

**BC ASSOCIATION OF
COMMUNITY RESPONSE
NETWORKS**

**FINANCIAL STATEMENTS
March 31, 2016**

BC ASSOCIATION OF COMMUNITY RESPONSE NETWORKS

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF **BC Association of Community Response Networks**

We have audited the accompanying financial statements of **BC Association of Community Response Networks**, which comprise of the as at **March 31, 2016**, and the statements of operations, statement of changes in fund balances and statement of cash flows, 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.

Auditors' 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 auditors' 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 auditors 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 in our audit 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 **BC Association of Community Response Networks** as at **March 31, 2016**, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Report on Other Legal and Regulatory Requirements

As required by the British Columbia Society Act, we report that in our opinion, these principles have been applied on a basis consistent with that of the preceding year.



REID HURST NAGY INC.
CHARTERED PROFESSIONAL ACCOUNTANTS


VANCOUVER, BC
June 8, 2016

BC ASSOCIATION OF COMMUNITY RESPONSE NETWORKS

STATEMENT OF FINANCIAL POSITION As at March 31, 2016

	Operating Fund	Externally Restricted Fund	Capital Fund	Total 2016	Total 2015
	\$	\$	\$	\$	\$
ASSETS					
Cash and restricted cash	109,557	195,245	-	304,802	970,638
Short-term investments	39,372	2,275,000	-	2,314,372	177,262
Accounts receivable (Note 3)	22	14,263	-	14,285	2,609,819
Prepaid expenses	-	1,555	-	1,555	5,163
	148,951	2,486,063	-	2,635,014	3,762,882
LIABILITIES					
Accounts payable and accrued liabilities	73,397	-	-	73,397	68,423
Deferred revenue (Note 4)	-	2,486,063	-	2,486,063	3,607,027
	73,397	2,486,063	-	2,559,460	3,675,450
FUND BALANCES					
Unrestricted	75,554	-	-	75,554	87,432
	75,554	-	-	75,554	87,432
	148,951	2,486,063	-	2,635,014	3,762,882

Approved on behalf of the Board of Directors


Director


Director

The accompanying notes are an integral part of these financial statements.

BC ASSOCIATION OF COMMUNITY RESPONSE NETWORKS

STATEMENT OF FINANCIAL POSITION – EXTERNALLY RESTRICTED FUNDS As at March 31, 2016

	Gaming Fund	Ministry of Health	Ministry of Health CREA	Total 2016	Total 2015
	\$	\$	\$	\$	\$
ASSETS					
Cash and banks	100,187	-	95,058	195,245	867,506
Short-term investments	-	2,153,653	121,347	2,275,000	170,000
Accounts receivable (Note 3)	3,887	10,376	-	14,263	2,609,802
Prepaid expenses	-	1,555	-	1,555	5,163
	104,074	2,165,584	216,405	2,486,063	3,652,471
LIABILITIES					
Accounts payable and accrued liabilities	-	-	-	-	2,655
Interfunds payable	-	-	-	-	42,789
Deferred revenue (Note 4)	104,074	2,165,584	216,405	2,486,063	3,607,027
	104,074	2,165,584	216,405	2,486,063	3,652,471
FUND BALANCES					
Externally restricted	-	-	-	-	-
	104,074	2,165,584	216,405	2,486,063	3,652,471

The accompanying notes are an integral part of these financial statements.

