

# PLANNED LIFETIME ADVOCACY NETWORK

## FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

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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.

BDO Canada LLP, 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.

August 25, 2020

*Rebecca Pauls*

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Executive Director

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## INDEPENDENT AUDITOR'S REPORT

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To the members of Planned Lifetime Advocacy Network

### Qualified Opinion

We have audited the financial statements of Planned Lifetime Advocacy Network (the "Organization"), which comprise the statement of financial position as at March 31, 2020, and the statements of operations and changes in fund balances, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2020, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Basis for Qualified Opinion

In common with many not-for-profit organizations, the Organization derives revenue from donation 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 the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to donation revenue, excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2020, current assets as at March 31, 2020, and net assets as at April 1, 2019 and March 31, 2020. The predecessor auditor's opinion on the financial statements for the year ended March 31, 2019 was modified accordingly because of the possible effects of this limitation in scope.

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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### Other Matter

The financial statements of the Organization for the year ended March 31, 2019 were audited by another auditor who expressed a qualified opinion on those financial statements on September 10, 2019, for the reasons described in the Basis for Qualified Opinion Section.

### Responsibilities of Management and Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization 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.

BDO Canada LLP, a Canadian limited liability partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.



## 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 Organization 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.

## Report on Other Legal and Regulatory Requirements

As required by the Societies Act of British Columbia, we report that, in our opinion, the accounting principles in Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

*BDO Canada LLP*

Chartered Professional Accountants

Vancouver, British Columbia  
August 25, 2020

AS AT MARCH 31, 2020

## STATEMENT OF FINANCIAL POSITION

	Operating Fund	Endowment and Internally Restricted	Total 2020	Total 2019
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash	\$ 184,338	\$ -	\$ 184,338	\$ 242,340
Term deposits	15,127	-	15,127	15,000
Accounts receivable	37,356	-	37,356	24,427
Prepaid expenses	3,654	-	3,654	1,749
HST receivable	7,449	-	7,449	
Inter-fund payable	(8,637)	8,637	-	-
	239,287	8,637	247,924	283,516
<b>Non-current Assets</b>				
Equipment	(4) 1,225	-	1,225	1,750
	\$ 240,512	\$ 8,637	\$ 249,149	\$ 285,266
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts payable and accrued liabilities	\$ 51,789	\$ -	\$ 51,789	\$ 49,531
Deferred revenue	7,121	-	7,121	4,200
Deferred contributions	-	8,637	8,637	8,637
	58,910	8,637	67,547	62,368
<b>FUND BALANCES</b>				
Invested in capital assets	1,225	-	1,225	1,750
Unrestricted ( <i>Statement 2</i> )	180,377	-	180,377	221,148
	181,602	-	181,602	222,898
	\$ 240,512	\$ 8,637	\$ 249,149	\$ 285,266
Nature of operations	(1)	Summary of significant accounting policies		(2)
Income tax status	(9)	Subsequent event		(10)

The financial statements were approved by the Board of Directors on August, 25 2020 and were signed on its behalf by:

Cathy Anthony  
Director

Dallas Hinton  
Director

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES

	Operating Fund	Endowment and Internally Restricted	Total 2020	Total 2019
<b>REVENUE</b>				
Corporate and foundation funding	\$ 176,564	\$ -	\$ 176,564	\$ 238,292
Network development fees	116,254	-	116,254	117,320
Donations	67,133	-	67,133	70,430
Consulting	58,161	-	58,161	44,472
Gaming grant	36,000	-	36,000	36,000
Investment income	14,048	-	14,048	14,463
	468,160	-	468,160	520,977
<b>EXPENSE</b>				
Salaries and benefits	328,476	-	328,476	421,619
Legal, audit, and accounting fees	60,213	-	60,213	53,759
Community connectors	37,758	-	37,758	30,457
Meetings and travel	26,327	-	26,327	28,310
Office and administration	21,569	-	21,569	25,557
Contractors and consultants	12,847	-	12,847	10,059
Premises	9,878	-	9,878	9,463
Member events	9,193	-	9,193	4,119
Training and development	2,670	-	2,670	2,331
Amortization	525	-	525	516
Bad debts	-	-	-	850
	509,459	-	509,456	587,040
	(41,296)	-	(41,296)	(66,063)
Other Income (Expense)				
Forgiveness of debt	(5)	-	-	600,000
Loss on disposition of assets	-	-	-	(8,479)
	-	-	-	591,251
(Deficiency) Excess of Revenue over Expense	(41,296)	-	(41,296)	525,458
Fund balances - beginning of year	222,898	-	222,898	(302,560)
Fund Balances - End of Year	\$ 181,602	\$ -	\$ 181,602	\$ 222,898

