

ANNUAL REPORT 2016 – 2017



Alzheimer *Society*
CANADA

Contents

Message from the CEO	3
Financial Report	4 – 20
Independent Auditor's Report	5
Statement of Operations	6 – 6
Statement of Changes in Net Assets	8
Statement of Financial Position	9
Statement of Cash Flows	10
Notes to Financial Statements	11 – 20
Donors	21 – 24



Alzheimer Society of Canada

20 Eglinton Avenue West, 16th Floor

Toronto, Ontario, M4R 1K8

Tel: 416-488-8772

Fax: 416-322-6656

Toll-free: 1-800-616-8816

E-mail: info@alzheimer.ca

Website: www.alzheimer.ca

Facebook : www.facebook.com/AlzheimerSociety

Twitter : www.twitter.com/AlzSociety

Charitable registration number: 11878 4925 RR0001

A message from the CEO



It has been another exciting and fruitful year for the Alzheimer Society of Canada, and it could not have had happened without your contributions. Thanks to the passionate efforts of our staff, donors, researchers, and health and community partners—and especially people living with dementia—you have made the 2016 – 2017 fiscal year a memorable success.

One accomplishment in particular stands out. On June 22, 2017, Canadians living with dementia and their families received some momentous news. On that day, the Canadian government committed to a national dementia strategy to tackle the overwhelming scale, impact and cost of the disease.

The passing of Bill C-233—[An Act respecting a national strategy for Alzheimer's disease and other dementias](#)—pledges Ottawa to action with definitive timelines, targets, reporting structures and measurable outcomes. The Alzheimer Society of Canada has advocated for more than a decade for a national dementia strategy. Now, as we work with government to implement it, people living with dementia, their caregivers and their families will be critical to driving and shaping the way forward. We will rely on their expertise to make sure we get this right.

We are especially encouraged that Bill C-233 names the Alzheimer Society of Canada as a stakeholder. It is an unprecedented move, and shows that the Minister of Health is serious about ensuring the national strategy is informed by people with a lived experience of dementia. Bill C-233 makes this clear in other ways, too. It commits the Minister to holding a conference to develop the strategy in collaboration with provincial and territorial health officials, researchers, health-care professionals, people living with dementia and family caregivers, and including the Alzheimer Society and other dementia-related organizations.

The need, of course, is urgent. Right now, more than half a million Canadians are living with dementia, but by 2031, this will rise to 937,000. That's an increase of 66 per cent in less than 15 years. With this need in mind, the Alzheimer Society and its Federation partners look forward to continuing to work collaboratively with government, stakeholders and, above all, people living with dementia, to create and implement Canada's first national dementia strategy.

Once again, on behalf of the Alzheimer Society of Canada, thank you for your valued contributions throughout the year. We have reached a critical turning point in our history—and we are making a real difference for Canadians impacted by dementia.

Pauline Tardiff

A handwritten signature in black ink that reads "P. Tardiff". The signature is written in a cursive, flowing style.



Financial Statements

*Alzheimer Society of Canada/
Société Alzheimer du Canada*

March 31, 2017

Independent Auditor's Report

Grant Thornton LLP
11th Floor
200 King Street West, Box 11
Toronto, ON
M5H 3T4
T +1 416 366 0100
F +1 416 360 4949
www.GrantThornton.ca

To the Members of
Alzheimer Society of Canada/
Société Alzheimer du Canada

We have audited the accompanying financial statements of Alzheimer Society of Canada/Société Alzheimer du Canada, which comprise the statement of financial position as at March 31, 2017, and the statements of operations, 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 audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Alzheimer Society of Canada/Société Alzheimer du Canada as at March 31, 2017, 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.

Grant Thornton LLP

Toronto, Canada
June 3, 2017

Chartered Professional Accountants
Licensed Public Accountants

Alzheimer Society of Canada/ Soci t  Alzheimer du Canada

Statement of Operations

Year ended March 31

2017

2016
(Restated,
Note 2)

Revenue		
Support from public		
Individual giving and direct marketing	\$ 9,050,314	\$ 8,648,358
Bequests	1,984,506	1,535,079
Corporate and foundation giving	<u>1,166,002</u>	<u>992,019</u>
	12,200,822	11,175,456
Partner charities (Note 11)	11,162,655	12,406,570
Realized investment income and other income (Note 4)	482,170	508,815
Government	<u>-</u>	<u>795,303</u>
Total revenues	<u>23,845,647</u>	<u>24,886,144</u>
Expenditures		
Programs		
Services	2,129,202	2,126,574
Research	4,667,276	4,819,967
Partner charities (Note 11)	11,846,966	11,424,504
Government health programs	<u>37,213</u>	<u>770,324</u>
	<u>18,680,657</u>	<u>19,141,369</u>
Support		
Fundraising	4,475,409	4,581,466
General and administrative	<u>862,341</u>	<u>883,077</u>
	<u>5,337,750</u>	<u>5,464,543</u>
Total expenditures	<u>24,018,407</u>	<u>24,605,912</u>
Excess (deficiency) of revenue over expenditures before unrealized capital (losses) gains on investments	(172,760)	280,232
Unrealized capital (losses) gains on investments (Note 4)	<u>393,301</u>	<u>(504,497)</u>
Excess (deficiency) of revenue over expenditures	<u>\$ 220,541</u>	<u>\$ (224,265)</u>

See accompanying notes to the financial statements.

