PLANNED LIFETIME ADVOCACY NETWORK

FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

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 10, 2019

Executive Director

Manager of Finance

INDEPENDENT AUDITOR'S REPORT

To the Members of Planned Lifetime Advocacy Network

Qualified Opinion

We have audited the statement of financial position of Planned Lifetime Advocacy Network ("PLAN" or the "Organization") as at March 31, 2019 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.

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 PLAN as at March 31, 2019, and the results of its operations and its cash flows for then year ended in accordance with Canadian generally accepted accounting principles.

Basis for Qualified Opinion

In common with many not-for-profit organizations, Planned Lifetime Advocacy Network derives revenue from donations and fundraising activities, 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, 2019 and 2018, current assets as at March 31, 2019 and 2018, and net assets as at April 1 and March 31 for both the 2019 and 2018 years. Our audit opinion on the financial statements for the year ended March 31, 2018 was modified accordingly because of the possible effects of this scope limitation.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Report on Other Legal and Regulatory Requirements

As required by the Societies Act of British Columbia, we report that, in our opinion, these accounting principles have been applied on a basis that is consistent with that of the preceeding period.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization's or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Clearline

September 10, 2019
Vancouver, BC

CHARTERED PROFESSIONAL ACCOUNTANTS

clearline CPA

PLANNED LIFETIME ADVOCACY NETWORK

Statement 1

AS AT MARCH 31, 2019

STATEMENT OF FINANCIAL POSITION

		Operating Fund	Endowment and Internally Restricted	Total 2019	Total 2018
ASSETS					
Current Assets					
Cash		$ 242,340	$ -	$ 242,340	$ 369,677
Term deposits		15,000	-	15,000	15,000
Accounts receivable		24,427	-	24,427	13,459
Prepaid expenses		1,749	-	1,749	12,229
Inter-fund payable (receivable)	(1b)	(8,637)	8,637	-	-
		274,879	8,637	283,516	410,365
Non-current Assets					
Capital assets	(6)	1,750	-	1,750	9,651
		$ 276,629	$ 8,637	$ 285,266	$ 420,016
LIABILITIES					
Current Liabilities					
Accounts payable and accrued liabilities		$ 49,531	$ -	$ 49,531	$ 42,681
Deferred revenue	(8)	4,200	-	4,200	6,758
Deferred contributions	(8)	-	8,637	8,637	73,137
		53,731	8,637	62,368	122,576
Non-current Liabilities					
Promissory note	(7)	-	-	-	600,000
		53,731	8,637	62,368	722,576
FUND BALANCES					
Invested in capital assets		1,750	-	1,750	9,651
Unrestricted (*Statement 2*)		221,148	-	221,148	(312,211)
		222,898	-	222,898	(302,560)
		$ 276,629	$ 8,637	$ 285,266	$ 420,016

Nature of operations (1)

Summary of significant accounting policies (2)

Income tax status (12)

The financial statements were approved by the Board of Directors on September 10, 2019 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, 2019

Statement of Operations and Changes in Fund Balances

	Operating Fund	Endowment and Internally Restricted	Total 2019	Total 2018
Receipts				
Corporate and foundational funding	$ 174,792	$ 63,500	$ 238,292	$ 230,754
Network development fees	117,320	-	117,320	114,040
Donations	70,430	-	70,430	116,256
Consulting	44,472	-	44,472	19,198
Gaming grant	36,000	-	36,000	30,000
Investments	14,463	-	14,463	14,242
	457,477	63,500	520,977	524,490
Expenditures				
Personnel	358,119	63,500	421,619	471,794
Professional fees	53,759	-	53,759	12,055
Community connectors	30,457	-	30,457	29,087
Office and administration	25,557	-	25,557	27,881
Meetings and travel	28,310	-	28,310	24,513
Contractors and consultants	10,059	-	10,059	23,604
Premises	9,463	-	9,463	20,568
Member events	4,119	-	4,119	8,651
Training and development	2,331	-	2,331	1,858
Bad debts	850	-	850	-
Amortization	516	-	516	2,942
	523,540	63,500	587,040	622,953
Excess (Deficiency) of Receipts over Expenditures from operations	(66,063)	-	(66,063)	(98,463)
Other Income (Expense)				
Forgiveness of promissory note	600,000	-	600,000	-
Loss on disposition of assets	(8,479)	-	(8,479)	-
	591,521	-	591,251	-
Excess (Deficiency) of Receipts over Expenditures	525,458	-	525,458	(98,463)
Fund balances – beginning of year	(302,560)	-	(302,560)	(204,097)
Fund Balances – End of Year	$ 222,898	$ -	$ 222,898	$ (302,560)

