

YOUTHCO HIV & HEP C SOCIETY

FINANCIAL STATEMENTS

March 31, 2017



INDEPENDENT AUDITOR'S REPORT

To: **The Members of
YouthCo HIV & Hep C Society**

We have audited the accompanying financial statements of YouthCo HIV & Hep C Society, 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 society'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 society'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.

YOUTHCO HIV & HEP C SOCIETY

STATEMENT OF OPERATIONS

For the year ended March 31, 2017

	2017	2016
	\$	\$
REVENUES		
Grants - Federal	220,600	220,601
Grants - Provincial	151,562	147,704
Grants - Other	226,191	163,409
BC Gaming	25,000	25,000
Donations and fundraising	65,372	92,625
Workshops	19,708	12,711
Amortization of deferred contributions related to capital assets	2,401	2,401
Interest income	219	1,296
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	711,053	665,747
EXPENDITURES		
Administration	141,890	102,387
Depreciation	2,401	2,401
Fund Development	1,265	11,007
Human Resources	409,422	412,102
Programs	169,283	111,189
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	724,261	639,086
EXCESS OF REVENUE OVER EXPENDITURES FOR THE YEAR	<hr/> (13,208)	<hr/> 26,661

The accompanying notes are an integral part of these financial statements

YOUTHCO HIV & HEP C SOCIETY

STATEMENT OF FINANCIAL POSITION As at March 31, 2017

	2017	2016
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	47,283	159,336
Term deposit (Note 4)	25,873	25,591
Accounts receivable	86,954	22,085
Prepaid expenses	6,434	7,679
GST receivable	2,674	34
	<u>169,218</u>	<u>214,725</u>
CAPITAL ASSETS (Note 5)	<u>-</u>	<u>2,401</u>
	<u>169,218</u>	<u>217,126</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	28,638	17,672
Wages and benefits payable	8,885	6,978
Deferred revenue (Note 6)	36,352	81,522
	<u>73,875</u>	<u>106,172</u>
OTHER LIABILITIES		
Deferred contributions related to capital assets (Note 7)	<u>-</u>	<u>2,401</u>
	<u>73,875</u>	<u>108,573</u>
NET ASSETS	<u>95,343</u>	<u>108,553</u>
	<u>169,218</u>	<u>217,126</u>

Approved on behalf of the Board:

 Member

YOUTHCO HIV & HEP C SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2017

1: NATURE OF OPERATIONS

YouthCo HIV & Hep C Society is a registered charity incorporated under the Societies Act of British Columbia on July 11, 1994. The Society was formed to support and empower youth living with HIV or Hepatitis C, as well as provide education to youth to reduce stigma related to HIV and Hepatitis C.

2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Society applies the Canadian accounting standards for not-for-profit organizations.

(a) Method of accounting

The Society follows the deferral method of accounting for contributions which includes grants and donations. Contributions of property and equipment are included as deferred contributions and are amortized to revenue at the same rate and on the same basis as amortization of the related property and equipment.

Restricted contributions are recognized as revenue in the year in which the related expenses are made. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

All other amounts, including donations, fundraising, interest and other income are recognized as revenue when received.

(b) Tangible capital assets

Contributed capital assets are recorded at fair value at the date of contribution and are being depreciated over their estimated useful lives. The annual depreciation rates are as follows:

Furniture & equipment is depreciated over five years on a straight line basis.

Depreciation of leasehold improvements is depreciated over five years on a straight line basis.

(c) Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

YOUTHCO HIV & HEP C SOCIETY

NOTES TO THE FINANCIAL STATEMENTS March 31, 2017

3: FINANCIAL INSTRUMENTS, continued

(c) Liquidity risk

The Society does have a liquidity risk in the accounts payable and accrued liabilities of \$28,638 (2016-\$17,672). Liquidity risk is the risk that the Society cannot repay its obligations when they become due to its creditors. The Society reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due; maintains an adequate line of credit to repay trade creditors and repays long term debt interest and principal as they become due. In the opinion of management the liquidity risk exposure to the Society low and is not material.

4: TERM DEPOSIT

	2017	2016
	\$	\$
Vancouver City Savings Credit Union at 0.900% interest, maturing on February 13, 2018	25,873	25,591

5: TANGIBLE CAPITAL ASSETS

	Cost	Accumulated depreciation	2017 Net	2016 Net
	\$	\$	\$	\$
Furniture and fixtures	1,971	1,971	-	394
Leasehold improvements	43,914	43,914	-	2,007
	45,885	45,885	-	2,401