BC ASSOCIATION OF COMMUNITY RESPONSE NETWORKS

STATEMENT OF OPERATIONS

For the year ended March 31, 2016

	Operating Fund		Externally Restricted Fund		Capital Fund		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE								
Grants and contribution	-	-	1,258,964	605,882	-	-	1,258,964	605,882
Donation	-	600	-	-	-	-	-	600
Interest income	42,824	11,885	1,119	1,212	-	-	43,943	13,097
GST Rebate	6	17	8,461	5,802	-	-	8,467	5,819
Other revenue	295	-	-	-	-	-	295	-
	43,125	12,502	1,268,544	612,896	-	-	1,311,669	625,398
EXPENSES								
Accounting and audit	-	-	24,013	14,718	-	-	24,013	14,718
Administrative and program support	643	-	97,833	68,591	-	-	98,476	68,591
Amortization	-	-	-	-	-	391	-	391
Conferences and staff meetings	84	195	53,741	40,235	-	-	53,825	40,430
Consulting	-	-	30,062	8,117	-	-	30,062	8,117
CREA grants paid	-	-	462,345	-	-	-	462,345	-
Education and awareness materials	-	-	27,785	34,340	-	-	27,785	34,340
Executive director fee	72	-	98,458	94,776	-	-	98,530	94,776
Funds for local CRN	10	400	95,657	29,963	-	-	95,667	30,363
Interest and bank charges	287	272	-	-	-	-	287	272
Mentor outreach, evaluation and support	-	-	336,541	260,211	-	-	336,541	260,211
Mentor travel	60	-	67,499	43,105	-	-	67,559	43,105
Office	509	694	10,558	7,897	-	-	11,067	8,591
Provincial website	-	-	17,390	10,943	-	-	17,390	10,943
	1,665	1,561	1,321,882	612,896	-	391	1,323,547	614,848
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	41,460	10,941	(53,338)	-	-	(391)	(11,878)	10,550

The accompanying notes are an integral part of these financial statements.

BC ASSOCIATION OF COMMUNITY RESPONSE NETWORKS

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES – EXTERNALLY RESTRICTED FUNDS

For the year ended March 31, 2016

	Gaming Fund		Ministry of Health	
	2016	2015	2016	2015
	\$	\$	\$	\$
REVENUE				
Community Gaming Grant	132,552	115,529	-	-
Ministry of Health	-	-	619,817	475,353
Ministry of Health - CREA	-	-	4,000	-
Interest income	1,119	1,212	-	-
GST Rebate	1,594	1,433	6,179	4,369
	135,265	118,174	629,996	479,722
EXPENSES				
Accounting and audit	-	-	24,013	14,718
Administrative and program support	8,745	9,945	79,103	56,146
Conferences and staff meetings	3,749	1,018	49,785	39,217
Consulting	-	-	30,062	8,117
Education and awareness materials	13,881	20,889	10,440	13,451
Executive director fee	17,199	16,614	81,259	78,162
Funds for local CRN	90,766	15,963	3,662	1,500
Mentor outreach, evaluation and support	33,814	45,792	273,048	214,419
Mentor travel	4,563	6,383	53,063	36,722
Office	609	1,570	8,171	6,327
Provincial website	-	-	17,390	10,943
	173,326	118,174	629,996	479,722
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(38,061)	-	-	-
Interfund transfers	38,061	-	-	-
FUND BALANCE, END OF YEAR	-	-	-	-

The accompanying notes are an integral part of these financial statements.

BC ASSOCIATION OF COMMUNITY RESPONSE NETWORKS

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES – EXTERNALLY RESTRICTED FUNDS

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For the year ended March 31, 2016

	Ministry of Health CREA		CREA Capacity-Building Grant		Total	
	2016	2015	2016	2015	2016	2015
	\$	\$	\$	\$	\$	\$
REVENUE						
Community Gaming Grant	-	-	-	-	132,552	115,529
Ministry of Health	-	-	-	-	619,817	475,353
Ministry of Health - CREA	468,595	15,000	-	-	472,595	15,000
Capacity-Building Grant	-	-	34,000	-	34,000	-
Interest income	-	-	-	-	1,119	1,212
GST Rebate	-	-	688	-	8,461	5,802
	468,595	15,000	34,688	-	1,268,544	612,896
EXPENSES						
Accounting and audit	-	-	-	-	24,013	14,718
Administrative and program support	4,000	2,500	5,985	-	97,833	68,591
Conferences and staff meetings	-	-	207	-	53,741	40,235
Consulting	-	-	-	-	30,062	8,117
CREA grants paid	462,345	-	-	-	462,345	-
Education and awareness materials	-	-	3,464	-	27,785	34,340
Executive director fee	-	-	-	-	98,458	94,776
Funds for local CRN	-	12,500	1,229	-	95,657	29,963
Mentor outreach, evaluation and support	-	-	29,679	-	336,541	260,211
Mentor travel	-	-	9,873	-	67,499	43,105
Office	-	-	1,778	-	10,558	7,897
Provincial website	-	-	-	-	17,390	10,943
	466,345	15,000	52,215	-	1,321,882	612,896
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	2,250	-	(17,527)	-	(53,338)	-
Interfund transfers	(2,250)	-	17,527	-	53,338	-
FUND BALANCE, END OF YEAR	-	-	-	-	-	-

