



JOHN HOWARD SOCIETY OF ONTARIO PROVINCIAL OFFICE

FINANCIAL STATEMENTS

DECEMBER 31, 2013

JOHN HOWARD SOCIETY OF ONTARIO PROVINCIAL OFFICE

INDEX

DECEMBER 31, 2013

| | Page |
|---|------|
| INDEPENDENT AUDITORS' REPORT | 1-2 |
| FINANCIAL STATEMENTS | |
| Statement of Financial Position | 3 |
| Statement of Operations - General Fund | 4 |
| Statement of Changes in General Fund Balances | 5 |
| Statement of Changes in Externally Restricted Fund Balances | 6 |
| Statement of Cash Flows | 7 |
| Notes to the Financial Statements | 8-16 |

INDEPENDENT AUDITORS' REPORT

To the Members of John Howard Society of Ontario Provincial Office

We have audited the accompanying financial statements of John Howard Society of Ontario Provincial Office, which comprise the statement of financial position as at December 31, 2013, and the statements of operations - general fund, changes in general fund balances, changes in externally restricted fund balances and cash flows for the year then ended, and notes, comprising 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 misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion of 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 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, John Howard Society of Ontario Provincial Office derives revenue from fundraising, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of this revenue was limited to the amounts recorded in the records of John Howard Society of Ontario Provincial Office.

Therefore, we were not able to determine whether, as at and for the year ended December 31, 2013, any adjustments might be necessary to fundraising revenue, excess (deficiency) of revenue over expenses reported in the statements of operations - general fund, excess (deficiency) of revenue over expenses reported in the statement of cash flows, and current assets and fund balances reported in the statement of financial position.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of John Howard Society of Ontario Provincial Office as at December 31, 2013, and its financial performance and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Other Matter

The financial statements of the prior period were audited by another firm of Chartered Professional Accountants. The opinion was qualified for the same reasons as noted in the Basis for Qualified Opinion paragraph above and the opinion was dated March 23, 2013.

March 22, 2014



Chartered Professional Accountants
Licensed Public Accountants

JOHN HOWARD SOCIETY OF ONTARIO PROVINCIAL OFFICE
STATEMENT OF FINANCIAL POSITION

| As at December 31 | 2013 | 2012 |
|--|---------------------|---------------------|
| ASSETS | | |
| Current | | |
| Cash | \$ - | \$ 154,638 |
| Short-term investments (note 5) | 333,154 | 465,570 |
| Accounts receivable | 341,708 | 408,769 |
| HST receivable | 34,043 | 33,172 |
| Prepaid expenses and other current assets | 4,000 | - |
| Due from affiliates (note 3) | 424,000 | 14,000 |
| | <u>1,136,905</u> | <u>1,076,149</u> |
| Long-term investments (note 5) | 264,212 | 509,766 |
| Due from affiliates (note 3) | 28,000 | 40,000 |
| Capital assets (note 4) | 825,679 | 2,370 |
| | <u>\$ 2,254,796</u> | <u>\$ 1,628,285</u> |
| LIABILITIES | | |
| Current | | |
| Bank overdraft (note 7) | \$ 27,552 | \$ - |
| Affiliate benefit deposits held | 127,383 | 127,383 |
| Accounts payable and accrued liabilities | 43,050 | 100,377 |
| Current portion of long-term debt (note 8) | 15,998 | - |
| Deferred revenue | 7,500 | - |
| | <u>221,483</u> | <u>227,760</u> |
| Long-term debt (note 8) | 491,002 | - |
| | <u>712,485</u> | <u>227,760</u> |
| FUND BALANCES | | |
| General | 1,467,239 | 1,324,722 |
| Externally restricted | 75,072 | 75,803 |
| | <u>1,542,311</u> | <u>1,400,525</u> |
| | <u>\$ 2,254,796</u> | <u>\$ 1,628,285</u> |

