PLANNED LIFETIME ADVOCACY NETWORK

FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2018

Stated in Canadian Funds

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MANAGEMENT'S RESPONSIBILITY

To the Stakeholders of Planned Lifetime Advocacy Network:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian Accounting Standards for Not-for-Profit Organizations. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed primarily of directors who are neither management nor employees of Planned Lifetime Advocacy Network. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual financial statements. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the external auditors.

Clearline, an independent firm of Chartered Professional Accountants, is appointed by the Board of Directors to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board of Directors and management to discuss their audit findings.

September 12, 2018

"Tim Ames"
Executive Director

"Rebecca Pauls"
Director

INDEPENDENT AUDITOR'S REPORT

To the Stakeholders of Planned Lifetime Advocacy Network:

We have audited the statement of financial position of Planned Lifetime Advocacy Network as at March 31, 2018 and the statements of operations and changes in fund balances 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 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 is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

In common with many not-for-profit organizations, Planned Lifetime Advocacy Network derives its revenue in the form of donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of Planned Lifetime Advocacy Network. Therefore, we were not able to determine whether any adjustments might be necessary to donation revenue, excess of receipts over expenditures, and cash flows from operations for the years ended March 31, 2018 and 2017, current assets as at March 31, 2018 and 2017, and net assets as at April 1 and March 31 for both the 2018 and 2017 years. Our audit opinion on the financial statements for the year ended March 31, 2017 was modified accordingly because of the possible effects of this scope limitation.

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Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects the financial position of Planned Liftime Advocacy Network as at March 31, 2018, and the results of its operations and its cash flows for the year ended March 31, 2018, in accordance with Canadian accounting standards for not-for-profit organizations.

Report on Other Legal and Regulatory Requirements

As required by the Societies Act of British Columbia, we report that, in our opinion, the accounting policies applied in preparing and presenting the financial statements is in accordance with Canadian accounting standards for not-for-profit organizations and have been applied on a basis consistent with that of the preceding year.

September 12, 2018
Vancouver, BC

clearline
CHARTERED PROFESSIONAL ACCOUNTANTS

Statement 1

PLANNED LIFETIME ADVOCACY NETWORK

AS AT MARCH 31, 2018

STATEMENT OF FINANCIAL POSITION

		Operating Fund	Project Fund	Endowment and Internally Restricted	**Total 2018**	Total 2017
ASSETS						
Current Assets						
Cash		$ 311,540	-	58,137	**$ 369,677**	$ 73,038
Term deposits		-	-	15,000	**15,000**	41,000
Accounts receivable	(5)	13,459	-	-	**13,459**	26,692
Prepaid expenses		12,229	-	-	**12,229**	12,271
		337,228	-	73,137	**410,365**	153,001
Non-current Assets						
Promissory note receivable	(6)	-	-	-	**-**	150,000
Capital assets	(7)	9,651	-	-	**9,651**	12,592
		$ 346,879	-	73,137	**$ 420,016**	$ 315,593
LIABILITIES						
Current Liabilities						
Accounts payable and accrued liabilities	(4)	$ 42,681	-	-	**$ 42,681**	$ 32,823
		42,681	-	-	**42,681**	32,823
Non-current Liabilities						
Long-term debt	(8)	600,000	-	-	**600,000**	300,000
Deferred revenue		1,380	-	-	**1,380**	-
Deferred contributions	(9)	5,378	-	73,137	**78,515**	186,867
		606,758	-	73,137	**679,895**	486,867
FUND BALANCES						
Invested in capital assets	(7)	9,651	-	-	**9,651**	12,592
Unrestricted (*Statement 2*)		(312,211)	-	-	**(312,211)**	(216,689)
		(302,560)	-	-	**(302,560)**	(204,097)
		$ 346,879	$ -	$ 73,137	**$ 420,016**	$ 315,593

Nature of operations (1) Income tax status (12)

The financial statements were approved by the Board of Directors on September 12, 2018 and were signed on its behalf by:

