

CHILD ABUSE PREVENTION AND COUNSELLING
SOCIETY OF GREATER VICTORIA

FINANCIAL STATEMENTS

MARCH 31, 2016

(Unaudited)

REVIEW ENGAGEMENT REPORT

To the Members of
Child Abuse Prevention and Counselling Society of Greater Victoria

We have reviewed the statement of financial position of Child Abuse Prevention and Counselling Society of Greater Victoria as at March 31, 2016 and the statements of operations, changes in net assets, and cash flow for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to the information supplied to us by the company.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

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

Victoria, BC
August 24, 2016

Allen & Krauel Inc.
Chartered Professional Accountants

CHILD ABUSE PREVENTION AND COUNSELLING SOCIETY OF GREATER VICTORIA

STATEMENT OF FINANCIAL POSITION
MARCH 31, 2016
(Unaudited)

	2016	2015
ASSETS		
Current		
Cash	\$ 59,147	\$ 109,378
Accounts receivable	49,709	14,617
GST receivable	5,179	4,531
Prepaid expenses	2,209	1,487
	116,244	130,013
Restricted cash	-	37,573
Tangible capital assets (note 3)	21,922	10,727
	\$ 138,166	\$ 178,313
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 78,833	\$ 75,285
Government remittances payable	7,992	5,886
Sick leave liability (note 4)	82,951	88,863
	169,776	170,034
NET ASSETS		
Net assets internally restricted for		
New Initiatives fund (note 5)	-	37,573
Net assets invested in tangible capital assets	21,922	10,727
Unrestricted net assets	(53,532)	(40,021)
	(31,610)	8,279
	\$ 138,166	\$ 178,313

Approved by the directors

 _____ Director

 _____ Director

CHILD ABUSE PREVENTION AND COUNSELLING SOCIETY OF GREATER VICTORIA

STATEMENT OF CHANGES IN NET ASSETS YEAR ENDED MARCH 31, 2016 (Unaudited)

	Internally restricted for New Initiatives fund	Invested in tangible capital assets	Unrestricted	2016	2015
Balance, beginning of year	\$ 37,573	\$ 10,727	\$ (40,021)	\$ 8,279	\$ (65,919)
Surplus (shortage) of revenue over expenses	23	(5,832)	(34,080)	(39,889)	74,198
Investment in tangible capital assets	-	17,027	(17,027)	-	-
Net asset transfers	(37,596)	-	37,596	-	-
Balance, end of year	\$ -	\$ 21,922	\$ (53,532)	\$ (31,610)	\$ 8,279

CHILD ABUSE PREVENTION AND COUNSELLING SOCIETY OF GREATER VICTORIA

STATEMENT OF OPERATIONS MARCH 31, 2016 (Unaudited)

	<u>2016</u>	<u>2015</u>
Revenue		
Ministry of Children & Family Development	\$ 558,040	\$ 521,899
Solicitor General	178,404	179,645
Grants	132,981	149,392
Federal Department of Justice	65,000	-
Donations and membership fees	26,543	119,882
Service fees	14,224	10,000
Interest and other income	5,350	12,745
	<u>980,542</u>	<u>993,563</u>
Expenses		
Wages and benefits	724,541	642,761
Clinical	108,270	33,552
Rent and utilities	86,213	85,453
Administration	62,714	88,856
Fundraising	23,274	58,335
Telephone	6,319	4,024
Amortization	5,832	5,039
Staff development	3,268	1,345
	<u>1,020,431</u>	<u>919,365</u>
(Shortage) surplus of revenue over expenses	<u>\$ (39,889)</u>	<u>\$ 74,198</u>

CHILD ABUSE PREVENTION AND COUNSELLING SOCIETY OF GREATER VICTORIA

STATEMENT OF CASH FLOW MARCH 31, 2016 (Unaudited)

	2016	2015
Operating activities		
(Shortage) surplus of revenue over expenses	\$ (39,889)	\$ 74,198
Add charges to operations not requiring a current cash payment:		
Amortization	5,832	5,039
	(34,057)	79,237
Net change in non-cash working capital balances related to operations		
Accounts receivable	(35,092)	6,449
GST receivable	(648)	179
Prepaid expenses	(722)	641
Accounts payable	3,548	17,673
Government remittances payable	2,106	(2,763)
Sick leave liability	(5,912)	(5,818)
	(36,720)	16,361
Cash (used in) provided by operating activities	(70,777)	95,598
Investing activities		
Additions to tangible capital assets	(17,027)	-
Net asset transfers		
Transfer from internally restricted net assets	37,596	1,564
Interest on internally restricted net assets	(23)	(510)
Cash provided by net asset transfers	37,573	1,054
Net (decrease) increase in cash during the year	(50,231)	96,652
Cash position, beginning of year	109,378	12,726
Cash position, end of year	\$ 59,147	\$ 109,378

Cash position consists of cash on deposit.