Alzheimer Society of Canada/ Société Alzheimer du Canada

Statement of Changes in Net Assets

Year ended March 31

	Restricted for endowment purposes (Note 10)	Externally restricted research fund	Internally restricted research fund	Invested in equipment	Internally restricted operating reserve	Unrestricted	Total 2017	Total 2016 (Restated, Note 2)
Net assets, as at April 1, 2016								
As previously reported	\$ 990,110	\$ 2,185,810	\$ 1,490,723	\$ 41,418	\$ 2,431,648	\$ -	\$ 7,139,709	\$ 7,353,280
Prior period adjustment (Note 2)	-	(2,185,810)	-	-	-	-	(2,185,810)	(2,175,316)
As restated	990,110	-	1,490,723	41,418	2,431,648	\$ -	4,953,899	5,177,964
Excess (deficiency) of revenue over expenditures	111,049	-	-	(19,926)	-	129,418	220,541	(224,265)
Endowment contributions	19,530	-	-	-	-	-	19,530	200
Transfer of 2017 spendable portion of endowment	(93,428)	-	77,605	-	-	15,823	-	-
Investment in equipment	-	-	-	22,233	-	(22,233)	-	-
Net assets, as at March 31, 2017	\$ 1,027,261	\$ -	\$ 1,568,328	\$ 43,725	\$ 2,431,648	\$ 123,008	\$ 5,193,970	\$ 4,953,899

See accompanying notes to the financial statements.

Alzheimer Society of Canada/ Soci t  Alzheimer du Canada

Statement of Financial Position

March 31

2017

2016
(Restated,
Note 2)

Assets

Current		
Cash	\$ 2,694,493	\$ 2,334,525
Short-term investments (Note 4)	1,983,698	3,163,431
Accounts receivable (Note 5)	4,734,537	9,834,794
Prepaid expenses	<u>44,309</u>	<u>58,508</u>
Total current assets	<u>9,457,037</u>	<u>15,391,258</u>
Long-term investments (Note 4)	9,119,092	6,441,747
Property and equipment (Note 6)	<u>43,725</u>	<u>41,418</u>
Total assets	<u>\$ 18,619,854</u>	<u>\$ 21,874,423</u>

Liabilities

Current		
Accounts payable and accrued liabilities (Note 7)	\$ 6,286,226	\$ 10,933,594
Deferred revenue (Note 8)	4,401,826	3,203,970
Research funding (Note 9)	<u>2,114,304</u>	<u>1,680,489</u>
Total current liabilities	<u>12,802,356</u>	<u>15,818,053</u>
Long-term portion of research funding (Note 9)	<u>623,528</u>	<u>1,102,471</u>
Total liabilities	<u>13,425,884</u>	<u>16,920,524</u>

Net assets

Endowment fund (Note 10)	1,027,261	990,110
Research fund - internally restricted	1,568,328	1,490,723
Invested in equipment	43,725	41,418
Operating reserve	2,431,648	2,431,648
Unrestricted	<u>123,008</u>	<u>-</u>
Total net assets	<u>5,193,970</u>	<u>4,953,899</u>
Total liabilities and net assets	<u>\$ 18,619,854</u>	<u>\$ 21,874,423</u>

On behalf of the Board

Director

Director

See accompanying notes to the financial statements.

Alzheimer Society of Canada/ Soci t  Alzheimer du Canada

Statement of Cash Flows

Year ended March 31

2017

2016
(Restated,
Note 2)

(Decrease) increase in cash

Operating

Excess (deficiency) of revenue over expenditures	\$ 220,541	\$ (224,265)
Items not affecting cash		
Amortization	19,926	17,235
Unrealized capital losses (gains) on investments (Note 4)	<u>(393,301)</u>	<u>504,497</u>

(152,834) 297,467

Change in non-cash working capital items

Accounts receivable	5,100,257	1,873,087
Prepaid expenses	14,199	10,940
Accounts payable and accrued liabilities	<u>(4,647,368)</u>	<u>(973,660)</u>
Deferred revenue	<u>1,197,856</u>	<u>1,078,465</u>

1,664,944 1,988,832

Research funding

(45,128) 354,645

1,466,982 2,640,944

Financing

Endowment contributions	<u>19,530</u>	<u>200</u>
-------------------------	---------------	------------

Investing

Short-term investments (net)	1,179,733	(830,042)
Long-term investments (net)	<u>(2,284,044)</u>	<u>(236,050)</u>
Purchase of equipment	<u>(22,233)</u>	<u>-</u>

(1,126,544) (1,066,092)

Increase (decrease) in cash

359,968 1,575,052

Cash

 Beginning of year 2,334,525 759,473

 End of year \$ 2,694,493 \$ 2,334,525

See accompanying notes to the financial statements.

Alzheimer Society of Canada/ Société Alzheimer du Canada

Notes to Financial Statements

March 31, 2017

1. Purpose of the organization

Alzheimer Society of Canada/ Société Alzheimer du Canada (the "Society") is incorporated without share capital under the laws of Canada and continues under the Canada Not-for-Profit Corporations Act, and is registered with Canada Revenue Agency as a charitable organization. The Society identifies, develops and facilitates national priorities that enable its partners to effectively alleviate the personal and social consequences of Alzheimer's disease and related disorders, promotes research and leads the search for a cure.

