

**AIDS COMMUNITY CARE MONTRÉAL
SIDA BÉNÉVOLES MONTRÉAL**

Financial Statements

March 31, 2023

AIDS COMMUNITY CARE MONTRÉAL
SIDA BÉNÉVOLES MONTRÉAL

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Amstutz Inc.
Comptables Professionnels Agréés

INDEPENDENT AUDITORS' REPORT

To the Members of
AIDS COMMUNITY CARE MONTRÉAL/SIDA BÉNÉVOLES MONTRÉAL

Qualified Opinion - We have audited the financial statements of AIDS COMMUNITY CARE MONTRÉAL/SIDA BÉNÉVOLES MONTRÉAL (the Organization), which comprise the balance sheet as at March 31, 2023, and the statements of operations, 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, 2023, 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 Qualified Opinion - In common with many not-for-profit organizations, the Organization derives revenue from 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 fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended March 31, 2023 and 2022, current assets as at March 31, 2023 and 2022, and fund balances as at April 1 and March 31 for both 2023 and 2022 years. Our audit opinion on the financial statements for the year ended March 31, 2022 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.

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.



By R. Amstutz, CPA auditor
June 5, 2023
Montreal, Quebec
Permit No: A105202

AIDS COMMUNITY CARE MONTRÉAL
 SIDA BÉNÉVOLES MONTRÉAL
 BALANCE SHEET
 as at March 31, 2023


	<u>2 0 2 3</u>	<u>2 0 2 2</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 629,971	\$ 572,708
Accounts receivable (Note 4)	31,772	35,344
Prepaid expenses	<u>1,957</u>	<u>848</u>
	663,700	608,900
 CAPITAL ASSETS (Note 5)	 <u>4,270</u>	 <u>5,338</u>
	\$ <u>667,970</u>	\$ <u>614,238</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued charges (Note 6)	\$ 81,123	\$ 115,749
Deferred revenues (Note 7)	<u>326,652</u>	<u>241,992</u>
	<u>407,775</u>	<u>357,741</u>
FUND BALANCES		
RESTRICTED		
Internally restricted funds (Note 9)	98,479	52,500
Invested in capital assets	4,270	5,338
 UNRESTRICTED	 <u>157,446</u>	 <u>198,659</u>
	<u>260,195</u>	<u>256,497</u>
	\$ <u>667,970</u>	\$ <u>614,238</u>

CONTRACTUAL OBLIGATION (Note 10)

ON BEHALF OF THE BOARD


Director

.....,Director


Director

.....,Director

The accompanying notes form an integral part of the financial statements.

AIDS COMMUNITY CARE MONTRÉAL
 SIDA BÉNÉVOLES MONTRÉAL
 STATEMENT OF CHANGES IN FUND BALANCES
 year ended March 31, 2023

	Restricted			2 0 2 3	2 0 2 2
	Internally restricted funds (Note 9)	Invested in capital assets	Un- restricted	Total	Total
Balance, beginning of year	\$ 52,500	\$ 5,338	\$ 198,659	\$ 256,497	\$ 193,980
Excess of revenues over expenses	-	-	3,698	3,698	62,517
Internally restricted funds	45,979	-	(45,979)	-	-
Amortization	-	(1,068)	1,068	-	-
Balance, end of year	\$ 98,479	\$ 4,270	\$ 157,446	\$ 260,195	\$ 256,497

The accompanying notes form an integral part of the financial statements

AIDS COMMUNITY CARE MONTRÉAL
 SIDA BÉNÉVOLES MONTRÉAL
 STATEMENT OF OPERATIONS
 year ended March 31, 2023

	<u>2 0 2 3</u>	<u>2 0 2 2</u>
REVENUES (Note 8)		
Restricted grants	\$ 587,068	\$ 548,316
Unrestricted grants	188,546	173,551
Fundraising	27,610	88,603
Donations	24,892	21,328
Interest	6,963	1,022
	<u>835,079</u>	<u>832,820</u>
 EXPENSES		
Salaries and fringe benefits	634,958	572,226
Office and general	18,804	37,772
Professional fees	17,547	19,821
Advertising and promotion	3,149	-
Materials	11,700	9 496
Social events	42,950	16,193
Equipment	12,415	4,441
Rent and utilities	9,537	6,770
Dues and subscriptions	16,556	14,549
Evaluation	4,335	11,420
Sub contractors	17,297	28,932
Repairs and maintenance	6,124	3,421
Meetings, conferences and training	1,498	11,531
Travel and outreach	12,459	8,219
Insurance	2,999	2,890
Staff recognition	1,820	1,270
Amortization	1,068	1,335
Kontak	-	355
Other Jeunes Queer Youth expenses	-	8,635
Other expenses	16,165	11,027
	<u>831,381</u>	<u>770,303</u>
 EXCESS OF REVENUES OVER EXPENSES	<u>\$ 3,698</u>	<u>\$ 62,517</u>

The accompanying notes form an integral part of the financial statements.