Director

Director

- The accompanying notes form an integral part of these financial statements -

Planned Lifetime Advocacy Network

For the Year Ended March 31, 2018

Statement of Operations and Changes in Fund Balances

	Operating Fund	Project Fund	Endowment and Internally Restricted	**Total 2018**	Total 2017
Receipts					
Corporate and foundational funding	$ **122,754**	$ **-**	$ **108,000**	$ **230,754**	$ 344,370
Donations	**116,256**	**-**	**-**	**116,256**	107,251
Network development fees	**114,040**	**-**	**-**	**114,040**	121,158
Gaming	**30,000**	**-**	**-**	**30,000**	25,000
Consulting	**19,198**	**-**	**-**	**19,198**	15,210
Investments	**14,242**	**-**	**-**	**14,242**	16,959
Projects (*Schedule 2*)	**-**	**-**	**-**	**-**	12,790
	416,490	**-**	**108,000**	**524,490**	642,738
Expenditures					
Personnel	**363,794**	**-**	**108,000**	**471,794**	439,205
Community connectors	**29,087**	**-**	**-**	**29,087**	47,841
Office and administration	**27,881**	**-**	**-**	**27,881**	31,335
Meetings and travel	**24,513**	**-**	**-**	**24,513**	19,926
Contractors and consultants	**23,604**	**-**	**-**	**23,604**	108,008
Premises	**20,568**	**-**	**-**	**20,568**	20,472
Professional fees	**12,055**	**-**	**-**	**12,055**	12,273
Member events	**8,651**	**-**	**-**	**8,651**	15,092
Amortization	**2,942**	**-**	**-**	**2,942**	3,481
Training and development	**1,858**	**-**	**-**	**1,858**	1,031
Donations (4)	**-**	**-**	**-**	**-**	7,067
	514,953	**-**	**108,000**	**622,953**	705,731
Excess (Deficiency) of Receipts over Expenditures	**(98,463)**	**-**	**-**	**(98,463)**	(62,993)
Fund balances – beginning of year	**(204,097)**	**-**	**-**	**(204,097)**	(141,104)
Fund Balances – End of Year	$ **(302,560)**	$ **-**	$ **-**	$ **(302,560)**	$ (204,097)

- The accompanying notes form an integral part of these financial statements -

Planned Lifetime Advocacy Network

Statement 3

For the Year Ended March 31, 2018

Statement of Cash Flows

		Total 2018		Total 2017
Operating Activities				
Deficiency of Receipts over Expenditures	$	(98,463)	$	(62,993)
Items not Affecting Cash				
Amortization on equipment		2,942		3,481
		(95,521)		(59,512)
Changes on Non-cash Working Capital				
Accounts receivable		13,233		(8,105)
Prepaids		42		42,482
Accounts payable and accrued liabilities		9,857		(17,763)
Deferred revenues		1,380		(33,333)
Deferred contributions		(108,352)		(147,394)
Current portion of long-term debt		-		(599)
Donation of equipment		-		7,067
		(83,840)		(157,645)
		(179,361)		(217,157)
Investing Activities				
Purchase of equipment		-		(1,971)
		-		(1,971)
Financing Activities				
Promissory note receivable		150,000		(150,000)
Long-term debt		300,000		-
Redemption of term deposits		26,000		288,500
		476,000		138,500
Net increase (decrease) in cash		296,639		(80,628)
Cash, beginning of year		73,038		153,666
Cash, End of Year	$	369,677	$	73,038

- The accompanying notes form an integral part of these financial statements -

NOTES TO FINANCIAL STATEMENTS

1) Nature of operations

Planned Lifetime Advocacy Network (the "Organization" or "PLAN") is incorporated under the Societies Act of British Columbia and is a registered charity under the Income Tax Act. PLAN is a not-for-profit organization established to build a network of caring people, friends and advocates for persons with disabilities and to monitor their quality of life for their lifetime.

2) Summary of significant accounting policies

a) Basis of presentation

The financial statements were prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations ("ASNPO").

b) Fund accounting

PLAN follows the deferral method of accounting for contributions.

Receipts and expenditures related to project activities are reported in the Project Fund.

Endowment and restricted contributions are reported in the Endowment and Internally Restricted Fund.

Any project, endowment, or internally restricted balances are restricted amounts not available for general operating purposes. Investment income earned on resources of certain internally and externally held endowment funds are reported in the Operating Fund. Externally held endowments are not reported in these financial statements.

c) Revenue recognition

Deferred contributions reported in the Operating, Project, and Endowment and Internally Restricted Funds relate to funding received in the current and prior periods that are related to the subsequent period projects and operations.