The partners of the Society are the Provincial Alzheimer Societies across Canada. While control and ownership does not exist between or among any of these entities, the two levels of societies work closely together to alleviate the personal and social consequences of Alzheimer's disease. These financial statements reflect only the assets, liabilities and operations under the administration of the Society.

2. Prior period adjustment

The Society has determined that externally restricted research contributions should be recorded as deferred revenue until spent. As a result, the Society's net assets as at April 1, 2016 has been reduced to \$4,953,899, and the March 31, 2016 financial statements have been restated. The details of the adjustments and their effect on the March 31, 2016 financial statements are outlined below:

	<u>Previously reported</u>	<u>Adjustments</u>	<u>Restated</u>
Partner assessments and contributions	\$ 7,781,090	\$ (10,494)	\$ 7,770,596
Deficiency of revenue over expenses	(213,771)	(10,494)	(224,265)
Externally restricted research fund, beginning of the year	2,175,316	(2,175,316)	-
Net assets, beginning of the year	7,353,280	(2,175,316)	4,953,899
Deferred revenue	1,018,160	2,185,810	3,203,970

Alzheimer Society of Canada/ Société Alzheimer du Canada

Notes to Financial Statements

March 31, 2017

3. Significant accounting policies

Financial statement presentation

These statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO), using the deferral method of reporting restricted contributions.

Use of estimates

Management reviews the carrying amounts of items in the financial statements at each statement of financial position date to assess the need for revision or any possibility of impairment. Many items in the preparation of these financial statements require management's best estimate based on assumptions that reflect the most probable set of economic conditions and planned courses of action. These estimates are reviewed periodically and adjustments are made in the statement of operations in the year they become known.

Items subject to significant management estimates include valuation of investments and accounts payable and accrued liabilities.

Financial instruments

Initial measurement

The Society's financial instruments are measured at fair value when issued or acquired. Transaction costs and financing fees relating to financial instruments that are measured subsequently at fair value are recognized in operations in the year in which they are incurred.

Subsequent measurement

At each reporting date, the Society measures its financial assets and liabilities at cost or amortized cost (less impairment in the case of financial assets), except for investments in pooled funds quoted in an active market, which must be measured at fair value. The Society has also irrevocably elected to measure its fixed income investments at fair value. All changes in fair value of the Society's investments in pooled funds quoted in an active market and in fixed income investments are recorded in the statement of operations and disclosed in Note 4. The financial instruments measured at amortized cost are cash, accounts receivable, accounts payable, and research funding.

For financial assets measured at cost or amortized cost, the Society regularly assesses whether there are any indications of impairment. If there is an indication of impairment, and the Society determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the statement of operations. Any reversals of previously recognized impairment losses are recognized in operations in the year the reversal occurs.

Alzheimer Society of Canada/ Société Alzheimer du Canada

Notes to Financial Statements

March 31, 2017

3. Significant accounting policies (continued)

Property and equipment

Property and equipment are recorded at cost and are being amortized over their estimated useful lives on a straight-line basis as follows:

Furniture and fixtures	5 years
Leasehold improvements	10 years
Computer equipment	3 years
Telephone equipment	5 years
Web portal	3 years

Accrued research funding

The Board of Directors annually approves specific commitments for research grants that are to be awarded to researchers for periods of up to three years. The liability for this funding is recorded in the year awarded and a charge is made against operations in that year. Disbursements of these awards are charged against the liability at the time the disbursements are made.

Revenue recognition

Contributions, including individual giving and direct marketing, bequests, corporate and foundation giving, partner charities, and government are recognized as revenue when the amount can be reasonably estimated and collection is reasonably assured. Restricted contributions are initially recorded as deferred revenue and are recognized as revenue in the year in which the related expenses are incurred.

Endowment contributions are recognized as direct increases to net assets. Endowments consist of donations made to the Society where the capital is required to be maintained in perpetuity. The investment income generated from Endowments must be used in accordance with the Endowment criteria. When Endowment contributions do not specify a program area, allocations are made by the Board of Directors. The economic value of the Endowments is protected by an internal restriction limiting the annual amount of investment income that may be spent.

Realized investment income includes interest, dividends and realized gains or losses on investments, and is reported net of fees, commissions, taxes and interest expense. Interest income is recorded using the accrual method and dividends are recorded when declared. Unrealized gains or losses on investments are disclosed as a separate component in the statement of operations.

Donated materials and services

Contributed goods and services are not reflected in these financial statements as the fair values of these goods and services cannot be reasonably estimated.

Allocation of expenses

The Society incurs certain executive management and administrative expenses which are allocated to other expense categories based on department head count (Note 11).

Alzheimer Society of Canada/ Soci t  Alzheimer du Canada

Notes to Financial Statements

March 31, 2017

3. Significant accounting policies (continued)

Internally restricted net assets

Operating reserve

The Society has set aside a percentage of expenditures as an operating reserve to provide continued funding of operations and ensure financial stability. In accordance with the operating reserve policy, the target for the reserve is 50% of the previous year's net expenditures plus contractual obligations net of research expenditures and direct mailing expenditures.