Approved by: _____
Director:  _____
Director:  _____

See accompanying notes to the financial statements

JOHN HOWARD SOCIETY OF ONTARIO PROVINCIAL OFFICE
STATEMENT OF OPERATIONS - GENERAL FUND

| Year ending December 31 | 2013 | 2012 |
|--|-------------------|--------------------|
| REVENUE | | |
| Ministry of Community Safety and Correctional Services grant | \$ 121,849 | \$ 121,849 |
| HRDC grant | - | 2,081 |
| Other grants | - | 30,050 |
| | <u>121,849</u> | <u>153,980</u> |
| Affiliate contributions | 423,294 | 412,240 |
| Miscellaneous (note 9) | 309,930 | 256,875 |
| Fundraising | 129,388 | 136,132 |
| Conference registration fees | 85,050 | - |
| Cost recovery (note 10) | 41,853 | 59,751 |
| Investment | 29,631 | 27,968 |
| | <u>1,140,995</u> | <u>1,046,946</u> |
| EXPENSES | | |
| Salaries and benefits | 514,802 | 617,709 |
| Travel and meeting (note 10) | 104,001 | 162,188 |
| Building occupancy | 83,248 | 61,214 |
| JHSO conference | 80,219 | - |
| Office and postage | 56,440 | 66,894 |
| Purchased services | 48,917 | 15,587 |
| Affiliate direct services | 47,480 | 65,562 |
| Fundraising | 41,844 | 60,571 |
| Professional fees | 34,326 | 30,076 |
| Skills development | 869 | 834 |
| | <u>1,012,146</u> | <u>1,080,635</u> |
| EXCESS OF REVENUE OVER EXPENSES | | |
| (EXPENSES OVER REVENUE) BEFORE THE UNDERNOTED | 128,849 | (33,689) |
| Unrealized gain on investment | 15,399 | 13,447 |
| Amortization of capital assets | (1,731) | (2,641) |
| EXCESS OF REVENUE OVER EXPENSES | | |
| (EXPENSES OVER REVENUE) | \$ 142,517 | \$ (22,883) |

JOHN HOWARD SOCIETY OF ONTARIO PROVINCIAL OFFICE
STATEMENT OF CHANGES IN GENERAL FUND BALANCES

| Year ending December 31 | 2013 | | | | | 2012 |
|--|-----------------------------|----------------|-------------|-----------|---------------|--------------|
| | Internally restricted funds | | | | | |
| | Invested in | | Benefaction | | Trillium | |
| | Operations | capital assets | Fund | L.W. Skey | Stabilization | Total |
| | | | | Fund | Fund | |
| Fund balances, beginning of the year | \$ (100,768) | \$ 2,370 | \$ 900,048 | \$ 23,072 | \$ 500,000 | \$ 1,324,722 |
| Excess of revenue over expenses (expenses over revenue) | 144,248 | (1,731) | - | - | - | 142,517 |
| Investment in capital assets | (825,040) | 825,040 | - | - | - | - |
| Proceeds of debt related to investment in capital assets | 507,000 | (507,000) | - | - | - | - |
| Fund balances, end of the year | \$ (274,560) | \$ 318,679 | \$ 900,048 | \$ 23,072 | \$ 500,000 | \$ 1,467,239 |
| | | | | | | \$ 1,324,722 |

See accompanying notes to the financial statements

JOHN HOWARD SOCIETY OF ONTARIO PROVINCIAL OFFICE
STATEMENT OF CHANGES IN EXTERNALLY RESTRICTED FUND BALANCES

| Year ending December 31 | 2013 | | | 2012 | |
|--------------------------------------|-----------------------------------|---|-----------|-----------|--|
| | A.M. Kirkpatrick Award Fund | JHS Ontario/ MacFarlane Scholarship Fund | Total | Total | |
| Fund balances, beginning of the year | \$ 57,886 | \$ 17,917 | \$ 75,803 | \$ 75,668 | |
| Interest income | - | 269 | 269 | 1,135 | |
| Scholarships | - | (1,000) | (1,000) | (1,000) | |
| Fund balance, end of the year | \$ 57,886 | \$ 17,186 | \$ 75,072 | \$ 75,803 | |