AIDS COMMUNITY CARE MONTRÉAL
 SIDA BÉNÉVOLES MONTRÉAL
 STATEMENT OF CASH FLOWS
 year ended March 31, 2023

	<u>2 0 2 3</u>	<u>2 0 2 2</u>
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 3,698	\$ 62,517
Item not affecting cash		
Amortization	<u>1,068</u>	<u>1,335</u>
	4,766	63,852
CHANGES IN NON CASH OPERATING WORKING CAPITAL		
Accounts receivable	3,572	(30,561)
Prepaid expenses	(1,109)	(16)
Accounts payable and accrued charges	(34,626)	50,937
Deferred revenues	<u>84,660</u>	<u>76,630</u>
INCREASE IN CASH AND CASH EQUIVALENTS	57,263	160,842
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>572,708</u>	<u>411,866</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ <u><u>629,971</u></u>	\$ <u><u>572,708</u></u>

The accompanying notes form an integral part of the financial statements.

AIDS COMMUNITY CARE MONTRÉAL
SIDA BÉNÉVOLES MONTRÉAL
NOTES TO THE FINANCIAL STATEMENTS
as at March 31, 2023

1. STATUTES OF INCORPORATION AND NATURE OF ACTIVITIES

Aids Community Care Montréal/Sida Bénévoles Montréal is a non profit organization incorporated under Part III of the Quebec Companies Act on February 1, 1988.

The organization is a registered charity under the Income Tax Act and is exempt from income taxes.

The organization is a volunteer based community organization working to enhance the quality of life of people living with HIV/AIDS and/or hepatitis C, to prevent HIV and hepatitis C transmission, and to promote community awareness and action.

2. FUND ACCOUNTING

The organization's activities are separated into eight specific program and project funds and an operating fund. Whenever a single purpose restricted grant is received for a program or project that is not otherwise offered, a separate fund is created. Revenues and expenses directly related to each program or project are reported in their respective funds. Since the organization is a volunteer agency, funds entering the volunteer fund may in fact be used to pay people coordinating volunteer activities (recruitment, recognition and training) described in other funds. All other revenue and expenses are reported in the operating fund.

The operating fund covers all deficiencies of revenues over expenses of the other funds.

3. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Accounting estimates

The preparation of financial statements in conformity with Canadian accounting standards 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 revenues and expenses during the reporting period. Actual results may differ from these estimates.

Self-financing

Revenues from self-financing activities are recognized when the services are rendered or when the events have taken place.

AIDS COMMUNITY CARE MONTRÉAL
 SIDA BÉNÉVOLES MONTRÉAL
 NOTES TO THE FINANCIAL STATEMENTS
 as at March 31, 2023

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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

Cash and cash equivalents

The organization's policy is to disclose cash and cash equivalents, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn and term deposits with a maturity period of three months or less from the date of acquisition.

Capital Assets

Capital assets are recorded at cost. Amortization is computed using the diminishing-balance method at rates calculated to amortize the cost of the assets over their estimated useful lives, at the following rate:

Computers, equipment and furniture and fixtures 20%

Contributed materials and services

Contributed materials and services which are used in the normal course of the organization's activities and would otherwise have been purchased are recorded at their fair value at the date of contribution if fair value is readily available.

Over 75 regular and part-time volunteers contribute approximately 4,784 hours per year to assist the organization in carrying out its service activities. Because of the difficulty of determining the fair value, contributed services are not recognized in these financial statements.

Financial instruments

The organization initially measures its financial assets and financial liabilities at fair value. The organization subsequently measures all its financial assets and financial liabilities at cost or amortized cost.

Financial assets measured at amortized cost include cash and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued charges.