Internally restricted research fund

The research fund is composed of internally restricted funds designated by the Board to be spent on Alzheimer Society Research Program. The target balance for the research fund (in combination with externally restricted unexpended donations for research) is 50% of the total prior year's Alzheimer Society Research Program expense. The current excess will be expended to fund additional research over the next few years.

4. Investments

Short-term investments consist of Foyston, Gordon & Payne Short Term funds of \$308,634 (2016 - \$307,039), cash and cash equivalents of \$2,064, and guaranteed investment certificates in the amount of \$1,673,000 (2016 - \$2,856,392).

Long-term investments consist of the following Foyston, Gordon & Payne Pooled funds:

	<u>2017</u>	<u>2016</u>
Cash and cash equivalents	\$ 188,558	\$ 373,887
Fixed income securities	4,055,141	2,693,247
Canadian equities	2,417,537	1,785,529
Foreign equities	<u>2,457,856</u>	<u>1,589,084</u>
	<u>\$ 9,119,092</u>	<u>\$ 6,441,747</u>

Fixed income securities bear a yield to maturity of 2.39% (2016 - 2.39%). Equities are invested in Canadian and international pooled funds.

Realized investment income is comprised of:

	<u>2017</u>	<u>2016</u>
Unrestricted fund		
Interest and dividends	\$ 254,579	\$ 305,945
Realized capital gains	45,055	32,382
	<u>299,634</u>	<u>338,327</u>
Endowment fund		
Interest and dividends	37,712	52,685
Realized capital gains	17,462	11,089
	<u>55,174</u>	<u>63,774</u>
Total realized investment income	354,808	402,101
Other income	<u>127,362</u>	<u>106,714</u>
Total realized investment income and other income	<u>\$ 482,170</u>	<u>\$ 508,815</u>

Alzheimer Society of Canada/ Soci t  Alzheimer du Canada

Notes to Financial Statements

March 31, 2017

4. Investments - continued

	<u>2017</u>	<u>2016</u>
Unrealized capital (losses) gains on investments		
Unrestricted fund	\$ 337,426	\$ (406,402)
Endowment fund	<u>55,875</u>	<u>(98,095)</u>
	<u>\$ 393,301</u>	<u>\$ (504,497)</u>

5. Accounts receivable

	<u>2017</u>	<u>2016</u>
Government	\$ 299,713	\$ 306,896
Partner charities	4,011,077	9,153,239
Co-tenancy and other	<u>423,747</u>	<u>374,659</u>
	<u>\$ 4,734,537</u>	<u>\$ 9,834,794</u>

Accounts receivable are net of an allowance for doubtful accounts of \$Nil (2016 - \$Nil).

6. Property and equipment

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>2017</u>	<u>2016</u>
				<u>Net Book Value</u>	<u>Net Book Value</u>
Furniture and fixtures	\$ 132,265	\$ 128,368	\$ 3,897	\$ -	
Leasehold improvements	129,330	107,776	21,554	34,488	
Computer equipment	144,338	129,357	14,981	1,991	
Telephone equipment	25,862	22,569	3,293	4,939	
Web portal	<u>162,205</u>	<u>162,205</u>	<u>-</u>	<u>-</u>	
	<u>\$ 594,000</u>	<u>\$ 550,275</u>	<u>\$ 43,725</u>	<u>\$ 41,418</u>	

The Society moved to new premises in the 2009 fiscal year. Netted against the cost of leasehold improvements is the Society's share of lease inducements totaling \$237,092.

Alzheimer Society of Canada/ Soci t  Alzheimer du Canada

Notes to Financial Statements

March 31, 2017

7. Accounts payable and accrued liabilities

	<u>2017</u>	<u>2016</u>
Trade accounts payable and accrued liabilities	\$ 1,271,858	\$ 652,959
Partner charities	<u>5,014,368</u>	<u>10,280,635</u>
	<u>\$ 6,286,226</u>	<u>\$ 10,933,594</u>

8. Deferred revenue

Deferred revenue consists of contributions which are designated by the donor to fund future expenses. These contributions will be recognized as revenue when the designated disbursements are made.

	<u>2017 Opening Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>2017 Closing Balance</u>
Research	<u>\$ 3,203,970</u>	<u>\$ 5,408,423</u>	<u>\$ (4,210,567)</u>	<u>\$ 4,401,826</u>

9. Research funding

	<u>2017</u>	<u>2016</u>
Balance, beginning of year	\$ 2,782,960	\$ 2,428,315
Current year grants awarded, net of declined and terminated awards	3,762,963	4,284,754
Payments	(3,695,760)	(3,776,712)
Terminations of grants awarded in previous years	<u>(112,332)</u>	<u>(153,397)</u>
Balance, end of year	2,737,831	2,782,960
Less: long-term portion	<u>(623,527)</u>	<u>(1,102,471)</u>
Current portion of research funding	<u>\$ 2,114,304</u>	<u>\$ 1,680,489</u>

Alzheimer Society of Canada/ Société Alzheimer du Canada

Notes to Financial Statements

March 31, 2017

10. Net assets restricted for endowment purposes

	<u>2017</u>	<u>2016</u>
Balance, beginning of year	\$ 990,110	\$ 1,115,794
Contributions	19,530	200
Investment income (loss) (Note 4)	111,049	(34,321)
Transfer of spendable portion	<u>(93,428)</u>	<u>(91,563)</u>
Balance, end of year	<u>\$ 1,027,261</u>	<u>\$ 990,110</u>

The original endowment contributions which must be maintained in perpetuity is \$871,331 (2016 - \$851,801).

