

**CANADIAN POSITIVE PEOPLE NETWORK (CPPN) /  
RÉSEAU CANADIEN DES PERSONNES SÉROPOSITIVES (RCPS)**

**FINANCIAL STATEMENTS**

**MARCH 31, 2018**

**CANADIAN POSITIVE PEOPLE NETWORK (CPPN) /  
RÉSEAU CANADIEN DES PERSONNES SÉROPOSITIVES (RCPS)**

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## INDEPENDENT AUDITOR'S REPORT

To the Members of  
Canadian Positive People Network (CPPN) /  
Réseau canadien des personnes séropositives (RCPS)

### *Opinion*

We have audited the financial statements of Canadian Positive People Network (CPPN) / Réseau canadien des personnes séropositives (RCPS) (the Organization), which comprise the statement of financial position as at March 31, 2018, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### *Basis for Opinion*

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 opinion.

### *Other Matter*

The statement of financial position as at March 31, 2017, and the statements of operations, changes in net assets and cash flows for the year then ended are unaudited.

### *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 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.

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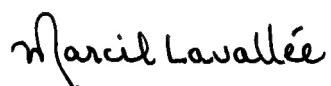
### *Auditor's Responsibilities for the Audit of the Financial Statements*

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 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.



Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Ontario  
December 13, 2019

**CANADIAN POSITIVE PEOPLE NETWORK (CPPN) /  
RÉSEAU CANADIEN DES PERSONNES SÉROPOSITIVES (RCPS)**

**STATEMENT OF OPERATIONS**

**FOR THE YEAR ENDED MARCH 31, 2018**

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	2018	2017
<b>REVENUE</b>		
Public Health Agency of Canada (PHAC) contribution	\$ 106,169	\$ -
Donations	1,549	2,033
Interest	97	-
Contracts	-	5,000
	<b>107,815</b>	<b>7,033</b>
<b>EXPENSES</b>		
<b>Project expenses (PHAC)</b>		
Contractual employees	58,520	-
Travel and accommodation	38,176	-
Materials	5,984	-
Meeting expenses	3,489	-
	<b>106,169</b>	<b>-</b>
<b>Operating expenses</b>		
Office expenses	545	1,477
Travel and accommodation	-	1,837
Interest and service charges	44	121
Professional fees	-	427
	<b>589</b>	<b>3,862</b>
	<b>106,758</b>	<b>3,862</b>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<b>\$ 1,057</b>	<b>\$ 3,171</b>

**CANADIAN POSITIVE PEOPLE NETWORK (CPPN) /  
RÉSEAU CANADIEN DES PERSONNES SÉROPOSITIVES (RCPS)**

**STATEMENT OF CHANGES IN NET ASSETS**

**FOR THE YEAR ENDED MARCH 31, 2018**

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	Unrestricted	Internal restriction - Dr. Walter Ewing Fund	2018 Total	2017 Total
<b>BALANCE, BEGINNING OF YEAR</b>	\$ 4,690	\$ 1,711	\$ 6,401	\$ 3,230
Excess of revenue over expenses	1,057	-	1,057	3,171
<b>BALANCE, END OF YEAR</b>	\$ 5,747	\$ 1,711	\$ 7,458	\$ 6,401

**CANADIAN POSITIVE PEOPLE NETWORK (CPPN) /  
 RÉSEAU CANADIEN DES PERSONNES SÉROPOSITIVES (RCPS)**

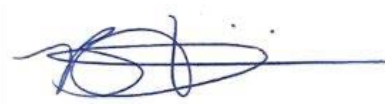
**STATEMENT OF FINANCIAL POSITION**

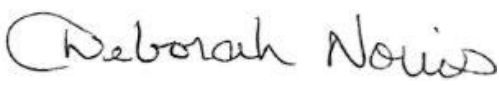
**MARCH 31, 2018**

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	2018	2017
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 24,371	\$ 6,401
Accounts receivable	5,584	-
Advance to the Executive Director	10,000	-
Prepaid expenses	12,000	-
	<b>\$ 51,955</b>	<b>\$ 6,401</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 427	\$ -
Deferred contribution (Note 3)	44,070	-
	<b>44,497</b>	<b>-</b>
<b>NET ASSETS</b>		
Unrestricted	5,747	4,690
Internal restriction		
Dr. Walter Ewing Fund (Note 4)	1,711	1,711
	<b>7,458</b>	<b>6,401</b>
	<b>\$ 51,955</b>	<b>\$ 6,401</b>

