

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

FINANCIAL STATEMENTS

MARCH 31, 2021

**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, 2021, 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, 2021, 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.

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.

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
July 6, 2021

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

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2021

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	2021	2020
REVENUE		
Public Health Agency of Canada (PHAC) contribution	\$ 150,075	\$ 38,111
Interest	181	38
Other	5	17,201
	150,261	55,350
EXPENSES		
Project expenses (PHAC)		
Contractual fees	79,416	13,571
Professional and bookkeeping fees	29,220	14,250
Evaluation	24,000	2,250
Materials	10,261	1,661
Peer engagement honoraria	3,675	-
Insurance	1,705	800
Office equipment	1,798	1,630
Travel and accommodation	-	3,949
	150,075	38,111
Operating expenses		
Office expenses	229	-
Other	140	51
Contractual fees	-	4,247
Professional fees	-	2,950
	369	7,248
	150,444	45,359
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ (183)	\$ 9,991

**CANADIAN POSITIVE PEOPLE NETWORK (CPPN) /
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**STATEMENT OF CHANGES IN NET ASSETS
 FOR THE YEAR ENDED MARCH 31, 2021**

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		Unrestricted	Internal restriction - Dr. Walter Ewing Fund	2021 Total	2020 Total
BALANCE, BEGINNING OF YEAR	\$	9,038	\$ 1,711	\$ 10,749	758
Excess (deficiency) of revenues over expenses		(183)	-	(183)	9,991
BALANCE, END OF YEAR	\$	8,855	\$ 1,711	\$ 10,566	10,749

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

STATEMENT OF FINANCIAL POSITION

MARCH 31, 2021

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	2021	2020
ASSETS		
CURRENT ASSETS		
Cash	\$ -	\$ 13,056
Term deposit - 2%, matured in June 2020	-	2,000
Contribution receivable from the Public Health Agency of Canada	18,500	2,522
Accounts receivable (Note 3)	16,434	23,039
Prepaid expenses	2,559	2,968
	\$ 37,493	\$ 43,585
LIABILITIES		
CURRENT LIABILITIES		
Bank indebtedness	\$ 127	\$ -
Accounts payable	11,257	32,836
Deferred contribution (Note 4)	15,543	-
	26,927	32,836
NET ASSETS		
Unrestricted	8,855	9,038
Internal restriction		
Dr. Walter Ewing Fund (Note 5)	1,711	1,711
	10,566	10,749
	\$ 37,493	\$ 43,585

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, 2021

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	2021	2020
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ (183)	\$ 9,991
Net change in non-cash items related to operating activities:		
Contribution receivable from the Public Health Agency of Canada	(15,978)	(2,522)
Accounts receivable	6,605	(23,039)
Prepaid expenses	409	(2,968)
Accounts payable	(21,579)	14,764
Deferred contribution	15,543	(35,589)
	(15,000)	(49,354)
	(15,183)	(39,363)
INVESTING ACTIVITY		
Net change in term deposit	2,000	(2,000)
DECREASE IN CASH AND CASH EQUIVALENTS	(13,183)	(41,363)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	13,056	54,419
CASH AND CASH EQUIVALENTS (DEFICIENCY), END OF YEAR	\$ (127)	\$ 13,056

Cash and cash equivalents consist of cash and bank indebtedness.

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

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2021

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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 the Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook – Accounting.

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount 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 received and other revenues are recognized in the year received or receivable if the amount to be received can be estimated and collections reasonably assured.

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

Initial and subsequent measurement

The Organization initially measures its financial assets and liabilities at fair value, except for certain related party transactions that are measured at the carrying amount or exchange amount, as appropriate.

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

**CANADIAN POSITIVE PEOPLE NETWORK (CPPN) /
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NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2021

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2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets measured at amortized cost include cash, term deposit, contribution receivable and accounts receivable.

Financial liabilities measured at amortized cost include bank indebtedness and accounts payable.

Impairment

For financial assets measured at cost or amortized cost, the Organization determines whether there are indications of possible impairment. When there is an indication of impairment, and the Organization determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in operations. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be 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.

Capital assets

Capital assets are expensed in the year they are purchased.

Cash and cash equivalents

The Organization's policy is to present bank balances, including bank indebtedness with balances that fluctuate frequently from being positive to overdrawn, under cash and cash equivalents.

3. ACCOUNTS RECEIVABLE

	2021	2020
Accounts receivable	\$ 3,500	\$ -
Sales taxes receivable	12,934	23,039
	\$ 16,434	\$ 23,039

**CANADIAN POSITIVE PEOPLE NETWORK (CPPN) /
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NOTES TO THE FINANCIAL STATEMENTS

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4. DEFERRED CONTRIBUTION

Changes in deferred contributions are as follows:

	2021	2020
Balance, beginning of year	\$ -	\$ 35,589
Plus: Amount granted in the year	165,618	-
Less: Amount recognized as revenue in the year	(150,075)	(35,589)
Balance, end of year	\$ 15,543	\$ -

The deferred contribution is from the Public Health Agency of Canada.

5. 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 member 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.

6. 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 Organization 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.