Deferred contributions are recognized as receipts of the appropriate fund in the year in which the related expenses are incurred.

Unrestricted contributions are recognized as receipts of the appropriate fund when received.

Endowment contributions are recognized as direct increases in the Endowment Fund balance.

d) Measurement uncertainty

The preparation of these financial statements 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 date of the financial statements and the reported amounts of receipts and expenditures during the reporting period. Significant areas that require estimates as the basis for determining the stated amounts include assumptions related to deferred contributions, and the allocation of expenditures, useful live of capital assets, and valuation of accounts receivable.

PLAN bases its estimates and assumptions on current facts, historical experience, and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities, and the accrual of costs and expenses that are not readily apparent from other sources. These estimates require extensive judgement about the nature, cost, and timing of the work to be completed and may change.

The actual results experienced by PLAN may differ materially from the Organization's estimates. To the extent there are differences between the estimates and the actual results, future results of operations will be affected.

e) Equipment

Amortization of capital assets is calculated on a declining-balance basis at the following annual rates:

Computer 30% to 50%

Equipment 20% to 30%

PLAN regularly reviews its capital assets to eliminate obsolete items. Capital assets are amortized at half the normal rate in the year of acquisition and is not amortized in the year of disposal.

Capital assets acquired during the year but not placed into use is not amortized until it is placed into use.

f) Deferred contributions

Funds received for which corresponding expenditures have not been incurred are recorded as deferred contributions in accordance with the deferral method of accounting for not-for-profit organizations. In addition, when a project is completed during the fiscal year, any surplus or deficit for that project is recognized as revenue in the period. An interfund transfer to the Operating Fund is recorded to transfer the project surplus, if any, in the Project Fund.

g) Cash

Cash consists of cash on hand, deposits in banks and highly liquid investments with an original maturity of three months or less.

h) Contributed services

Volunteers contribute time each year to assist PLAN in carrying out its activities. Because of the difficulty in determining the fair value, contributed services are not recognized in these financial statements.

i) Allocation of expenditures

PLAN allocates staff time (e.g. administration, project management) and operational expenses (e.g. rent, equipment use) directly related to projects on the basis of time and usage. When a project is completed during the fiscal year, any surplus is recognized as revenue in the period.

3) Financial instruments

All financial instruments are initially recorded at their fair market value, less significant associated transaction costs. Subsequently, publically traded fixed income securities are measured at their fair value. All loans and receivables are subsequently measured at their amortized cost using the effective interest method, while all other financial instruments are subsequently measured at fair value. Any unrealized gains or losses associated with subsequent measurements are recognized immediately in net excess of revenue over expenses. Unless otherwise noted, the fair value of these financial instruments approximate their carrying values due to their short-term maturity.

a) Credit risk

Credit risk refers to the risk that a counterparty may default on its obligations resulting in a financial loss to PLAN. PLAN is exposed to credit risk with respect to its accounts receivable. PLAN monitors and assesses, on a continual basis, the accounts and promissory notes receivable to and impairs any amounts that are not collectible.

b) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. PLAN holds all funds in Canadian dollars and therefore is not exposed to significant currency risk.

c) Interest rate risk

Interest rate risk is the risk of losses that arise as a result of changes in contracted interest rates. PLAN's exposure to interest rate risk relates to its ability to earn interest income on cash and term deposit at variable rates. The Organization is not exposed to significant interest rate risk.

d) Liquidity risk

Liquidity risk is the risk that PLAN cannot meet a demand for cash or fund its obligations as they come due. PLAN manages liquidity risk by continuously monitoring cash flow. As at March 31, 2018, PLAN holds unrestricted cash totalling $311,540 (2017 – $7,901) to settle liabilities of $42,631 (2017 - $32,823); accordingly, PLAN is exposed to moderate liquidity risk.