JOHN HOWARD SOCIETY OF ONTARIO PROVINCIAL OFFICE
STATEMENT OF CASH FLOWS

| Year ending December 31 | 2013 | 2012 |
|---|------------------|-------------------|
| OPERATING ACTIVITIES | | |
| Excess of revenue over expenses (expenses over revenue) | | |
| - general fund | \$ 142,517 | \$ (22,883) |
| Other funds: | | |
| Interest | 269 | 1,135 |
| Scholarships | (1,000) | (1,000) |
| | <u>141,786</u> | <u>(22,748)</u> |
| Items not affecting cash: | | |
| Amortization of capital assets | 1,731 | 2,641 |
| Unrealized gain on investments | (15,399) | (13,447) |
| Changes in non-cash working capital: | | |
| Accounts receivable | 61,061 | (287,002) |
| Prepaid expenses and other current assets | (4,000) | - |
| Accounts payable and accrued liabilities | (57,327) | 64,788 |
| Deferred revenue | 7,500 | - |
| HST receivable | (871) | 10,640 |
| | <u>134,481</u> | <u>(245,128)</u> |
| Net cash provided by (used in) operating activities | | |
| | <u>134,481</u> | <u>(245,128)</u> |
| INVESTING ACTIVITIES | | |
| Purchase of capital assets | (825,040) | - |
| Net change in investments | 393,369 | 289,981 |
| Due from affiliates | (392,000) | 45,499 |
| | <u>(823,671)</u> | <u>335,480</u> |
| Net cash (used in) provided by investing activities | | |
| | <u>(823,671)</u> | <u>335,480</u> |
| FINANCING ACTIVITY | | |
| Bank overdraft | 27,552 | (98,806) |
| Long-term debt | 507,000 | - |
| | <u>534,552</u> | <u>(98,806)</u> |
| Net cash provided by (used in) financing activities | | |
| | <u>534,552</u> | <u>(98,806)</u> |
| NET DECREASE IN CASH | <u>(154,638)</u> | <u>(8,454)</u> |
| CASH, beginning of the year | <u>154,638</u> | <u>163,092</u> |
| CASH, end of the year | <u>\$ -</u> | <u>\$ 154,638</u> |

See accompanying notes to the financial statements

Page 7

JOHN HOWARD SOCIETY OF ONTARIO PROVINCIAL OFFICE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013

1. PURPOSE OF THE ORGANIZATION

The John Howard Society of Ontario (the "Society") and its 19 affiliates provide direct services to individuals, families, and groups at all stages in the youth and criminal justice system from prevention education in public schools to post-institutional counselling for persons released from prison.

The Society is also involved in reform of the justice system through justice policy analysis and submission of briefs to various levels of government. As well, the Society provides community education conferences and presentations on critical issues in justice system.

The Society, through its Centre of Research and Program Development, engages in research and program development initiatives to reflect and further the Society's mission.

The mandate of the Society is effective, just, and human responses to crime and its causes.

The Society is a registered charity and, while registered, is exempt from income taxes provided certain disbursement quotas are met.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. These financial statements include only the assets, liabilities, revenue, and expenses relating to the organization which operated as John Howard Society of Ontario Provincial Office. They do not include the revenue, expenses, assets, or liabilities of the individual branches/affiliates of the Society.

At December 31, 2013, the Society had 19 incorporated affiliates: Belleville, Durham, Hamilton-Burlington and area, Kawartha Lakes-Haliburton, Kingston, London, Niagara, Ottawa, Peel-Halton-Dufferin, Peterborough, Sarnia-Lambton, Sault Ste. Marie, Simcoe-Muskoka, Sudbury, Thunder Bay, Toronto, Waterloo-Wellington, Windsor-Essex, and York Region. Separate financial statements are prepared for each of the affiliates.

JOHN HOWARD SOCIETY OF ONTARIO PROVINCIAL OFFICE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Description of Funds

The financial statements have been classified into two main funds, the general fund and externally restricted funds, that reflect the various activities, projects, and fundraising initiatives undertaken by the Society.

The general fund encompasses operations, investment in capital assets, the L.W. Skey Fund, the Trillium Stabilization Fund, and the Benefaction Fund.

The L.W. Skey Fund reflects the funds raised to offset specific future accommodation costs as approved by the Board of Directors.

The Trillium Stabilization Fund is designated for capital expenditures by the Society. The interest earned is used to finance ongoing operations.

The externally restricted funds include the A.M. Kirkpatrick Award Fund and the JHS Ontario/MacFarlane Scholarship Fund.

The A.M. Kirkpatrick Award fund was established to honour the work of A.M. Kirkpatrick and to provide recognition and incentive to men and women prisoners who take advantage of educational opportunities.

The JHS Ontario/MacFarlane Scholarship was established in 1986 through an appropriation from general fund operations. Earnings generated from the fund are used to provide the first year's tuition for a student undertaking any Master of Social Work program.

Capital Assets

Capital assets are carried at their net book value and are amortized on the straight-line basis over their estimated useful lives as follows:

| | <u>Rate</u> | <u>Method</u> |
|-------------------------|-------------|---------------|
| Building | 20 years | Straight-line |
| Computer hardware | 3 years | Straight-line |
| Furniture and equipment | 5 years | Straight-line |

JOHN HOWARD SOCIETY OF ONTARIO PROVINCIAL OFFICE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

The Society follows the restricted fund method of reporting contributions.