11. Federation agreement

In April 2009, the Society entered into a Federation Agreement (FA) with the ten Provincial Alzheimer Societies ("Partners").

The FA includes the following financial arrangements:

All funds received by the Society (except Safely Home registrations, investment income, national foundation and corporation revenue and federal government grants for centrally coordinated national programs) will be distributed to the province from which the funds originated. Direct Mail revenue is flowed back to the participating partners net of the related expense.

The Society's expense budget is supported through assessments to the provincial partners based on the partner's percentage of total applicable revenue.

Partner charities revenue:

	<u>2017</u>	<u>2016</u>
Health partners	\$ 828,528	\$ 807,270
Research assessment and additional federation contributions for research	3,492,340	4,483,297
Operating assessment	3,015,458	3,015,458
Direct mail assessment	3,580,862	3,828,705
Walk for Alzheimer's recovery	<u>245,467</u>	<u>271,840</u>
	<u>\$ 11,162,655</u>	<u>\$ 12,406,570</u>

Partner charities expenses:

	<u>2017</u>	<u>2016</u>
Revenue flowed to partners	\$ 11,488,436	\$ 10,960,816
Partner services	74,821	108,057
Federation council support	38,242	83,791
Walk for Alzheimer's expenses	<u>245,467</u>	<u>271,840</u>
	<u>\$ 11,846,966</u>	<u>\$ 11,424,504</u>

Alzheimer Society of Canada/ Soci t  Alzheimer du Canada

Notes to Financial Statements

March 31, 2017

11. Federation agreement - continued

Revenue flowed to partners:

	<u>2017</u>	<u>2016</u>
Direct mail	\$ 6,122,216	\$ 5,890,599
Donations	3,381,714	3,535,138
Bequests	<u>1,984,506</u>	<u>1,535,079</u>
	<u>\$ 11,488,436</u>	<u>\$ 10,960,816</u>

12. Allocation of expenses

The Society incurred certain management and administrative salaries and overhead expenses in the aggregate amount of \$1,029,182 (2016 - \$859,947) which are allocated based on department head count. These general and administrative expenses are allocated as follows:

	<u>2017</u>	<u>2016</u>
Research program	\$ 171,271	\$ 151,597
Public education	500,003	452,009
Fundraising	<u>357,908</u>	<u>256,341</u>
	<u>\$ 1,029,182</u>	<u>\$ 859,947</u>

13. Bank indebtedness

The Society has a credit facility in the amount of \$700,000 bearing interest at prime (2.70% as at March 31, 2017) and repayable on demand. The credit facility is secured by a general security agreement and a first ranking interest in the Society's investments requiring a minimum market value of \$1,400,000. The line of credit was not utilized during the year.

Alzheimer Society of Canada/ Société Alzheimer du Canada

Notes to Financial Statements

March 31, 2017

14. Commitments

Pursuant to a co-tenancy agreement signed on April 1, 2008, the Alzheimer Society of Ontario, the Alzheimer Society of Toronto, and the Society co-located in new premises in order to benefit from efficiencies of scale. The lease was subsequently renewed and signed April 11, 2017. The co-tenancy agreement sets out the terms of the sharing of costs (based on the related cost drivers, which are primary shared equally to each of the three co-tenants). Shared costs include leasehold improvements, furniture, equipment, supplies, rent, phones and IT.

The Society's portion of the operating lease commitments is as follows:

2018	\$	80,138
2019		117,043
2020		117,571
2021		118,625
2022		119,152
Thereafter		<u>567,291</u>
	\$	<u>1,119,820</u>

In the prior year, the Alzheimer Societies of Canada, Ontario and Toronto established a shared services centre to centralize the delivery of some administrative services. Under the terms of the shared services agreement, the Society's portion of costs is determined annually. The annual cost for the current fiscal year was \$531,127.

15. Financial instruments

Transactions in financial instruments may result in the Society assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of the financial statements in assessing the extent of risk related to financial instruments.

Credit risk

The Society is exposed to credit risk primarily with respect to their accounts receivable. The Society manages this risk through regular monitoring of balances and continuous communication with debtors.

Interest rate risk

Interest rate risk is the risk that the fair value (price risk) or future cash flows (cash flow risk) of a financial instrument will fluctuate because of changes in market interest rates. The Society is exposed to price risk with respect to investments with fixed interest rates, and cash flow risk with respect to investments with variable interest rates.

Alzheimer Society of Canada/ Société Alzheimer du Canada

Notes to Financial Statements

March 31, 2017

15. Financial instruments - continued

Liquidity risk

The Society's liquidity risk represents the risk that the Society could encounter difficulty in meeting obligations associated with its financial liabilities. The Society is exposed to liquidity risk mainly in respect of its accounts payable and accrued liabilities, and research funding obligations. Liquidity risk is not considered to be significant because the Society maintains sufficient funds to meet outstanding obligations.