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

Statement 3

PLANNED LIFETIME ADVOCACY NETWORK

FOR THE YEAR ENDED MARCH 31, 2019

STATEMENT OF CASH FLOWS

		Total 2019		Total 2018
OPERATING ACTIVITIES				
Excess (Deficiency) of Receipts over Expenditures	$	**525,458**	$	(98,463)
Items not Affecting Cash				
Amortization on capital assets		**516**		2,942
Forgiveness of promissory note		**(600,000)**		-
Gain on disposition of assets		**8,479**		-
		(65,547)		(95,521)
Changes on Non-cash Working Capital				
Accounts receivable		**(10,968)**		13,233
Prepaids		**10,480**		42
Accounts payable and accrued liabilities		**6,850**		9,857
Deferred revenues		**2,820**		1,380
Deferred contributions		**(69,878)**		(108,352)
		(60,696)		(83,840)
		(126,243)		(179,361)
INVESTING ACTIVITIES				
Purchase of capital assets		**(1,094)**		-
		(1,094)		-
FINANCING ACTIVITIES				
Promissory note receivable		**-**		150,000
Promissory note		**-**		300,000
Redemption of term deposits		**-**		26,000
		-		476,000
Net increase (decrease) in cash		**(127,337)**		296,639
Cash, beginning of year		**369,677**		73,038
Cash, End of Year	**$**	**242,340**	$	369,677

- 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”) was established in 1989 by families who wanted an answer to the question, “What will happen to our children with disabilities when we are gone?” The organization is incorporated under the Societies Act of British Columbia and is a registered charity under the Income Tax Act. PLAN's mission is to help families secure the future for their relative with a disability and to provide peace of mind.

Since 1989, we have partnered with hundreds of families and people with disabilitieson three key activities:

- Personal Support Networks - We collaborate to build personal support networks that empower contribution, security and citizenship for people with disabilities.
- Planning For a Good Life - We partner with families on planning and advocacy to ensure loved ones with disabilities are safe and secure for their lifetime.
- Family Support and Leadership - Our network of families regularly comes together for mutual support, to share solutions and promote family leadership in our community.

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

The operating fund reports the daily operating activities of the Organization.

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

Any 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.

The inter-fund payable (receivable) represents the restricted cash balance necessary to fund the Institute’s project activity which, as at March 31, 2019, remained deposited in the general operating account.

c) Revenue recognition

PLAN follows the deferral method of accounting for contributions.

Deferred contributions reported in the Operating, 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.

Revenus from consulting activities are recognized as earned.

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:
- 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) Capital assets

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.

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, due of the difficulty of determining the fair value of contributed services, they not recognized in these financial statements.

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 receivable 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, 2019, PLAN holds unrestricted cash totalling $242,340 (2018 – $369,677) to settle current liabilities of $62,368 (2018 - $122,576); accordingly, PLAN is not exposed to significant liquidity risk.