Restricted contributions related to general operations are recognized as revenue of the general fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions and bequests are recognized as revenue in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income earned on other fund balances is recognized as revenue of the other funds. Other investment income is recognized as revenue of the general fund when earned.

Pledges are recognized as revenue of the general fund when received or receivable if the amount to be received can be reasonably estimated and collections is reasonably assured.

Financial Instruments

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently measured at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Society has elected to carry its bonds, mutual funds, and fixed income securities at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Society determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Society expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement not exceeding the initial carrying value.

JOHN HOWARD SOCIETY OF ONTARIO PROVINCIAL OFFICE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

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

3. DUE FROM AFFILIATES

Included in the balance of due from affiliates are advances made to JHS Simcoe/Muskoka, JHS of York Region, JHS Belleville, and JHS Toronto.

The original advance of \$48,000 to JHS Simcoe/Muskoka is repayable in monthly instalments of \$500. At December 31, 2013, the remaining balance owed is \$24,000. \$18,000 is included in the long-term portion of the due from affiliates balance and \$6,000 is included in the current balance.

The advance of \$10,000 to JHS of York Region is due prior to or on March 31, 2015. This balance is included in the long-term portion of the due from affiliates balance.

The advance of \$8,000 to JHS Belleville does not have fixed repayment terms. This balance is included in the current portion of the due from affiliates balance.

The advance of \$350,000 to JHS Toronto has an initial term of five years at 3% interest per annum and is renewable for a further term of five years at an interest rate to be agreed upon. The advance is due on demand and therefore this balance is included in the current portion of the due from affiliates balance.

The advance of \$60,000 to JHS Toronto has an initial term of 6 months at 3% interest per annum. This balance is included in the current portion of the due from affiliates balance.

The advances to JHS Simcoe/Muskoka, JHS of York Region, and JHS Belleville are unsecured and non-interest bearing. The advances to JHS Toronto are secured by a mortgage on 1669 Eglinton Avenue West.

JOHN HOWARD SOCIETY OF ONTARIO PROVINCIAL OFFICE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013

4. CAPITAL ASSETS

| | Cost | Accumulated Amortization | 2013 Net Book Value | 2012 Net Book Value |
|-------------------------|-------------------|-----------------------------|---------------------------|---------------------------|
| Building | \$ 825,040 | \$ - | \$ 825,040 | \$ - |
| Computer hardware | 112,390 | 111,751 | 639 | 2,370 |
| Furniture and equipment | 27,239 | 27,239 | - | - |
| | <u>\$ 964,669</u> | <u>\$ 138,990</u> | <u>\$ 825,679</u> | <u>\$ 2,370</u> |

The Society purchased a building on December 11, 2013 at a purchase price of \$780,000. As the building is not ready for use, no depreciation has been taken.

5. INVESTMENTS

The Society has investments in bonds and other government secured certificates with varying dates of maturity ranging in the month of January 2014. These short-term fixed income investments yield interest rates ranging from 2.12% to 2.13% per annum. The Society also invests in index-linked notes, as well as investments in equity instruments and mutual funds. The short-term and long-term investments comprise the following:

| | 2013 | 2012 |
|-----------------------------------|-------------------|-------------------|
| Short-term: | | |
| Fixed income | \$ 262,375 | \$ - |
| Mutual funds and segregated funds | 70,779 | 465,570 |
| | <u>\$ 333,154</u> | <u>\$ 465,570</u> |
| Long-term: | | |
| Fixed income | \$ - | \$ 262,375 |
| Equities | 169,457 | 166,940 |
| Mutual funds and segregated funds | 94,755 | 80,451 |
| | <u>\$ 264,212</u> | <u>\$ 509,766</u> |

JOHN HOWARD SOCIETY OF ONTARIO PROVINCIAL OFFICE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013

5. INVESTMENTS (CONTINUED)

The Society holds securities which are subject to market risk, interest rate risk, and currency risk. These risks will also impact future cash flow streams, including dividends, gains and losses, and interest income.

The value of equities changes with stock market conditions, which are affected by general economic and market conditions. The value of securities will vary with developments within specific governments and corporations which issue the securities.