4) Related party transactions

Related party transactions and balances not disclosed elsewhere in the financial statements are as follows:

		Total 2018		Total 2017
RECEIPTS				
Office and administration	**$**	**36,000**	$	36,000
Consulting fees		**16,089**		20,540
		52,089		56,540
EXPENDITURES				
Personnel		**108,000**		120,000
Workshops and consulting		**456**		33,540
Projects		**-**		12,790
	$	**108,456**	$	166,330

All related party transactions occurred with Plan Institute for Citizenship and Disability (“Institute”). The PLAN Board of Directors are members of Plan Institute, a registered charity; accordingly, Institute is a related party.

- Included in accounts receivable is $347 (2017 - $18,920) owed from Institute.
- Included in accounts payable and accrued liabilities is $2,113 (2017 - $293) owed to Institute.
- During the year ended March 31, 2017, PLAN donated equipment with a fair value of $7,067 to Institute.

The above transactions occurring in the normal course of operations are measured at the exchange amount, which is the amount of consideration established and agreed to by the parties.

5) Accounts receivable

Included in accounts receivable is $452 (2017 - $3,012) of government remittances receivable.

6) Promissory note receivable

Pursuant to a promissory note entered into on March 29, 2017, PLAN advanced $150,000 to Institute. The promissory note was unsecured, non-interest bearing, and was set to mature on March 31, 2019. The promissory note was paid in full during year ended March 31, 2018.

7) Equipment

		Computer		Equipment		Total
COST OR DEEMED COST						
Balance at April 01, 2016	$	23,837	$	54,409	$	78,246
Additions		1,970		-		1,970
Dispositions		(3,283)		(3,784)		(7,067)
Balance at March 31, 2017		22,524		50,625		73,149
Additions		-		-		-
Dispositions		-		-		-
Balance at March 31, 2018		**22,524**		**50,625**		**73,149**
DEPRECIATION						
Balance at 01 April 2016		16,902		40,174		57,076
Depreciation for the year		1,391		2,090		3,481
Balance at March 31, 2017		18,293		42,263		60,557
Depreciation for the year		**1,268**		**1,673**		**2,941**
Balance at March 31, 2018		**19,561**		**43,937**		**63,498**
CARRYING AMOUNTS						
At March 31, 2017		4,231		8,361		12,592
At March 31, 2018	**$**	**2,963**	**$**	**6,688**	**$**	**9,651**

During the year ended March 31, 2017, PLAN donated computers and equipment with a net book value of $7,067 to Institute (Note 4).

8) Long-term debt

Details are as follows:

		March 31, 2018		March 31, 2017
Vancity Community Foundation promissory note [i]	$	**600,000**	$	300,000
Total long-term debt	$	**600,000**	$	300,000

[i]During the year ended March 31, 2012, PLAN signed a promissory note with the Vancity Community Foundation to borrow $300,000. Under the terms of the agreement, PLAN will not be charged interest on the principle outstanding but forfeits the income that would have otherwise been earned on the $300,000 principal investment with the Vancity Community Foundation. On July 26, 2016, Vancity Community Foundation renewed the promissory note signed during the year ended 31 March 2012 under the same terms for an additional five years. The renewed promissory note matures on December 12, 2021, after which time, the full principal amount of $300,000 is to be fully repaid, or a subsequent new financing or extension agreement will be entered into at that time. For the year ended March 31, 2018, PLAN signed another promissory note with the Vancity Community Foundation to borrow an additional $300,000 for a total of $600,000.

Subsequent to year-end the full $600,000 was forgiven by the Vancity Community Foundation (Note 13)

9) Deferred contributions

Operating funds are comprised of funding received from corporate sponsors and entities for which services have not yet been rendered.

The project revenue reflected in the statement of operations reflects project expenditures funded during the year. Project expenditures are funded from a combination of previously deferred contributions and current contributions to these deferred accounts.

		March 31, 2018		March 31, 2017
Operating funds				
Deferred consulting fees	$	**5,378**	$	5,730
Restricted funds				
Deferred contributions – Gordon Marshall Walker Fund [i]		**63,500**		171,500
Deferred contributions – Jack Collins Fund		**5,464**		5,464
Deferred contributions – Joey Grant Fund		**4,173**		4,173
		73,137		181,137
Total	$	**78,515**	$	186,867

[i] PLAN received a total of $379,500 from the Gordon Marshall Walker Trust. A signed agreement is in place which restricts the use of these funds, and therefore the amount has been recorded as a deferred contribution in accordance with the deferral method of accounting for not-for-profit organizations.