STATEMENT OF CASH FLOWS

	Total 2020	Total 2019
<b>OPERATING ACTIVITIES</b>		
(Deficiency) Excess of Revenue over Expense	\$ (41,296)	\$ 525,458
Items not Affecting Cash		
Amortization on capital assets	525	516
Gain on forgiveness of debt	-	(600,000)
Loss on disposition of assets	-	8,479
	(40,771)	(65,547)
Changes on Non-cash Working Capital		
Accounts receivable	(12,929)	(10,968)
GST recoverable	(7,449)	-
Prepaid expenses	(1,905)	10,480
Accounts payable and accrued liabilities	2,258	6,850
Deferred revenue	2,921	2,820
Deferred contributions	-	(69,878)
	(17,104)	(60,696)
	(57,875)	(126,243)
<b>INVESTING ACTIVITIES</b>		
Purchase of capital assets	-	(1,094)
	-	(1,094)
<b>FINANCING ACTIVITIES</b>		
Purchase of term deposit	(15,127)	-
Redemption of term deposits	15,000	-
	(127)	-
Net Decrease in Cash	(58,002)	(127,337)
Cash, beginning of year	242,340	369,677
Cash and Cash Equivalents, End of Year	\$ 184,338	\$ 242,340



# PLANNED LIFETIME ADVOCACY NETWORK

## FOR THE YEAR ENDED 31 MARCH 2020

### 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. The Organization'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 disabilities on 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.

##### c) Revenue recognition

PLAN follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Restricted contributions for the acquisition of property and equipment are deferred and amortized over the remaining useful life of the asset acquired.

Unrestricted contributions are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Endowment contributions are recognized as direct increases in net assets.

PLANNED LIFETIME ADVOCACY NETWORK  
YEAR ENDED MARCH 31, 2020  
NOTES TO FINANCIAL STATEMENTS

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 revenue and expense during the reporting period. Significant areas that require estimates as the basis for determining the stated amounts include assumptions related to:

- deferred contributions,
- useful live of capital assets.

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%

f) Deferred contributions

Restricted 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 and cash equivalents

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 and materials

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.

Contributed materials are recorded, when received, at the third party assessment, only if they would otherwise be purchased.

PLANNED LIFETIME ADVOCACY NETWORK  
YEAR ENDED MARCH 31, 2020  
NOTES TO FINANCIAL STATEMENTS

3) Financial instruments

All financial instruments are initially recorded at their fair market value. Subsequently, publically traded securities are measured at their fair value.

All other financial instruments are subsequently measured at their amortized cost using the effective interest method.

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, 2020, PLAN holds unrestricted cash totalling \$184,338 (2019 - \$242,340) to settle liabilities of \$55,610 (2019 - \$62,368); accordingly, PLAN is not exposed to significant liquidity risk.

PLANNED LIFETIME ADVOCACY NETWORK  
YEAR ENDED MARCH 31, 2020  
NOTES TO FINANCIAL STATEMENTS

4) Equipment

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at estimated fair value at the date of contribution.

	Computer	Total
<b>COST OR DEEMED COST</b>		
Balance at April 01, 2018	\$ 22,524	73,149
Additions	1,094	1,094
Dispositions	(20,554)	(71,179)
Balance at March 31, 2020 and 2019	3,064	3,064
<b>DEPRECIATION</b>		
Balance at 01 April 2018	19,562	63,498
Amortization for the year	516	516
Dispositions for the year	(18,764)	(62,700)
Balance at March 31, 2019	1,314	1,314
Amortization for the year	525	525
Balance at March 31, 2020	1,839	1,839
<b>CARRYING AMOUNTS</b>		
At March 31, 2019	1,750	1,750
At March 31, 2020	\$ 1,225	\$ 1,225

5) Long-term debt

In the year-end March, 31 2019, the Vancouver Foundation forgave a promissory note from PLAN in the amount of \$600,000.

6) 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.

7) Remuneration 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 greater than \$75,000, and to disclose and payments made to directors of the society. For the year-end 31 March 2020, PLAN had one qualifying employee, for a total remuneration for the year of \$83,000.

PLANNED LIFETIME ADVOCACY NETWORK  
YEAR ENDED MARCH 31, 2020  
NOTES TO FINANCIAL STATEMENTS

8) 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 are distributed to PLAN, and amounts received are included in corporate and foundation funding and investment revenue streams. 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, 2019.

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, 2020, PLAN received endowment interest of \$40,625 (2019 - \$38,991).

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.

c) ICBC Endowment Fund

PLAN is the beneficiary of an ICBC Endowment Fund ("ICBC Fund"), also held by and administered through Vancity Community Foundation.

9) 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, 2020, 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.

10) Subsequent event

The global health pandemic, caused by COVID-19, has had significant impact on businesses and not-for-profit organizations, through restrictions on travel, business operations and isolation or quarantine orders. At this time, the extent of the impact that COVID-19 may have on PLAN is unknown and will depend on future developments that are uncertain and cannot be estimated with confidence. These uncertainties stem from the inability to predict the timing and geographic spread of the disease, the duration of the crisis, including limitations on travel, business operations and isolation or quarantine measures, in Canada and Globally. PLAN continues to monitor operations and to assess the impact of COVID-19.