4. ACCOUNTS RECEIVABLE

	<u>2 0 2 3</u>	<u>2 0 2 2</u>
Grants receivable	\$ 27,537	\$ 29,554
Sales taxes receivable	4,235	3,290
Other	<u>-</u>	<u>2,500</u>
	<u>\$ 31,772</u>	<u>\$ 35,344</u>

AIDS COMMUNITY CARE MONTRÉAL
 SIDA BÉNÉVOLES MONTRÉAL
 NOTES TO THE FINANCIAL STATEMENTS
 as at March 31, 2023

5. CAPITAL ASSETS		<u>2 0 2 3</u>	<u>2 0 2 2</u>	
		Accumulated		
	<u>Cost</u>	<u>Amorti-</u>	Net Book	Net Book
		<u>zation</u>	Value	Value
Computers, equipment and furniture and fixtures	\$ <u>65,909</u>	\$ <u>61,639</u>	\$ <u>4,270</u>	\$ <u>5,338</u>
	\$ <u>65,909</u>	\$ <u>61,639</u>	\$ <u>4,270</u>	\$ <u>5,338</u>
6. ACCOUNTS PAYABLE AND ACCRUED CHARGES			<u>2 0 2 3</u>	<u>2 0 2 2</u>
Suppliers and accrued charges			\$ 15,652	\$ 55,034
Salaries, vacation and fringe benefits			61,740	56,406
Governments remittances			<u>3,731</u>	<u>4,309</u>
			\$ <u>81,123</u>	\$ <u>115,749</u>
7. DEFERRED REVENUES			<u>2 0 2 3</u>	<u>2 0 2 2</u>
Beginning balance			\$ 241,992	\$ 165,362
Receipts			326,652	292,932
Recorded as income			<u>(241,992)</u>	<u>(216,302)</u>
			\$ <u>326,652</u>	\$ <u>241,992</u>
Deferred revenues consist of the following:				
DRSP			\$ 286,215	\$ 185,748
Gilead			20,374	29,969
PHAC				
Community Action Fund - CAF			19,063	-
New Horizons for Seniors			1,000	-
Second Harvest Canada			-	19,683
ViiV Healthcare			<u>-</u>	<u>6,592</u>
			\$ <u>326,652</u>	\$ <u>241,992</u>

AIDS COMMUNITY CARE MONTRÉAL
SIDA BÉNÉVOLES MONTRÉAL
NOTES TO THE FINANCIAL STATEMENTS
as at March 31, 2023

8. REVENUES	<u>2 0 2 3</u>	<u>2 0 2 2</u>
Restricted grants		
Public Health Agency of Canada	\$ 237,649	\$ 290,482
DRSP		
Mesure 12.1	177,456	173,546
Overdose protection	93,663	42,759
New Horizons for Seniors	23,680	-
Second Harvest Canada	19,683	5,317
Emploi-Québec	9,024	4,320
Canada Summer Jobs	7,882	7,128
ViiV Healthcare	6,592	2,864
Ministry of Health and Social Services		
CCSMTL PSOC - Food security	5,000	5,000
Fierté Montréal	4,500	-
Gilead	1,939	-
Bell Let's Talk	-	16,900
	<u>587,068</u>	<u>548,316</u>
Unrestricted grants		
Ministry of Health and Social Services		
CCSMTL PSOC - Mission globale	<u>188,546</u>	<u>173,551</u>
	<u>188,546</u>	<u>173,551</u>
Fundraising	27,610	88,603
Donations	24,892	21,328
Interest	<u>6,963</u>	<u>1,022</u>
	<u>59,465</u>	<u>110,953</u>
	<u>\$ 835,079</u>	<u>\$ 832,820</u>

9. INTERNALLY RESTRICTED FUNDS

The board of directors internally restricted resources amounting to \$98,479. These funds are reserved for the following:

External professional services	\$ 26,208
Greater involvement of people living with HIV & meaningful engagement of people living with HIV (GIPA/MEPA)	20,000
Move / expansion	20,000
Buyers' Club	17,347
Emergency reserve	<u>14,924</u>
	<u>\$ 98,479</u> \$

The source of these funds are amounts received over the current and previous fiscal years. These internally restricted amounts are not available for other purposes without approval of the board of directors.

10. CONTRACTUAL OBLIGATION

The organization leases its office premises under a lease agreement expiring December 31, 2023. Future minimum lease payments total \$6,314.