Currency risk

Currency risk is the risk to the Society that arises from fluctuations in foreign exchange rates. The Society is exposed to currency risk on its investments held in foreign currencies.

16. Comparative figures

Comparative figures have been adjusted to conform to changes in the current year presentation.

To our community of amazing donors, thank you!

2016 – 2017

Estates

\$5,000+

Coll Family
Duguid Family Fund
Estate of Ann Johansen
Estate of Anne Ewart
Estate of Arvilla S Moore
Succession Beatrice Dubuc
Estate of Blanche Coultis
Estate of Brian Hamilton Edwards
Estate of Caroline Anne Lovekin
Estate of Elizabeth Crawford
Estate of Ernest Bradshaw
Estate of Gabriella Schimidt
Estate of Geraldine 'Gerri' Southwood
Estate of Gladys Gavell
Estate of Harold Gillis
Estate of Harry Freeman Roberts
Estate of Helen Guy
Estate of Helen Marie Pridham
Estate of Herbert James Simpson
Estate of Hugh Coleopy
Estate of Ida Lee Grespan
Estate of Inger Hansen
Estate of Jacob Hoogerbrugge
Estate of Lorraine Joyce Radford
Estate of Margareta Fleuter
Estate of Marjorie Hamilton
Estate of Maxwell R Jackson
Estate of Mr. Eric McBain
Estate of Mrs. Florence C Kemish
Estate of Muriel Eileen Urquhart
Estate of Patricia Genesta Webster
Estate of Patricia Louise Milligan
Estate of Pauline Spatz
Estate of Pearl McKee
Estate of Ralph R Herbert
Estate of Reginald G G Allman
Estate of Robert C Demers
The Ryckman Trust
Estate of Stephen Charles Czuppon
Estate of William Earl Paschal

Significant donors

\$100,000+

Bulk Barn Foods Ltd.
Elcan Ridge Foundation
Extendicare Canada Inc
Revera Inc
AGF Investments Inc.

\$50,000 – \$99,999

Firefly Foundation
Michael Albert Garron Foundation
The David Hearn Foundation
Melba Hurd
William & Odna McCarlie Foundation
Almanzor Michaud
The Taylor Group

\$10,000 – \$49,999

Anonymous
Anrias Capital Corp
Bresnahan Family Foundation
The Barber Family Foundation
Crist Family Foundation
Hazel & Fred Dearsley Fund
Mr. & Mrs. Robert & Patricia Decker
Eli Lilly Canada Inc.
Mrs. Anne Gagné
GJ Garden of Life Foundation Trustees
GMP Securities L.P.
Denise Herbert
Hoffmann-La Roche Ltd
Mrs. Suzanne Humphrey
Kent Building Supplies
LeVan Family Foundation
Griffith & Christina Lloyd
Mr. Basil F McDonald
Allan Mills
Otto & Marie Pick Charitable Foundation
Michele Power
Quintiles IMS
RBC Capital Markets
RBC Wealth Management (c/o RBC Foundation)

Reddon Family Fund
Paul Selick Foundation
Ezekiel and Cely Schouela Endowment Fund
Reverend Dorothy Wilson
Willa Woods
Mr. Robert R Young

\$5,000 – \$9,999

American Express
J Brian Aune
Amex Employees (United Way of Toronto)
Mr. & Mrs. E Edvard Anderson
Dr. B Lynn Beattie
Boehringer Ingelheim (Canada) Ltd./ Ltée
Canadian Auto Preservation Inc
Canadian Medicalert Foundation Inc.
Canadian National Railway Company
Charles River Labs
C M Odette Philanthropic Foundation
CN Employees' and Pensioners' Community Fund
John A & Mary Crocker
Mrs. Dorothy Duncan
Enertrak Inc.
Pierre Faille
Faithful Friends Foundation
Lisa Foster
Wendy Gardiner
Bernie & Donna Goldgrub
HJC New Media
Benjamin & May Hutzl
Mr. & Mrs. Brian Jobb
Mr. John Kerwin
Archibald & Lavina Knight Fund
Marc Legault
Leon's Furniture Ltd
La Maison Simons
G. Douglas McLeod
Nickle Family Foundation
Northlea Corporation

Donors 2016 – 2017

Ontario Power Generation Inc. -
Employee & Pensioner's Charity Trust
Popeyes Supplements Canada/ Ferbey
Family
RBC
John Rosloot
Ms. Evelyn Sawchuk
Linda Schroeder
J. Ray Simpson
The Philip Smith Foundation
Joan Strothard
Telus Corporation
Stephen Thiele
Thomas, Large & Singer Inc.
The Henry & Sylvia Waks Family
Foundation
Ms. Lois E Walshe
Peter Wilcox
David & Debbie Wright
Jacqueline Wright
ATCO Electric