CHILD ABUSE PREVENTION AND COUNSELLING SOCIETY OF GREATER VICTORIA

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2016

(Unaudited)

1. Purpose of the organization

Child Abuse Prevention and Counselling Society of Greater Victoria is a local organization which provides counselling, support and education to sexually abused children and youth under the age of nineteen, and their families. Child Abuse Prevention and Counselling Society of Greater Victoria is incorporated under the Society Act of British Columbia as a not-for-profit organization and is a registered charity under the Income Tax Act.

2. Significant accounting policies

The financial statements of the society have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates which have been made using careful judgment. Items subject to estimation include prepaid expenses, sick leave liability, and amortization of tangible capital assets.

The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below.

Tangible capital assets

Tangible capital assets are stated at cost and are amortized on a straight-line basis at the annual rates set out in note 3. With respect to software, in the year of acquisition, half the specified rate is applied.

Revenue recognition

The society follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred. 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. Endowment contributions, if any, are recognized as direct increases in net assets.

CHILD ABUSE PREVENTION AND COUNSELLING SOCIETY OF GREATER VICTORIA

NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2016
(Unaudited)

2. Significant accounting policies (continued)

Financial Instruments

Measurement of financial instruments

The society initially measures its financial assets and liabilities at fair value. The entity subsequently measures all its financial assets and liabilities at amortized cost.

Financial assets measured at amortized cost include cash, accounts receivable, and GST receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, government remittances payable, and sick leave liability.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down or subsequent reversal, if any, is recognized in net income.

Transaction costs

The society recognizes its transaction costs in net income in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

3. Tangible capital assets

	Cost	Accumulated Amortization	Net Book Value		Amortization Rate
			2016	2015	
Computer and electronic equipment	\$ 26,682	\$ 25,186	\$ 1,496	\$ 3,553	1/5
Furniture and fixtures	63,488	43,445	20,043	6,598	1/10
Leasehold improvements	1,676	1,293	383	576	1/5
Software	14,319	14,319	-	-	100%
	<u>\$ 106,165</u>	<u>\$ 84,243</u>	<u>\$ 21,922</u>	<u>\$ 10,727</u>	

4. Sick leave liability

The society is liable for accumulated sick leave of its employees. Employees are entitled to eighteen sick days per year, with unused days carried forward. The maximum number of days permitted is one hundred forty six.

CHILD ABUSE PREVENTION AND COUNSELLING SOCIETY OF GREATER VICTORIA

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5. Internally restricted net assets

During the year, following approval by the Board of Directors, net assets previously internally restricted for the New Initiatives fund were transferred to unrestricted net assets, and the New Initiatives fund no longer exists.

6. Financial instruments and risk management

The society's financial instruments consist of cash, accounts receivable, GST receivable, accounts payable and accrued liabilities, government remittances payable, and sick leave liability. Transactions in financial instruments may result in financial risks being assumed by the society. The risks identified by the society are as follows:

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation.

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk that the society will encounter difficulty in meeting obligations associated with financial liabilities.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

It is management's opinion that the society is not exposed to significant credit, interest, liquidity or market risk arising from these financial instruments.

7. Economic dependence

The society receives the majority of its revenue from the Province of British Columbia.

CHILD ABUSE PREVENTION AND COUNSELLING SOCIETY OF GREATER VICTORIA

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8. Lease commitment

The society operates in leased premises. The current lease is at \$3,398 base rent per month plus operating costs of \$3,542 per month. The period of the lease is July 1, 2014 to June 30, 2019, with an option to renew for three additional years. The society also has a lease for its Child Advocacy Centre. This lease is at \$665 base rent per month plus operating costs of \$556 per month. The period of this lease is September 1, 2015 to August 31, 2018. Minimum lease payments to expiry are as follows:

2017	\$ 98,309
2018	98,650
2019	89,786
2020	<u>20,820</u>
	<u>\$ 307,565</u>