

**BC ASSOCIATION OF  
COMMUNITY RESPONSE  
NETWORKS**

**FINANCIAL STATEMENTS  
March 31, 2017**

# BC ASSOCIATION OF COMMUNITY RESPONSE NETWORKS

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March 31, 2017

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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 statement of financial position as at March 31, 2017, 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, 2017, 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 2, 2017

# BC ASSOCIATION OF COMMUNITY RESPONSE NETWORKS

## STATEMENT OF FINANCIAL POSITION As at March 31, 2017

	Operating Fund	Externally Restricted Fund	Total 2017	Total 2016
	\$	\$	\$	\$
<b>ASSETS</b>				
Cash and restricted cash	90,201	222,778	<b>312,979</b>	304,802
Short-term investments (Note 3)	35,430	1,474,143	<b>1,509,573</b>	2,314,372
GST/HST Public Service Bodies' Rebate	-	24,652	<b>24,652</b>	14,285
Prepaid expenses	-	5,842	<b>5,842</b>	1,555
	<b>125,631</b>	<b>1,727,415</b>	<b>1,853,046</b>	<b>2,635,014</b>
<b>LIABILITIES</b>				
Accounts payable and accrued liabilities	-	91,666	<b>91,666</b>	73,397
Deferred revenue (Note 4)	-	1,635,749	<b>1,635,749</b>	2,486,063
	-	1,727,415	<b>1,727,415</b>	2,559,460
<b>FUND BALANCES</b>				
Unrestricted	125,631	-	<b>125,631</b>	75,554
	<b>125,631</b>	<b>1,727,415</b>	<b>1,853,046</b>	<b>2,635,014</b>

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, 2017

	Gaming Fund	Ministry of Health	Ministry of Health CREA	Total 2017	Total 2016
	\$	\$	\$	\$	\$
<b>ASSETS</b>					
Cash and banks	150,258	72,520	-	<b>222,778</b>	195,245
Short-term investments	-	1,429,985	44,158	<b>1,474,143</b>	2,275,000
GST/HST Public Service Bodies' Rebate	8,734	15,918	-	<b>24,652</b>	14,263
Prepaid expenses	-	5,842	-	<b>5,842</b>	1,555
	158,992	1,524,265	44,158	<b>1,727,415</b>	2,486,063
<b>LIABILITIES</b>					
Accounts payable and accrued liabilities	-	91,666	-	<b>91,666</b>	-
Deferred revenue (Note 4)	158,992	1,432,599	44,158	<b>1,635,749</b>	2,486,063
	158,992	1,524,265	44,158	<b>1,727,415</b>	2,486,063
<b>FUND BALANCES</b>					
Externally restricted	-	-	-	-	-
	158,992	1,524,265	44,158	<b>1,727,415</b>	2,486,063

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, 2017

	Operating Fund		Externally Restricted Fund		Total	
	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$
<b>REVENUE</b>						
Donation	8,200	-	-	-	<b>8,200</b>	-
Grants and contribution	-	-	1,050,314	1,258,964	<b>1,050,314</b>	1,258,964
GST/HST Public Service Bodies' Rebate	-	6	-	8,461	-	8,467
Interest income	41,704	42,824	1,258	1,119	<b>42,962</b>	43,943
Other revenue	700	295	-	-	<b>700</b>	295
	50,604	43,125	1,051,572	1,268,544	<b>1,102,176</b>	1,311,669
<b>EXPENSES</b>						
Administrative and program support	-	643	116,203	97,833	<b>116,203</b>	98,476
BC CRN programs	-	-	24,987	-	<b>24,987</b>	-
CREA grants paid	-	-	172,247	462,345	<b>172,247</b>	462,345
Conferences and staff meetings	-	84	39,288	53,741	<b>39,288</b>	53,825
Consulting	-	-	45,903	30,062	<b>45,903</b>	30,062
Education and awareness materials	-	-	41,908	27,785	<b>41,908</b>	27,785
Executive director fee	-	72	95,940	98,458	<b>95,940</b>	98,530
Funds for local CRN	-	10	95,259	95,657	<b>95,259</b>	95,667
Interest and bank charges	527	287	-	-	<b>527</b>	287
Mentor outreach and support	-	-	324,147	336,541	<b>324,147</b>	336,541
Mentor travel	-	60	61,272	67,499	<b>61,272</b>	67,559
Office	-	509	7,390	10,558	<b>7,390</b>	11,067
Professional fees	-	-	15,701	24,013	<b>15,701</b>	24,013
Provincial website	-	-	11,327	17,390	<b>11,327</b>	17,390
	527	1,665	1,051,572	1,321,882	<b>1,052,099</b>	1,323,547
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	<b>50,077</b>	<b>41,460</b>	<b>-</b>	<b>(53,338)</b>	<b>50,077</b>	<b>(11,878)</b>

