

**THE AIDS COMMITTEE
OF YORK REGION INC.**

REPORT AND FINANCIAL STATEMENTS

MARCH 31, 2010



THE AIDS COMMITTEE OF YORK REGION INC.

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MARCH 31, 2010

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DAURIO & FRANKLIN LLP
CHARTERED ACCOUNTANTS

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AUDITORS' REPORT

To the Directors of
The Aids Committee of York Region Inc.

We have audited the statement of financial position of The Aids Committee of York Region Inc. as at March 31, 2010 and the statement of operations and fund balances for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many charitable organizations, the organization derives revenue from donations and contributions, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to revenues or excess (deficiency) of revenue over expenditures and fund balances.

In our opinion, except for the effect of adjustments, in any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the revenues referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2010 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

Daurio & Franklin LLP

Chartered Accountants, Licensed Public Accountants

Toronto, Ontario

May 19, 2010



THE AIDS COMMITTEE OF YORK REGION INC.

STATEMENT OF FINANCIAL POSITION

As at March 31, 2010

	2010	2009
	\$	\$
ASSETS		
Current Assets		
Cash	81,429	38,436
Cash - restricted	11,715	19,138
Term deposits	57,105	6,839
Grants receivable	5,260	34,138
Prepaid expenses and sundry receivables	7,002	5,824
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	162,511	104,375
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LIABILITIES AND FUND BALANCES		
Current Liabilities		
Accounts payable and accrued liabilities	39,356	15,316
Deferred contributions - (Note 5)	19,300	-
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	58,656	15,316
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Fund Balances		
General Fund	93,811	69,921
Restricted Program Fund	10,044	19,138
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	103,855	89,059
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	162,511	104,375
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Approved on behalf of the Board:

_____ Director

_____ Director

The accompanying notes are an integral part of these financial statements.

THE AIDS COMMITTEE OF YORK REGION INC.

STATEMENT OF OPERATIONS AND FUND BALANCES

For the year ended March 31, 2010

	General	Restricted Program	2010 Total	2009 Total
	\$	\$	\$	\$
Revenues				
Foundation grants	49,465	-	49,465	88,104
Government grants	289,029	-	289,029	194,215
Government grant - PHAC Hep C	27,100	-	27,100	3,053
Donations	7,935	-	7,935	6,726
Fundraising - Bingo, net revenues	-	20,414	20,414	20,635
Fundraising - Other	24,292	-	24,292	16,168
Interest income	792	-	792	180
	398,613	20,414	419,027	329,081
Expenditures				
Program costs				
Salaries and benefits	240,255	-	240,255	152,850
Ministry of Health one-time	-	-	-	38,105
PHAC one-time	-	-	-	27,169
PHAC program - ACYR	12,104	-	12,104	-
PHAC program - Hep C	26,725	-	26,725	3,053
Drive program	-	20,512	20,512	19,555
Winter needs program	-	-	-	12,368
Compassion fund	-	6,650	6,650	6,243
Awareness program	7,662	-	7,662	7,757
United way program	2,837	-	2,837	9,007
Client retreat	1,162	-	1,162	8,012
Child and youth programs	-	-	-	9,038
Travel	3,943	-	3,943	3,647
Resource development	9,877	2,346	12,223	1,888
	304,565	29,508	334,073	298,692
Administrative				
Office and general	20,709	-	20,709	14,890
Building occupancy	17,472	-	17,472	808
Technology enhancement	13,147	-	13,147	10
Professional fees	12,474	-	12,474	12,214
Staff training and development	1,984	-	1,984	2,138
Fundraising	4,372	-	4,372	4,580
	70,158	-	70,158	34,640
Excess (Deficiency) of Revenues over Expenses for the Year	23,890	(9,094)	14,796	(4,251)
Fund Balances - Beginning of the Year	69,921	19,138	89,059	93,310
Fund Balances - End of the Year	93,811	10,044	103,855	89,059

The accompanying notes are an integral part of these financial statements.



THE AIDS COMMITTEE OF YORK REGION INC.

NOTES TO FINANCIAL STATEMENTS

March 31, 2010

1. OPERATIONS

The organization was incorporated without share capital under the laws of Ontario on June 13, 1986.

The AIDS Committee of York Region Inc. is a community-based, non-profit organization which provides support, education and promotes access to dignified care for people living with HIV/AIDS and those affected by HIV/AIDS. It serves the people of York Region. For Canadian income tax purposes the organization qualifies as a registered charity which is exempt from income tax under the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the organization conform with the accounting policies generally accepted in Canada. The significant policies are:

Fund Accounting

The organization follows the restricted fund method of accounting for contributions.

The general fund reports resources available for the operations and administration of the organization.

The restricted program fund reports resources restricted as to use at the time of the contributions. The organization receives funds from Bingo fundraising sessions. The funds received must be used for specific program deliverables, and all expenditures must be submitted to and approved by the Bingo association.

Term Deposits

Term deposits include fixed interest rate and maturity date securities. All term deposits are classified as held-for-trading and are recorded at fair value. Subsequent changes in fair value are recognized in the Statement of Operations.