\$1,000 – \$4,999

6849718 Manitoba Ltd.
Joe Abela
Mr. Grant Abriel
All Charities Campaign - Government
of Manitoba
Alliance Energy
Alpema Foundation
The American Contract Bridge League,
Inc.
American Express (through United
Way)
American Iron & Metal Co. Inc.
Mr. Stuart Anderson
Miss Helen Anderson
Anonymous Fund
Architecture Tkalcic Bengert
Lowell Aronoff
Artifex Studios Ltd.
Martha-Lynn & Tom Astle
ATCO Pipelines
Robert Atkinson
Aviva Solutions Inc
Christine Babcock
Gary & Christine Babcock
Kenneth Ball
Michael Balter
Lloyd & Marie Barbara
Mr. & Mrs. E Barber
Ms. Ellen Barrett
Paul Bastedo
Benefit Plan Administrators Limited

Bennett Jones LLP
Chris Bernard
Derek Blake
Barbara Bluteau
Boiler Inspection and Insurance
Company of Canada
Madame Isabelle Boucher-Ouellet
Walter M. & Lisa Balfour Bowen
Mrs. Jocelyn N. Braithwaite
Mr. Joseph Brazier
David Brennan
Pat & Tracy Brennan
Monsieur Raymond Brodeur
Laurie Bronson
Mrs. Jacqueline Brunatti
Mr. Michel Brusset
Mr. & Mrs. Harry Bryan
John & Janet Brydon
Robbie Buchanan
Bulk Barn 1722892 Ontario Ltd
Mr. Malcolm Burford
Steven & Charlene Butler
Gary Bluestein Charitable Foundation
Paul Boucher Family Fund
Don, Edith & Tom Bumstead Gifting
Fund
Canadian Maple Wings Association
Mr. Bruce D Cappel
Roy Carmichael
Ms. Diane Carter
Cenovus Energy Inc.
Julia Cesario
Mr. & Mrs. Paul & Gerri Charette
Audrey Chiasson
Jessie Ching
Lorinda Christian
Mr. D James Christie
Codename Entertainment
Coll Family
Ms. Alice Collins
Dorne Collison
Ms. Jean Comfort
M Connacher
Mr. Kenneth G Copland
Brenda Corkhill
Cotton Family Foundation
Monsieur André Courtemanche
Randolph Cousins
Bob Cronin
Mr. David A Crump
Murray & Lois Cummings
Peter Cybulski
Simon Dallimore

Monsieur André De Bellefeuille
Mr. Brian & Lois Demone
Madame Julie Desmeules
Scott Disney
Dr. E Lisbeth Donaldson
Karen Doyle
Howard Dudley
Ms. Maire Duggan
Duguid Family Fund
Mr. Bill Dunsmoor
Steve Dustin
Monsieur André Duval
Dr. Roger Eamer
Mr. Ross Edgett
John L Edwards
James E Ellis
Engelite Chartiable Foundation
Enterprise Rent A Car
Mr. Joe Essaye
Nancy Evans
Mrs. Eileen Fantetti
Louise Fast
Mr. Russell Finch
Mr. George Fink
Mrs. Elizabeth M Finlay
Dr. Michael Fiorino
Fogler, Rubinoff LLP
Mr. Peter Fograscher
Betty Foley
Ceri Forbes
Mr. Briar Foster
Mr. Kenneth R Fowler
Mr. Geoff Francis
Francoise Sutton Foundaton
Frank and Azniv Lochan Family
Foundation
G3 Canada Limited
Madame Rita Gagné
Mr. Gregory Galardo
Susan-Molnar & Louis Gallo
Mr. Bill Garvin
Ian Gibson
Mrs. Christina A Godber
Dr. Peter Goldberg
Mr. & Mrs. John Gordon
Grace Graham
Mr. Gordon Grainger
Frances E Gransauil
Deborah Gray
Graziani + Corazza Architects Inc.
Grenadier Foundation
Groupe Berlie-Falco Inc
Alia Gurr

Donors 2016 – 2017

Lorne and Carol Goldstein Family
Endowment Fund
Eric Hagglund
Margaret Halmer
Mr. & Mrs. Poul & Susan Hansen
Yuzuru Hanyu
Hargrave Ranching Co. Inc.
Mrs. Patricia Harriman
Temple & Vivian Harris
Mrs. Isabel Harrison
Janet Haslett-Theall
Hawkey Family Charitable Fund
Donald & Patricia Hawthorne
Allen Haynes
Mrs. Marilyn Heddle
Glynis Henry
Hillsdale Investment Management Inc.
Nancy Hobin
Mr. Robert Hole
Charles Holt
Horn Family Fund
Clay & Robin Horner
W.B.G. Humphries
Steve Hutchison
John and May Haggans Foundation
William H and Nora Hickson Kelly Fund
Insight - Big Brother Canada 4 Ltd.
Md Islam
Isberg Charitable Trust
Fikreta Jayasekera
Joint Residential Construction
Association
Warren Jones
Dona Justice
Alchibald and Lavina Knight Fund
Nick & Lori Kaeser
Mr. Leonard Kaplow
Mr. & Mrs. Adrian A Karpluk
Klaas Keizerwaard
Stephen Kennedy
Mr. John Kerwin
Scott Kitching
John & Margaret W Knebel
Mr. & Mrs. Henry & Marilyn J Knowles
S. Jean Koetsier-Adams
Mrs. Nathalie Kostka
Kubota Fahramet Employee's Club
John Kupskey
La Maison Simons
Monsieur Réjean Lafontaine
Monsieur Rene Lambert
Tim Langford
Monsieur Roger M Laporte