10) Fund management

PLAN's objective when managing its funds is to ensure sufficient funds are available to meet its obligation and to safeguard the Organization's ability to continue as a going concern so that it can continue to improve the lives of people with disabilities and enrich their communities to form mutually beneficial relationships and partnerships. PLAN intends to achieve this objective through continued training, consultations, and cost control.

11) Externally held endowment funds

The externally held Endowment Funds are accessible only in accordance with the terms of the deed of trust. Generally, the income earned in the funds are distributed to PLAN, and the amounts received are included in corporate and foundation funding and investment revenue streams in the statement of operations and changes in fund balances. All monies invested in the following funds become the property of the applicable foundation and as such these amounts are not reported in these financial statements. All of the balances below are based on figures at December 31, 2017.

a) St. Christopher's School Society Endowment Fund

PLAN is the beneficiary of the St. Christopher's School Society Endowment Fund ("St. Christopher's Fund"), held by and administered through the Vancouver Foundation ("Vancouver Foundation"). During the year ended March 31, 2018, PLAN received endowment interest of $37,096 (2017 - $35,562).

b) PLAN Circle of Friends Legacy Fund

PLAN is the beneficiary of a Circle of Friends Legacy Fund ("Circle of Friends Fund"), held by and administered through the Vancity Community Foundation. The balance of the Circle of Friends Fund as at December 31, 2017 is as follows:

	Contributed Principal	Market Value
Personal Network Sustaining Fund	$ 112,500	$ 139,058
Lucille Johnstone Discretionary Fund	30,000	43,646
Josh Bodner Endowment Fund	150,000	172,293
	$ 292,500	$ 354,997

The Circle of Friends Fund paid grants of $13,921 (2017 - $13,853) to PLAN during the year.

c) ICBC Endowment Fund

PLAN is the beneficiary of an ICBC Endowment Fund ("ICBC Fund"), also held by and administered through Vancity Community Foundation. During the year ended March 31, 2018, PLAN received ICBC endowment interest of $79,990 (2017 - $85,140).

Income earned on the ICBC Fund has been reduced on a proportionate basis as a result of the promissory note as disclosed in Note 6.

12) Income tax status

PLAN is registered as a Charitable Organization with the Charitable and Non-profit Organization Section of the Canada Revenue Agency, and as such, it is not liable for income taxes.

For the year ended March 31, 2018, PLAN has met the disbursement requirement to disburse 3.5% of all assets not currently used in charitable activities or administration if these assets exceed a threshold of $100,000, as PLAN did not hold any assets not currently used in charitable activities or administration.

13) Subsequent event

Subsequent to year-end, PLAN received confirmation from the Vancity Community Foundation that the two outstanding promissory notes made to PLAN from the ICBC Sustaining Endowment Fund for People with Disabilities totalling $600,000 were forgiven. These loans were forgiven effective September 1, 2018 and thus require no further repayment.

Planned Lifetime Advocacy Network

Year Ended March 31, 2018

Schedule of Project Fund Deferred Contributions

	RDSP Events[i]	Step-by-Step[ii]	Total
Deferred Contributions			
Opening, April 01, 2017	**$ -**	**$ -**	**$ -**
Contributions	-	-	-
Disbursements	-	-	-
Closing, March 31, 2018	-	-	-

Deferred Contributions	RDSP Events	Step-by-Step	Total
Opening, April 01, 2016	-	3,790	3,790
Contributions	9,000	-	9,000
Disbursements	(9,000)	(3,790)	(12,790)
Closing, March 31, 2017	$ -	$ -	$ -

(i) Bank of Montreal – RDSP Events
(ii) Bank of Montreal – Step-by-Step

Schedule of Project Expenditures

	RDSP Events[i]	Step-by-Step[ii]	Total
Project Expenditures			
For the year ended March 31, 2018			
Contractors and consultants	**$ -**	**$ -**	**$ -**
Total	-	-	-

Project Expenditures	RDSP Events	Step-by-Step	Total
For the year ended March 31, 2017			
Contractors and consultants	9,000	3,790	12,790
Total	$ 9,000	$ 3,790	$ 12,790