

CHILD ABUSE PREVENTION AND COUNSELLING
SOCIETY OF GREATER VICTORIA

FINANCIAL STATEMENTS

MARCH 31, 2018

(Unaudited)

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

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

We have reviewed the accompanying statements of the Child Abuse Prevention and Counselling Society of Greater Victoria that comprise the statement of financial position as at March 31, 2018 and the statements of operations, changes in net assets, and cash flow 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of the Child Abuse Prevention and Counselling Society of Greater Victoria as at March 31, 2018, and the results of its changes in net assets, operations, and cash flow for the year then ended, in accordance with Canadian accounting standards for not-for-profit organizations.

CHILD ABUSE PREVENTION AND COUNSELLING SOCIETY OF GREATER VICTORIA

STATEMENT OF FINANCIAL POSITION
MARCH 31, 2018
(Unaudited)

	2018	2017
ASSETS		
Current		
Cash	\$ 26,104	\$ 26,546
Accounts receivable	45,020	50,316
GST receivable	5,282	4,876
Prepaid expenses	2,549	1,717
	78,955	83,455
Tangible capital assets (note 3)	20,673	23,832
	\$ 99,628	\$ 107,287
LIABILITIES		
Current		
Bank indebtedness (note 4)	\$ 17,703	\$ 599
Accounts payable and accrued liabilities	126,539	103,704
Government remittances payable	7,042	6,378
Sick leave liability (note 5)	77,114	91,208
	228,398	201,889
NET ASSETS		
Net assets invested in tangible capital assets	20,673	23,832
Unrestricted net assets	(149,443)	(118,434)
	(128,770)	(94,602)
	\$ 99,628	\$ 107,287

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, 2018 (Unaudited)

	Invested in tangible capital assets		2018	2017
	Unrestricted			
Balance, beginning of year	\$ 23,832	\$(118,434)	\$ (94,602)	\$ (31,610)
Shortage of revenue over expenses	(4,974)	(29,194)	(34,168)	(62,992)
Investment in tangible capital assets	1,815	(1,815)	-	-
Balance, end of year	\$ 20,673	\$(149,443)	\$ (128,770)	\$ (94,602)

CHILD ABUSE PREVENTION AND COUNSELLING SOCIETY OF GREATER VICTORIA

STATEMENT OF OPERATIONS MARCH 31, 2018 (Unaudited)

	2018	2017
Revenue		
Ministry of Children & Family Development	\$ 576,873	\$ 530,821
Solicitor General	212,959	182,871
Grants	106,926	130,719
Federal Department of Justice	86,850	79,100
Donations and membership fees	54,275	93,520
Service fees	19,215	26,765
Interest and other income	5,450	1,017
	1,062,548	1,044,813
Expenses		
Wages and benefits	828,889	834,144
Programs	96,668	110,155
Rent and utilities	87,642	85,768
Administration	64,250	60,629
Telephone	7,997	7,001
Amortization	4,974	5,370
Staff development	4,641	4,367
Fundraising	1,655	74
	1,096,716	1,107,508
Shortage of revenue over expenses before other items	(34,168)	(62,695)
Loss on disposal of tangible capital assets	-	(297)
Shortage of revenue over expenses	\$ (34,168)	\$ (62,992)

CHILD ABUSE PREVENTION AND COUNSELLING SOCIETY OF GREATER VICTORIA

STATEMENT OF CASH FLOW MARCH 31, 2018 (Unaudited)

	2018	2017
Operating activities		
Shortage of revenue over expenses	\$ (34,168)	\$ (62,992)
Add charges to operations not requiring a current cash payment:		
Amortization	4,974	5,370
Loss on disposal of tangible capital assets	-	297
	(29,194)	(57,325)
Net change in non-cash working capital balances related to operations		
Accounts receivable	5,296	(607)
GST receivable	(406)	303
Prepaid expenses	(832)	492
Accounts payable	22,835	24,871
Government remittances payable	664	(1,614)
Sick leave liability	(14,094)	8,257
	13,463	31,702
Cash used in operating activities	(15,731)	(25,623)
Investing activities		
Additions to tangible capital assets	(1,815)	(7,577)
Net decrease in cash during the year	(17,546)	(33,200)
Cash position, beginning of year	25,947	59,147
Cash position, end of year	\$ 8,401	\$ 25,947
Cash position consists of:		
Cash	\$ 26,104	\$ 26,546
Bank indebtedness	(17,703)	(599)
	\$ 8,401	\$ 25,947

CHILD ABUSE PREVENTION AND COUNSELLING SOCIETY OF GREATER VICTORIA

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2018

(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.

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NOTES TO THE FINANCIAL STATEMENTS

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(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 and accounts receivable. Financial liabilities measured at amortized cost include bank indebtedness, accounts payable and accrued liabilities, 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
			2018	2017	
Computer and electronic equipment	\$ 31,297	\$ 28,165	\$ 3,132	\$ 2,709	1/5
Furniture and fixtures	57,915	40,374	17,541	20,933	1/10
Leasehold improvements	1,676	1,676	-	190	1/5
Software	13,739	13,739	-	-	100%
	<u>\$ 104,627</u>	<u>\$ 83,954</u>	<u>\$ 20,673</u>	<u>\$ 23,832</u>	

4. Bank indebtedness

The balance consists of an operating overdraft due on demand to Island Savings Credit Union with interest at prime plus 2.00% per annum.

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5. 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.

6. Financial instruments and risk management

The society's financial instruments consist of cash, accounts receivable, bank indebtedness, accounts payable and accrued liabilities, 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.

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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 \$3,660 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. Subsequent to the year end, this lease has been extended to August 31, 2021 with payments effective September 1, 2018 at \$761 base rent per month plus operating costs of \$661 per month. Minimum lease payments to expiry are as follows:

2019	\$ 101,404
2020	38,664
2021	17,831
2022	<u>7,531</u>
	<u>\$ 165,430</u>

9. Comparative figures

Certain of the prior year's comparative figures have been reclassified to conform to the current year's presentation.