Financial Instruments

Financial assets and financial liabilities "held-for-trading" are measured at fair value with changes in those fair values recognized in the Statement of Operations. Financial assets "held-to-maturity", "loans and receivables" and "other financial liabilities" are measured at amortized cost. The organization has designated its financial assets and liabilities as follows: cash is classified as "held-to-maturity", term deposits are classified as "held-for-trading"; all receivables are classified as "loans and receivables" and accounts payable and accrued liabilities are classified as "other financial liabilities".

The organization has elected to use the exemption provided by the Canadian Institute of Chartered Accountants ("CICA") permitting not-for-profit organizations not to apply the following sections of the CICA Handbook: Section 3862 Financial Instruments - Disclosure, and CICA section 3863 Financial Instruments - Presentation. The organization applies the requirements of CICA Section 3861, Financial Instruments - Disclosure and Presentation.



THE AIDS COMMITTEE OF YORK REGION INC.

NOTES TO FINANCIAL STATEMENTS

March 31, 2010

2. SIGNIFICANT ACCOUNTING POLICIES - continued

Revenue Recognition

Revenue and related expenses are accounted for on the accrual basis.

Contributions of material and services are recognized as revenue at fair value at the date of the grant if fair value can be reasonably estimated and when the materials and services are used in the normal course of operations and would otherwise have been purchased. Services contributed by volunteers are not recognized in the financial statements due to the difficulty in determining their fair value.

Government grants are included in the General Fund as these funds, although subject to conditions, are to be used for the general operations and administration of the organization.

Grants and contributions received in the year, related to specific expenditures to be incurred in a future fiscal period, are recorded as deferred revenue in the statement of financial position until the related expenditures are incurred.

Equipment

Equipment is expensed in the year acquired.

Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

3. CHANGES IN ACCOUNTING POLICIES

On April 1, 2009, the organization adopted the following Sections of the CICA Handbook.

- CICA section 1540 Cash Flow Statements
- CICA section 4400 Financial Statement Presentation by Not-for-Profit Organizations
- CICA section 4430 Capital Assets held by Not-for-Profit Organizations
- CICA section 4460 Disclosure of Related Party Transactions by Not-for-Profit Organizations
- CICA section 4470 Disclosure of Allocated Expenses by Not-for-Profit Organizations

The adoption of these standards did not have a material effect on its financial statements.

4. RECENT PRONOUNCEMENTS

The Accounting Standards Board ("AcSB") plans to converge Canadian GAAP with International Financial Reporting Standards ("IFRS") over a transition period. In February 2008, the AcSB announced that the changeover date for publicly-listed companies to use IFRS is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The organization, as a not-for-profit enterprise, is not required to adopt IFRS and it does not intend to adopt IFRS.



THE AIDS COMMITTEE OF YORK REGION INC.

NOTES TO FINANCIAL STATEMENTS

March 31, 2010

5. DEFERRED CONTRIBUTIONS

The details of contributions received in the year are as follows:

	<u>2010</u>	<u>2009</u>
Deferred revenue, beginning of year	\$ -	\$ 32,838
Grant received during the year - Ministry of Health and Long-Term Care, Aids Bureau	18,000	-
Contribution received during the year - A Taste for Life	1,300	-
Applied against program expenses - MAC Aids	-	(24,246)
Applied against program expenses - Trillium Foundation	<u>-</u>	<u>(8,592)</u>
Deferred revenue, end of year	<u>\$ 19,300</u>	<u>\$ -</u>

6. EQUIPMENT

During the year, the organization purchased hardware and software of approximately \$19,300 and \$1,800, respectively. These amounts were expensed in the current year.

7. COMMITMENTS

The organization entered into a contract with Cause and Effect Communications Inc. for the creation and production of a documentary. The amount remaining to be billed subsequent to year-end is approximately \$13,000 including taxes.

8. LEASE COMMITMENT

The organization has entered into a lease agreement with Hospice Richmond Hill for shared premises in connection with the Community Support Centre initiative. The lease expires on March 31, 2011. The aggregate annual payment for fiscal 2011 is \$18,480.



THE AIDS COMMITTEE OF YORK REGION INC.

NOTES TO FINANCIAL STATEMENTS

March 31, 2010

9. RISK ASSESSMENT AND FAIR VALUES

a) Fair Values

The organization has determined that the fair value of its cash, receivables and accounts payable and accrued liabilities approximates their respective carrying amounts at year end, due to their short-term nature.

b) Credit Risk

The organization's cash and investments are exposed to credit risk. The organization manages this risk by placing its cash and investments with high quality credit institutions. At times, such investments may be in excess of the CDIC insurance limit.

c) Interest Rate Risk

The organization's cash and investments are exposed to interest rate risk. The corporation manages this risk by monitoring its cash position.

10. CAPITAL RISK MANAGEMENT

The organization defines its capital as the sum of all fund balances. The organization's objectives in managing its capital are to generate sufficient revenues to deliver its program objectives, and to comply with all requirements of any funding received. Grants recognized in the year from the AIDS Bureau, Ministry of Health and Long-Term Care ("MOHLTC") exceeded expenditures by approximately \$6,000. These unspent funds are required to be returned to the MOHLTC, and have been accrued in the organization's financial statements.

11. FINANCIAL STATEMENT PRESENTATION

A statement of cash flows has not been presented as the cash flow information does not differ significantly from the information presented in the Statement of Operations.

12. COMPARATIVE FIGURES

Certain reclassifications of the prior year's amounts have been made to facilitate comparison with the current year's presentation.