The accompanying notes are an integral part of these financial statements.

BC ASSOCIATION OF COMMUNITY RESPONSE NETWORKS

STATEMENT OF CHANGES IN FUND BALANCES For the year ended March 31, 2016

	Operating Fund	Externally Restricted Fund	Capital Fund	Total 2016	Total 2015
FUND BALANCE, BEGINNING OF YEAR	\$ 87,432	\$ -	\$ -	\$ 87,432	\$ 76,881
Excess (deficiency) of revenue over expenses	41,460	(53,338)	-	(11,878)	10,551
Inter-fund transfer	(53,338)	53,338	-	-	-
FUND BALANCE, END OF YEAR	75,554	-	-	75,554	87,432

The accompanying notes are an integral part of these financial statements.

BC ASSOCIATION OF COMMUNITY RESPONSE NETWORKS

STATEMENT OF CASH FLOWS

For the year ended March 31, 2016

	2016	2015
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess of revenue over expenses	(11,878)	10,550
Items not requiring the outlay of cash:		
Amortization	-	391
	(11,878)	10,941
Change in non-cash working capital items:		
Accounts receivable	2,595,534	(2,605,006)
Prepaid expenses	3,608	1,399
Accounts payable and accrued liabilities	4,974	23,196
Deferred revenue	(1,120,964)	2,498,117
	1,471,274	(71,353)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,471,274	(71,353)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,147,900	1,219,253
CASH AND CASH EQUIVALENTS, END OF YEAR	2,619,174	1,147,900
CASH AND CASH EQUIVALENTS CONSIST OF:		
Cash and banks	304,802	970,638
Short-term investments	2,314,372	177,262
	2,619,174	1,147,900

The accompanying notes are an integral part of these financial statements.

BC ASSOCIATION OF COMMUNITY RESPONSE NETWORKS

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2016

1 PURPOSE OF THE ORGANIZATION

The Association was incorporated on March 14, 2003 pursuant to the British Columbia Society Act as a not-for-profit organization for the purpose of working to prevent adult abuse and neglect and to support the development of Community Response Networks (CRN's). The Association provides modest funding to local CRNs, provincial community and regional workshops, community development consultation and print materials.

The Association is registered as a charitable organization under the Income Tax Act of Canada with the business number 89342 3400.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are detailed as follows:

(a) FUND ACCOUNTING

The Association adopts the restricted fund method of accounting as follows:

Operating Fund – Unrestricted

The Association's revenues and expenses from general operations and administration are reported in the Operating Fund. The Fund is unrestricted.

Externally Restricted Fund

(i) Gaming Fund

The Gaming Fund is established to record funding from the Direct Access Program grant to assist paying the mentors' team and other support activities for CRN's.

(ii) Ministry of Health

The funding is provided by the Ministry of Health to support the Association's local community-based work and its collaborative efforts to raise awareness about abuse and neglect, and promote safety and security, for older adults. The program started in March 2012.