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, 2017

	Gaming Fund		Ministry of Health	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>REVENUE</b>				
Community Gaming Grant	145,082	132,552	-	-
GST/HST Public Service Bodies' Rebate	-	1,594	-	6,179
Interest income	1,258	1,119	-	-
Ministry of Health	-	-	732,985	619,817
Ministry of Health - CREA	-	-	-	4,000
	146,340	135,265	732,985	629,996
<b>EXPENSES</b>				
Administrative and program support	2,663	8,745	113,540	79,103
BC CRN programs	-	-	24,987	-
Conferences and staff meetings	-	3,749	39,288	49,785
Consulting	-	-	45,903	30,062
Education and awareness materials	35,006	13,881	6,902	10,440
Executive director fee	-	17,199	95,940	81,259
Funds for local CRN	93,623	90,766	1,636	3,662
Mentor outreach and support	12,286	33,814	311,861	273,048
Mentor travel	2,762	4,563	58,510	53,063
Office	-	609	7,390	8,171
Professional fees	-	-	15,701	24,013
Provincial website	-	-	11,327	17,390
	146,340	173,326	732,985	629,996
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	-	(38,061)	-	-
Interfund transfers	-	38,061	-	-
<b>FUND BALANCE, END OF YEAR</b>	-	-	-	-

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, 2017

	Ministry of Health CREA		CREA Capacity-Building Grant		Total	
	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$
<b>REVENUE</b>						
Capacity-Building Grant	-	-	-	34,000	-	34,000
Community Gaming Grant	-	-	-	-	145,082	132,552
GST Rebate	-	-	-	688	-	8,461
Interest income	-	-	-	-	1,258	1,119
Ministry of Health	-	-	-	-	732,985	619,817
Ministry of Health - CREA	172,247	468,595	-	-	172,247	472,595
	172,247	468,595	-	34,688	1,051,572	1,268,544
<b>EXPENSES</b>						
Administrative and program support	-	4,000	-	5,985	116,203	97,833
BC CRN programs	-	-	-	-	24,987	-
CREA grants paid	172,247	462,345	-	-	172,247	462,345
Conferences and staff meetings	-	-	-	207	39,288	53,741
Consulting	-	-	-	-	45,903	30,062
Education and awareness materials	-	-	-	3,464	41,908	27,785
Executive director fee	-	-	-	-	95,940	98,458
Funds for local CRN	-	-	-	1,229	95,259	95,657
Mentor outreach and support	-	-	-	29,679	324,147	336,541
Mentor travel	-	-	-	9,873	61,272	67,499
Office	-	-	-	1,778	7,390	10,558
Professional fees	-	-	-	-	15,701	24,013
Provincial website	-	-	-	-	11,327	17,390
	172,247	466,345	-	52,215	1,051,572	1,321,882
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	-	2,250	-	(17,527)	-	(53,338)
Interfund transfers	-	(2,250)	-	17,527	-	53,338
<b>FUND BALANCE, END OF YEAR</b>	-	-	-	-	-	-

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, 2017

	Operating Fund	Externally Restricted Fund	Total 2017	Total 2016
<b>FUND BALANCE, BEGINNING OF YEAR</b>	\$ 75,554	\$ -	\$ 75,554	\$ 87,432
Excess (deficiency) of revenue over expenses	50,077	-	50,077	(11,878)
<b>FUND BALANCE, END OF YEAR</b>	<b>125,631</b>	<b>-</b>	<b>125,631</b>	<b>75,554</b>

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, 2017

	2017	2016
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenue over expenses	50,077	(11,878)
Change in non-cash working capital items:	50,077	(11,878)
GST/HST Public Service Bodies' Rebate	(10,367)	2,595,534
Prepaid expenses	(4,287)	3,608
Accounts payable and accrued liabilities	18,270	4,972
Deferred revenue	(850,314)	(1,120,964)
Short-term investments	804,798	(2,137,109)
	8,177	(665,837)
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	8,177	(665,837)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	304,802	970,639
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	312,979	304,802

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

# BC ASSOCIATION OF COMMUNITY RESPONSE NETWORKS

## NOTES TO THE FINANCIAL STATEMENTS March 31, 2017

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### 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 volunteer 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, 2017

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### 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) 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.

#### (d) 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.

#### (e) 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.

#### (f) 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, 2017

### 3 SHORT-TERM INVESTMENT

Short-term investments consist of term deposits and guaranteed investment certificates with maturity within a year and earns interest income with interest rate ranging from 1.20% to 2.00%.

	2017	2016
	\$	\$
Short-term investments	1,747,143	2,275,000
Accrued interest receivable	35,430	39,372
	<b>1,509,573</b>	<b>2,314,372</b>

### 4 DEFERRED REVENUE

	Opening Balance	Funds Received	Funds Utilized	Total 2017	Total 2016
	\$	\$	\$	\$	\$
BC Gaming	104,075	200,000	(145,082)	158,993	104,075
Ministry of Health	2,165,583	-	(732,985)	1,432,598	2,165,583
Ministry of Health - CREA	216,405	-	(172,247)	44,158	216,405
	<b>2,486,063</b>	<b>200,000</b>	<b>(1,050,314)</b>	<b>1,635,749</b>	<b>2,486,063</b>

### 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, 2015 to June 30, 2016 are estimated to be valued at \$998,498. 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 - \$88,577;
- (ii) in-kind contributions like space, materials and supplies - \$90,613;
- (iii) Education and orientation in local communities and volunteer labour for core CRN activities - \$819,308 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.