Larry Kwong Holdings Ltd.
Donald Latham
Garth R. Lauer
Madame Thi My Le
Larry LeBlanc
S Leclair
Marc Legault
Leon's Furniture Ltd
Normande Levésque
Mrs. Sigrid Lewicki
Ann Li
Mrs. Louise Lim
Linda Uniat Professional Corp.
Peter Locke
Lohn Foundation
Mrs. May Lynch
Gary MacDonald
Mrs. Marie A MacInnes
Mr. & Mrs. R.D. MacKenzie
Mackenzie Investments Charitable
Foundation
Ms. C K MacLaurin
George Macleod
Mr. John T Mappin
Sylvain Marcotte
Markham Radiologists
Glenn Marr
Rex & Karin Marshall
Rick & Nancy Martin
Matthew Martini
Antonio Masella
Mary Maselli
Vernon & Darlene Mashinter
Marshall Matson
Mr. Philip O Maude
Ms. Margaret McBride
Janet Mcelhaney
Ms. Faye R McGillivray
Robert Mckay
Mrs. Janet McLean
McLeish Corr-A-Box Packaging &
Design
Gary & Joyce McMurray
Maureen McVicar
Roxanna L Meek
Ronald Melvin
Mr. Henry S. Mews
Ellen Michelson
Margaret D Middleton
Robert Mifflin
Ms. Susan Mingie
Kori S Miskuczka
Ms. Marcelle Mitchell

Margaret A. Moignard
Monteleone Community Of Toronto
Mr. David T C Moore
Ms. Margaret Morison
Mrs. Eris C Mork
Michael Morris
Mr. & Mrs. Jack & Betty Morrish
Ian Morrison
Mary Mowbray
Kelly & Roy Murumets & Graydon
Dorothy Neil
Marcia Neugebauer
Iris Nicholaichuk
Mr. David Nichols
Alan Norris
Nunsubco Deux Inc
May Nutt
The Newall Family Foundation Trust
Elisabeth Fulda Orsten Family Fund
Mr. Brian Oberback
O'Mahoney Family Foundation
Patricia O'Malley
Ontario Power Generation
Monsieur Alain Ouimet
Ann and Roger Phillips Foundation
J.E. Panneton Family Foundation
Antoine Paquette-Alain
Park Health and Research Foundation
John C Parker
Parkland Industries Limited
Mr. Rustom Patel
Allen Penney
Lorne Peters
Mr. & Mrs. John & Laurena Phelan
Peter Phillips
Mrs. Shirley Piers
John Proctor
Professional Employees Association
Regan Proulx
PVA Consulting Group Inc.
The John WS Preston Foundation
Carol & Brian Quinn
RBC
RBC Foundation
Alan & Louise Redway
Mrs. Sandra Reid
Ms. Diane Relyea
Eve Remillard-Larose
Byron Corner & Pat Robertson-Corner
Mr. Kenneth Rockwood
Joanne F & Edward J Rogusky
Mrs. Margaret Roland
Mr. & Mrs. John & Joan Rosebush

Donors 2016 – 2017

Georgia Roumbas
Rovinelli Construction Inc.
Paul Roy
The Royal Canadian Legion Branch
239
Mr. & Mrs. Bill & Linda Saul
Lily Scappaticci
Meryl Schellenberg
Schmitz Family Foundation
Dr. Peter Scholefield
Mr. Shannon F Seabrook
Edward Seale
Serad Holdings Limited
Harold Serebrin
Carlo Sguassero
Mr. Richard Shepherd
Mr. Thomas C. Singer
Frank Sixt
Ben Slayden
Mr. & Mrs. Roger & Lorna Smith
Mrs. Erna Smith
Ruth Soloway
Lawrence J Soloway
John Spice

St. Peter's Estonian Evangelical Church
of Toronto
Paul Stagl
Ian Stahn
Status Productions Inc. Mr. David G
Steer
Sandra & James Steeves
Michael & Pamela Stein
Bruce & Anna Stickle
Robert Sutherland
Monsieur Jean-Pierre Suys
The Sam Sorbara Charitable
Foundation
Brian & Susan Thomas Foundation
Tartan Land Consultants Inc.
Telsec Business Centres Inc
Ms. Linda Templeton
Louise Thiessen
Mrs. Mavis Thom
Darrin Thompson
Jeremy Thompson
R John Todd
Fran Tomecko
Traugott Building Contractors Inc.
William Arthur Trojan
TSN - The Sports Network Inc.

UNIGLOBE Travel (Eastern Canada)
Unilock Ltd.
Joyce Vandermeijer
Milan Voticky
Bruce Walker
Dr. & Mrs. David C. & Gale R. Walker
Michael & Lilianne Walker
Zarah Walpole
Ian Warkentin
Watson Di Primio Steel (WDS)
Investment Management
Weber Shandwick
Welbanks Gives
Diane Westcott
George R & Lois J Whetham
Henriette and Leonard White
Endowment Fund
Mr. Philip Whittall
Peter Wilkinson
Miss E J Williams
Ann Wimmer
Bernard and Norton Wolf Family
Foundation
Mr. Robert Wright
Mr. & Mrs. Arthur & Janet Yorke

Alzheimer Society
C A N A D A