The value of fixed income securities will generally rise if interest rates fall and fall if interest rates rise. Changes in interest rates may also affect the value of equity securities.

The Society is exposed to financial risks as a result of exchange rate fluctuations through the ownership of U.S. dollar equities.

The Society does not enter into any derivative instrument arrangements for hedging or speculative purposes.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

As at December 31, 2013, there are no government remittances payable outstanding (2012 - \$0).

7. BANK OVERDRAFT

The Society has a line of credit with Canadian Imperial Bank of Commerce, due on demand, with a limit of \$250,000 bearing interest at bank prime plus 1% per annum and is secured by a general security agreement. As at December 31, 2013, the Society has drawn \$95,246 (2012 - \$0) of the total line of credit available.

JOHN HOWARD SOCIETY OF ONTARIO PROVINCIAL OFFICE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013

8. LONG-TERM DEBT

| | 2013 | 2012 |
|--|-------------------|-------------|
| Royal Bank of Canada term loan, payable in monthly blended principal and interest payments of \$3,208 bearing interest at 4.5% per annum. Loan matures December 11, 2018 and is secured by a general security agreement and a mortgage on 342 Queen Street East. The credit facility agreement also requires the Society to comply with certain financial covenants. | \$ 507,000 | \$ - |
| Total long-term debt | 507,000 | - |
| Less: Current portion | 15,998 | - |
| Long-term portion | <u>\$ 491,002</u> | <u>\$ -</u> |

Future minimum annual principal payments are as follows:

| | |
|---------------------|-------------------|
| 2014 | \$ 15,998 |
| 2015 | 16,734 |
| 2016 | 17,503 |
| 2017 | 18,308 |
| 2018 and thereafter | 438,457 |
| | <u>\$ 507,000</u> |

9. MISCELLANEOUS

| | 2013 | 2012 |
|---|-------------------|-------------------|
| Pension plan administration cost recovery | \$ 161,288 | \$ 142,161 |
| Research | 133,609 | 70,085 |
| Other | 15,033 | 44,629 |
| | <u>\$ 309,930</u> | <u>\$ 256,875</u> |

JOHN HOWARD SOCIETY OF ONTARIO PROVINCIAL OFFICE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013

10. TRAVEL AND MEETINGS EXPENSES

Included in travel and meetings expenses are \$41,853 (2012 - \$33,608) worth of costs for accommodation, travel, and food which have been recovered from the affiliates and pension committee.

11. PENSION PLAN

The Society has one pension plan with defined benefit plan and defined contribution plan components. The majority of the employees are in the defined contribution plan, which is funded directly by the affiliate offices for their qualifying employees. The employees are not required to contribute to the pension plan. The defined benefit plan is funded by the affiliate and branch offices for their qualifying employees through the Society. The Society follows defined contribution accounting for its portion of both plan components. The employer portion of pension contribution for the year was \$31,827 (2012 - \$35,410).

12. BREAK-OPEN TICKET LOTTERIES

The Society was licensed by the Alcohol and Gaming Commission of the Province of Ontario, license number 4029, to engage in break-open ticket lotteries during the year. The following is a summary of the financial details related to the lotteries:

| | BN 1 | BN 14 | Total |
|--|-----------|-----------|-----------|
| Number of boxes undistributed as at January 1, 2013 | 7 | 4 | 11 |
| Number of boxes ordered | 45 | 9 | 54 |
| Number of boxes available for sale | 52 | 13 | 65 |
| Number of boxes distributed | 40 | 9 | 49 |
| Number of undistributed boxes at year end | 12 | 4 | 16 |
| Number of boxes available for sale in the year | 52 | 13 | 65 |
| Disbursed proceeds to the charity | \$ 17,707 | \$ 17,760 | \$ 35,467 |
| Expenses other than license fees | 14,698 | 10,801 | 25,499 |
| License fees | 4,660 | 3,981 | 8,641 |
| Cash as at December 31, 2013 | 13,189 | - | 13,189 |
| Gross proceeds | 67,200 | 66,780 | 133,980 |

JOHN HOWARD SOCIETY OF ONTARIO PROVINCIAL OFFICE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013

13. COMMITMENTS

Lease Commitments

The Society leases its current premises under an operating lease, which expires June 30, 2014. The Society also leases offices equipment with an expiry date in fiscal 2014. The annual payments are approximately as follows:

| | |
|------|-----------|
| 2014 | \$ 34,521 |
|------|-----------|

14. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.