ON BEHALF OF THE BOARD

  
 \_\_\_\_\_, Director

  
 \_\_\_\_\_, Director

**CANADIAN POSITIVE PEOPLE NETWORK (CPPN) /  
RÉSEAU CANADIEN DES PERSONNES SÉROPOSITIVES (RCPS)**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED MARCH 31, 2018**

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	2018	2017
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenses	\$ 1,057	\$ 3,171
<b>Net change in non-cash working capital items:</b>		
Accounts receivable	(5,584)	-
Prepaid expenses	(12,000)	-
Accounts payable	427	-
Deferred contribution	44,070	-
	<b>26,913</b>	<b>-</b>
	<b>27,970</b>	<b>3,171</b>
<b>INVESTING ACTIVITY</b>		
Change in advance to the Executive Director	(10,000)	-
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>17,970</b>	<b>3,171</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>6,401</b>	<b>3,230</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 24,371</b>	<b>\$ 6,401</b>

Cash and cash equivalents consist of cash.



# CANADIAN POSITIVE PEOPLE NETWORK (CPPN) / RÉSEAU CANADIEN DES PERSONNES SÉROPOSITIVES (RCPS)

## NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2018

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### 1. STATUTE AND NATURE OF OPERATIONS

Canadian Positive People Network (CPPN) / Réseau canadien des personnes séropositives (RCPS) was incorporated without share capital as a not-for-profit organization under the Canada Not-for-profit Corporations Act and, as such, is exempt from income tax.

The Organization is a national independent network by and for people living with HIV and HIV co-infections who advocates for better services for the community, while focusing on barriers to prevention, care, treatment and support, on research and on knowledge translation and exchange.

### 2. SIGNIFICANT ACCOUNTING POLICIES

The Organization applies Canadian accounting standards for not-for-profit organizations (ASNFPO) in accordance with Part III of the CPA Canada Handbook – Accounting.

#### **Use of estimates**

The preparation of financial statements in compliance with the ASNFPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses for the periods covered.

#### **Revenue recognition**

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred when the amount to be received can be reasonably estimated and collection is reasonably assured.

Donations are recognized when receivable and interest income is recognized when earned.

#### **Contribution receivable**

A contribution receivable is recognized as an asset when the amount to be received can be reasonably estimated and ultimate collection is reasonably assured.

#### **Financial instruments**

##### *Measurement of financial instruments*

The Organization initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions.

The Organization subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable.

**CANADIAN POSITIVE PEOPLE NETWORK (CPPN) /  
RÉSEAU CANADIEN DES PERSONNES SÉROPOSITIVES (RCPS)**

**NOTES TO THE FINANCIAL STATEMENTS**

**MARCH 31, 2018**

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Financial instruments (continued)**

*Impairment*

Financial assets measured at cost are tested for impairment when there are indicators of possible impairment. The Organization determines whether a significant adverse change has occurred in the expected timing or amount of future cash flows from the financial asset. If this is the case, the carrying amount of the asset is reduced directly to the higher of the present value of the cash flows expected to be generated by holding the asset, and the amount that could be realized by selling the asset at the balance sheet date. The amount of the write-down is recognized in operations. The previously recognized impairment loss may be reversed to the extent of the improvement, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in operations.

**Cash and cash equivalents**

The Organization's policy is to disclose bank balances under cash and cash equivalents, including bank overdrafts with balances that can fluctuate from being positive to overdrawn.

**3. DEFERRED CONTRIBUTION**

	<b>2018</b>	<b>2017</b>
Balance, beginning of year	\$ -	\$ -
Plus: Amount granted in the year	<b>150,239</b>	-
Less: Amount recognized as revenue in the year	<b>(106,169)</b>	-
Balance, end of year	<b>\$ 44,070</b>	\$ -

The deferred contribution is from Public Health Agency of Canada.

**4. INTERNAL RESTRICTION - DR. WALTER EWING FUND**

The Dr. Walter Ewing Fund was established to honour the memory of one of the Organization's founding members and one of its first members of the Board of Directors. The Fund allocates dedicated financial resources to support the participation of the Organization members at community-based events, meetings, conferences, workshops, symposia and more.

**CANADIAN POSITIVE PEOPLE NETWORK (CPPN) /  
RÉSEAU CANADIEN DES PERSONNES SÉROPOSITIVES (RCPS)**

**NOTES TO THE FINANCIAL STATEMENTS**

**MARCH 31, 2018**

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**5. CONTINGENCIES**

**Other indemnification agreements**

In the normal course of operations, the Organization signs agreements whereby funds are provided for the execution of projects which are subject to restrictions as to the use of the funds. The funders can execute an audit of the financial records of the Council to ensure compliance with the project requirements. In the event that amounts to be reimbursed are identified, the necessary adjustments will be recognized in the year they are identified.