

**NANNY ANGEL NETWORK INC.**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2013**

(Unaudited)

**NANNY ANGEL NETWORK INC.**

**DECEMBER 31, 2013**  
**(Unaudited)**

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**REVIEW ENGAGEMENT REPORT**

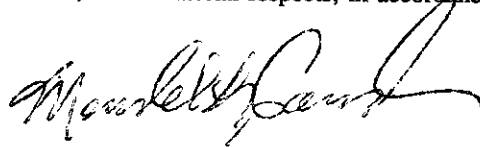
To the Board of Directors of  
NANNY ANGEL NETWORK INC.

We have reviewed the statement of financial position of NANNY ANGEL NETWORK INC. as at December 31, 2013 and the statements of operations and changes in net assets for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the organization.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

As is the case with many charitable organizations, NANNY ANGEL NETWORK INC. derives a portion of its income from the general public in the form of donations and fundraising events which are not susceptible to complete review verification. Accordingly, our review of these revenues are limited to accounting for the amounts recorded in the records of the organization, and we were not able to determine whether any adjustments might be necessary to the donation and fundraising revenues, excess revenue over expenses, assets and liabilities or net assets.

Based on our review, except for the possible effect of the matters described in the preceding paragraph, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.



**CERTIFIED GENERAL ACCOUNTANTS**

Concord, Ontario  
June 16, 2014

NANNY ANGEL NETWORK INC.

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2013

(Unaudited)

ASSETS

	<u>2013</u>	<u>2012</u>
<b>CURRENT</b>		(Note 6)
Bank	\$ 123,371	\$ 72,227
HST receivable	4,788	2,217
Sundry receivable	4,052	500
Prepays	<u>4,753</u>	<u>-</u>
	<u>\$ 136,964</u>	<u>\$ 74,944</u>

LIABILITIES

<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 21,491	\$ 15,503
Deferred contributions	<u>8,000</u>	<u>-</u>
	29,491	15,503

NET ASSETS

<b>UNRESTRICTED NET ASSETS</b>	<u>107,473</u>	<u>59,441</u>
	<u>\$ 136,964</u>	<u>\$ 74,944</u>

NANNY ANGEL NETWORK INC.

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2013

(Unaudited)

	<u>2013</u>	<u>2012</u>
<b>REVENUES</b>		
Donations	\$ 127,865	\$ 130,640
Fundraising	5,434	9,462
Grants	<u>19,098</u>	<u>12,000</u>
	152,397	152,102
<b>EXPENSES</b>		
Contract services	20,954	34,849
Event expenses	1,423	-
General and administration	6,691	5,457
Operations	8,602	1,540
Personnel costs	55,195	49,278
Professional fees	5,500	3,500
Rent	<u>6,000</u>	<u>6,000</u>
	<u>104,365</u>	<u>100,624</u>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>48,032</b>	<b>51,478</b>
<b>NET ASSETS, beginning of year</b>	<u>59,441</u>	<u>7,963</u>
<b>NET ASSETS, end of year</b>	<b>\$ <u>107,473</u></b>	<b>\$ <u>59,441</u></b>

NANNY ANGEL NETWORK INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2013

(Unaudited)

**1. Nature of the Organization**

NANNY ANGEL NETWORK INC. is an organization that provides relief childcare in central Toronto for mothers diagnosed with cancer. NANNY ANGEL NETWORK INC. was incorporated by letters patent under the Ontario Corporations Act on January 6, 2009. The organization is a registered charity effective April 8, 2011, and is, therefore, exempt from taxes.

**2. Summary of Significant Accounting Policies**

The financial statements were prepared in accordance with the Canadian accounting standards for not-for-profit organizations in Part III of the CICA Handbook and include the following significant accounting policies:

(a) Revenue Recognition

The Organization follows the deferral method of accounting for contributions whereby restricted contributions related to expenses of future periods are deferred and recognized as revenue in the period in which the expenses are incurred. Unrestricted contributions are recognized as revenue when received if the amount to be received can be reasonably estimated and collection is reasonably assured. The organization has no restricted contributions as at December 31, 2013 and 2012.

(b) Property, plant and equipment

Property, plant and equipment are expensed in the year the expenditure is incurred.

(c) Contributed good and services

The work of the Organization is dependant on donated goods and services of many volunteers. Because of the difficulty of determining their fair value, these donated services are not recognized in these statements.

(d) Financial instruments

The Organization initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

The Organization subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

The Organization has not designated any financial asset or financial liability to be measured at fair value.

(e) Cash and bank and cash equivalents

The Organization's policy is to present bank balances and term deposits with a maturity period of three months or less from the date of acquisition under cash in bank and cash equivalents. The Organization has no cash equivalents as at December 31, 2013 and 2012.

NANNY ANGEL NETWORK INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2013

(Unaudited)

**3. Related Party Transactions**

During the year, transactions with companies of which the executive director is the principal shareholder included:

	<u>2013</u>	<u>2012</u>
Donations Received	\$20,000	\$20,574
Share Costs Reimbursed (including telephone, rent and printing)	\$9,289	\$8,654

All related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by both parties.

Included in accounts payable are \$5,496 (2012 - \$6,860) due to the related parties.

**4. Economic dependence**

The Organization is economically dependent on its principal donors and grantors for funding of its operations.

**5. Financial Instruments**

Risks and concentrations

The Organization is exposed to various risks through its financial instruments. The following analysis provides provides a measure of the Organization's risk exposure and concentrations December 31, 2013.

Credit Risk

Credit Risk is the risk that the counter party will cause a financial loss by failing to discharge an obligation. The Credit risk on the organization's cash is limited because the counter parties are banks with high credit ratings.

Liquidity risk

Liquidity risk is the risk that an organization will encounter difficulty in meeting its financial obligations. The Organization manages its liquidity risk by monitoring its operation requirements and using various funding sources to ensure its financial flexibility. As at December 31, 2013, the Organization has a bank deposit of \$123,371 enough to cover its accounts payable of \$21,491.

It is management's opinion that the organization is not exposed to significant currency, interest and concentration risks arising from its financial instruments.

**6. COMPARATIVE FIGURES**

Comparative figures have been prepared by another accountant. Certain comparative figures have been reclassified to conform to the current years financial statement presentation.

**7. CASH FLOW STATEMENT**

Management has determined that the statement of cash flow would provide no additional information to the users of the financial statements