AIDS COMMUNITY CARE MONTRÉAL
SIDA BÉNÉVOLES MONTRÉAL
NOTES TO THE FINANCIAL STATEMENTS
as at March 31, 2023

11. FINANCIAL INSTRUMENTS

Risks and concentrations

The organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the organization's risk exposure and concentrations at the balance sheet date, i.e. March 31, 2023.

Liquidity risk

Liquidity risk is the risk that the organization will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its accounts payable and accrued charges.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The organization's main credit risks relate to its accounts receivable.

AIDS COMMUNITY CARE MONTRÉAL
 SIDA BÉNÉVOLES MONTRÉAL
 STATEMENT OF OPERATIONS BY PROJECT
 year ended March 31, 2023

SCHEDULE

																2023	2022
	Operating Fund	PSOC Food Security	Canada Summer Jobs	Emploi Québec	FRAC - CAF and volunteers	DRSP Mesure 12.1	DRSP others	Fundraising	Fierté Montréal	VIIV Health Journal	Member services Buyer's Club	Gilead	Second Harvest Canada	New Horizons	YORA	Total	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
REVENUES																	
Restricted grants	-	5,000	7,882	9,024	237,649	177,456	93,663	-	4,500	6,592	-	1,939	19,683	23,680	-	587,068	548,316
Unrestricted grants	188,546	-	-	-	-	-	-	-	-	-	-	-	-	-	-	188,546	173,551
Fundraising	-	-	-	-	-	560	-	21,692	-	-	-	-	-	-	5,358	27,610	88,603
Donations	-	-	-	-	-	-	-	18,458	-	-	6,434	-	-	-	-	24,892	21,328
Interest	-	-	-	-	-	-	-	6,963	-	-	-	-	-	-	-	6,963	1,022
	188,546	5,000	7,882	9,024	237,649	178,016	93,663	47,113	4,500	6,592	6,434	1,939	19,683	23,680	5,358	835,079	832,820
EXPENSES																	
Salaries and fringe benefits	150,806	-	10,444	15,020	198,037	168,643	77,926	-	-	2,694	-	-	-	6,030	5,358	634,958	572,226
Office and general	8,313	-	-	-	4,822	2,149	2,646	400	-	130	344	-	-	-	-	18,804	37,772
Professional fees	17,294	-	-	-	-	180	-	73	-	-	-	-	-	-	-	17,547	19,821
Advertising and promotion	-	-	-	-	-	1,163	1,288	-	259	-	-	439	-	-	-	3,149	-
Materials	-	-	-	-	1,568	-	1,105	1,223	1,290	150	365	-	-	5,999	-	11,700	9,496
Projects and events	1,414	3,116	-	-	12,070	1,644	1,575	29	795	268	4,093	-	17,485	461	-	42,950	16,193
Equipment	1,577	-	-	-	1,327	-	3,558	245	-	-	748	-	-	4,960	-	12,415	4,441
Rent and utilities	1,667	-	-	-	5,500	-	1,548	-	822	-	-	-	-	-	-	9,537	6,770
Dues and subscriptions	12,504	-	-	-	3,512	29	511	-	-	-	-	-	-	-	-	16,556	14,549
Evaluation	1,978	-	-	-	2,200	-	157	-	-	-	-	-	-	-	-	4,335	11,420
Sub contractors	-	1,350	-	-	3,863	807	550	590	1,450	2,400	2,250	1,500	1,350	1,187	-	17,297	28,932
Repairs and maintenance	4,783	-	-	-	-	-	1,341	-	-	-	-	-	-	-	-	6,124	3,421
Meetings, conferences and training	1,498	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,498	11,531
Travel and outreach	485	674	-	-	3,976	3,341	1,458	65	293	-	1,287	-	880	-	-	12,459	8,219
Insurance	549	-	-	-	1,500	-	-	-	-	950	-	-	-	-	-	2,999	2,890
Staff recognition	1,769	-	-	-	-	51	-	-	-	-	-	-	-	-	-	1,820	1,270
Amortization	1,068	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,068	1,335
Kontak	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	355
Other Jeunes Queer Youth expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,635
Other expenses	-	-	-	-	-	-	-	11,106	-	-	-	-	-	5,059	-	16,165	11,027
	205,705	5,140	10,444	15,020	238,375	178,007	93,663	13,731	4,909	6,592	9,087	1,939	19,715	23,696	5,358	831,381	770,303
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(17,159)	(140)	(2,562)	(5,996)	(726)	9	-	33,382	(409)	-	(2,653)	-	(32)	(16)	-	3,698	62,517