4) Related party transactions

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

		Total 2019		Total 2018
RECEIPTS				
Office and administration	**$**	**9,000**	$	36,000
Consulting fees		**38,064**		16,089
		47,064		52,089
EXPENDITURES				
Personnel		**74,052**		108,000
Workshops and consulting		**415**		456
	$	**74,467**	$	108,456

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

- Included in accounts receivable is $1,853 (2018 - $347) owed from Institute.
- Included in accounts payable and accrued liabilities is $105 (2018 - $2,385) owed 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) 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.

6) Equipment

		Computer		Equipment		Total
COST OR DEEMED COST						
Balance at April 01, 2017	$	22,524	$	50,625	$	73,149
Additions		-		-		-
Dispositions		-		-		-
Balance at March 31, 2018		22,524		50,625		73,149
Additions		**1,094**		**-**		**1,094**
Dispositions		**(20,554)**		**(50,625)**		**(71,179)**
Balance at March 31, 2019		**3,064**		**-**		**3,064**
DEPRECIATION						
Balance at 01 April 2017		18,293		42,263		60,556
Depreciation for the year		1,268		1,673		2,941
Balance at March 31, 2018		19,561		43,936		63,497
Depreciation for the year		**516**		**-**		**516**
Dispositions for the year		**(18,764)**		**(43,936)**		**(62,700)**
Balance at March 31, 2019		**1,313**		**-**		**1,313**
CARRYING AMOUNTS						
At March 31, 2018		2,963		6,688		9,651
At March 31, 2019	**$**	**1,750**	**$**	**-**	**$**	**1,750**

7) Promissory Note

Details are as follows:

		March 31, 2019		March 31, 2018
Vancity Community Foundation promissory note (i)	**$**	**600,000**	**$**	300,000
Forgiveness of promissory note		**(600,000)**		-
Total promissory note	**$**	**-**	**$**	300,000

(i) For the year ended March 31, 2018, PLAN signed a promissory note with the Vancity Community Foundation for $600,000. During the year the full $600,000 was forgiven by the Vancity Community Foundation through a reduction of the principle held in the ICBC Endowment Fund. See note 11C.

8) Deferred contributions and revenue

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.

				Total
DEFERRED REVENUE				
Opening, March 31, 2018			$ 6,758	$ 6,758
Received			**16,801**	**16,801**
Revenue recognized			**19,359**	**19,359**
Closing, March 31, 2019			**$ 4,200**	**$ 4,200**
DEFERRED CONTRIBUTIONS RESTRICTED	Gordon Marshall Walker Fund	Jack Collins Fund	Joey Grant Fund	Total
Closing,March 31, 2018	$ 63,500	$ 5,464	$ 4,173	$ 73,137
Disbursements	**(63,500)**	**(1,000)**	**-**	**(64,500)**
Closing, March 31, 2018	**$ -**	**$ 4,464**	**$ 4,173**	**$ 8,637**

9) 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.

10) Rumeration paid to employees and contractors

Under the BC Societies Act regulations, all Societies, which are not designated as a member funded Society are required to disclose any remuneration paid to employees or contractors that earn over $75,000, and disclose any payments made to Directors of Society. For the year-ended March 31, 2019, the Society had 1 employee who earned over $75,000 for a total remuneration for the year of $83,124.

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, 2018.

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, 2019, PLAN received endowment interest of $38,991 (2018 - $37,096) included in corporate and foundational funding.

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, 2018 is as follows:

	Contributed Principal	Market Value
Personal Network Sustaining Fund	$ 112,500	$ 134,336
Lucille Johnstone Discretionary Fund	30,000	42,158
Josh Bodner Endowment Fund	150,000	166,420
	$ 292,500	$ 342,914

The Circle of Friends Fund paid grants of $14,200 (2018 - $13,921) 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, 2019, PLAN received ICBC endowment interest of $75,801 (2018 - $79,990) included in corporate and foundational funding.

Income earned on the ICBC Fund has been reduced on a proportionate basis as a result of the forgiveness of amouns owing under the promissory note as disclosed in Note 7.

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, 2019, 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.