(iii) Ministry of Health - CREA

The Ministry of Health led the formation of the "Council to Reduce Elder Abuse" (CREA) as an arm's length body to implement the "Together to Reduce Elder Abuse Strategy" which was adopted by the provincial government in March 2013. They have contracted with the Association to distribute funds to provincial and community organizations in BC according to criteria established by CREA. The funds are being used to develop and enhance elder abuse prevention, recognition or response projects and programs; it is also used to implement projects identified by CREA as required to support seniors in the community.

(iv) CREA Capacity-Building Grant

To embed the ability to deliver the "It's Not Right! Neighbours, Friends and Families for Older Adults" program in CRN communities across British Columbia.

BC ASSOCIATION OF COMMUNITY RESPONSE NETWORKS

NOTES TO THE FINANCIAL STATEMENTS March 31, 2016

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

(b) CASH AND RESTRICTED CASH

Cash comprises bank balances. Restricted cash includes amounts held in bank accounts secured from gaming activities and other designated funds.

(c) SHORT-TERM INVESTMENT

Short-term investments comprise of guaranteed investment certificates with maturity in less than three months.

(d) REVENUE RECOGNITION

Unrestricted contributions are recognized as revenue of the Operating Fund in the year received or receivable.

Restricted contributions are recognized as revenue of the appropriate restricted fund in which the related expenditures are incurred.

(e) FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are initially measured at fair value. The Association subsequently measures all its financial assets and financial liabilities at amortized cost, except for short-term investment, which are measured at fair value. Changes in fair value are recognized in statement of operations.

Financial assets measured at amortized cost include cash, restricted cash and accounts receivable. Short-term investment are measured at fair value.

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

Financial assets, other than those measured at fair value, are tested for impairment at the end of each reporting period when there are indicators the assets may be impaired. .

(f) CONTRIBUTED GOODS AND SERVICES

Volunteers contribute a significant amount of time to assist the Association in carrying out its activities. Because of the difficulty in determining its fair value, contributed time is not recognized or included in the financial statements. Refer to note (6)

The Association decided not to recognize in-kind contributions like space, materials and supplies since no receipts have been issued.

(g) USE OF ESTIMATES

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the 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.

BC ASSOCIATION OF COMMUNITY RESPONSE NETWORKS

NOTES TO THE FINANCIAL STATEMENTS March 31, 2016

3 ACCOUNTS RECEIVABLE

	2016	2015
	\$	\$
Ministry of Health	-	2,604,000
GST/HST Public Service Bodies' Rebate	14,285	5,819
	14,285	2,609,819

4 DEFERRED REVENUE

	Opening Balance	Funds Received	Funds Utilized	Total 2016	Total 2015
	\$	\$	\$	\$	\$
BC Gaming	136,627	100,000	(132,552)	104,075	136,627
Ministry of Health	2,785,400	-	(619,817)	2,165,583	2,785,400
Ministry of Health - CREA	685,000	-	(468,595)	216,405	685,000
	3,607,027	100,000	(1,220,964)	2,486,063	3,607,027

5 FINANCIAL INSTRUMENTS

The association's financial instruments consist of cash, restricted cash, short-term investments, accounts receivable, accounts payable and accrued liabilities. It is management's opinion that the association is not exposed to significant interest rate, market, currency, credit, or liquidity risks arising from these financial instruments and that the fair value of these financial instruments approximate their carrying values.

6 CONTRIBUTED SERVICES AND "IN-KIND"

The Association has advised that local "in-kind" contributions from July 1, 2014 to June 30, 2015 are estimated to be valued at \$666,118. This figure is derived from the Use of Funds and Activities Reports filed by local CRN coordinators on an annual basis and it is comprised of:

- (i) actual dollars received from non-government sources - \$29,703;
- (ii) in-kind contributions like space, materials and supplies - \$58,833;
- (iii) Education and orientation in local communities and volunteer labour for core CRN activities - \$577,582 based on a blended rate of \$25/hour for CRN coordinators and members.

Because of the difficulty of determining the fair value for donated space, materials and supplies, volunteer hours and contributed services at the time of receipts, these amounts are not reflected or included in the financial statements.