883 (2010 - \$518,702) of amounts received were unspent.

NOTE 11 - RESTRICTED SPECIAL PURPOSE NET ASSETS

Restricted Special Purpose Net Assets comprises the following:

	Albert O. Kaplan Perpetual Scholarship	Abrasha Wosk Project Fund	Bernstone Fund	Comfort Fund	Snider Fund	Total 2011	Total 2010
Balance-beginning of year	\$ 7,056	\$5,438	\$14,569	\$20,023	\$9,327	\$56,413	\$56,328
Revenue	37	28	76	104	49	294	85
Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance - end of year	<u>\$ 7,093</u>	<u>\$5,466</u>	<u>\$14,645</u>	<u>\$20,127</u>	<u>\$9,376</u>	<u>\$56,707</u>	<u>\$56,413</u>

**JEWISH HOME FOR THE AGED OF BRITISH COLUMBIA
OPERATING AS LOUIS BRIER HOME AND HOSPITAL**

**NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2011**

NOTE 12 - OTHER REVENUE

	2011	2010
Other revenue comprises the following:		
Investment income	\$23,180	\$22,511
Membership fees	2,782	2,532
Miscellaneous revenue	<u>26,627</u>	<u>29,788</u>
	<u>\$52,589</u>	<u>\$54,831</u>

NOTE 13 - ECONOMIC DEPENDENCE

The Society's main source of revenue is derived from Provincial funding provided by Vancouver Coastal Health. Therefore its ability to continue viable operations is dependent upon maintaining its right to act as an authorized care facility.

NOTE 14 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK

The Society classifies its cash as held for trading. Accounts receivable including due from Louis Brier Jewish Aged Foundation and due from Louis Brier Jewish Residence Society are classified as loans and receivables and accounts payable and accrued liabilities and mortgage payable have been classified as other financial liabilities.

a) Fair Value

Cash, accounts receivable including due from Louis Brier Jewish Aged Foundation and due from Louis Brier Jewish Residence Society and accounts payable and accrued liabilities are measured at their carrying amount since it is comparable to their fair value due to the approaching maturity of these financial instruments.

Mortgage payable is measured at its carrying amounts. The fair value of this financial instrument is not readily determinable.

b) Financial Risk

The Society is not exposed to interest rate risk on its mortgage payable due to the fixed rate, long term nature of the debt instrument.

NOTE 15 - CAPITAL MANAGEMENT

The Society's objectives when managing capital are to preserve capital for working capital purposes. The Society's investment policy is to hold cash in interest bearing bank accounts.

NOTE 16 - LOUIS BRIER JEWISH RESIDENCE SOCIETY

Louis Brier Jewish Residence Society ("Residence Society") was incorporated under the Society Act of British Columbia and is exempt from income taxes. Its purpose is to establish and maintain as a non-profit institution a Jewish home or homes for the aged and infirm, including assisted living and supportive housing, all for the care, maintenance, assistance and recreation of persons of advanced age and the infirm in accordance with traditional Jewish ritual and dietary laws, customs and traditions and to undertake activities and programs which foster the health and well being of Jewish aged and infirm in British Columbia.

JEWISH HOME FOR THE AGED OF BRITISH COLUMBIA
OPERATING AS LOUIS BRIER HOME AND HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2011

NOTE 16 - LOUIS BRIER JEWISH RESIDENCE SOCIETY (Cont'd)

The following is a summary of the audited financial statements of the Residence Society as at and for the years ended March 31, 2011 and March 31, 2010:

	2011	2010
Financial Position		
Assets	<u>\$9,324,083</u>	<u>\$9,531,449</u>
Liabilities	\$ 657,612	\$ 727,367
Net assets	<u>8,666,471</u>	<u>8,804,082</u>
	<u>\$9,324,083</u>	<u>\$9,531,449</u>
Revenue and Expenses		
Revenue	\$3,829,041	\$3,564,064
Expenses	<u>3,967,120</u>	<u>3,764,399</u>
Deficiency of revenues over expenses	<u>\$ (138,079)</u>	<u>\$ (200,335)</u>
Cash Flows		
Cash from operations	\$ 306,606	\$ 135,427
Cash used in financing activities	(179,458)	-
Cash used in investing activities	<u>(49,000)</u>	<u>(14,203)</u>
INCREASE IN CASH	<u>\$ 78,148</u>	<u>\$ 121,224</u>

Significant differences in accounting policies:

The Society:

Grants or other types of assistance received for the acquisition of capital assets are deferred and amortized to income on the same basis as the related capital assets are amortized.

The Residence Society:

Grants are recognized as revenue when received.