

**Pacific Aids Network Society**  
**Financial Statements**  
**March 31, 2009**  
*Audited*

**Pacific Aids Network Society  
Financial Statements  
For the Year Ended March 31, 2009**

	<b>PAGE</b>
<b>Auditors' Report</b>	<b>1</b>
<b>Balance Sheet</b>	<b>2</b>
<b>Statement of Receipts and Disbursements and Net Assets</b>	<b>3</b>
<b>Statement of Cash Flows</b>	<b>4</b>
<b>Notes to the Financial Statements</b>	<b>5 - 7</b>

## **Auditor's report**

**To     The Members  
       Pacific Aids Network Society**

I have audited the balance sheet of **Pacific Aids Network Society** as at March 31, 2009 and the statements of receipts and disbursements, net assets and changes in cash for the year then ended. These financial statements are the responsibility of the society's management. My responsibility is to express an opinion on these financial statements based on my audit.

Except as explained in the following paragraph, I have conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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 revenues from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, my verification of these revenues was limited to the amounts recorded in the records of the organization and I was not able to determine whether any adjustment might be necessary to donation revenues, excess of expenses over revenue, assets and net assets.

In my opinion, except for the effect of adjustment, if any, which I might have determined to be necessary had I been able to satisfy myself concerning the completeness of the donations referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the society as at March 31, 2009 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the Society Act of British Columbia, I report that in my opinion, these principles have been applied on a basis consistent with that of the preceding year.

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Joanne L. Dorman  
Chartered Accountant  
D.O.T.

Vancouver, BC

**Pacific Aids Network Society**  
**Balance Sheet**  
**As at March 31, 2009**  
**(with comparative figures as at March 31, 2008)**

	2009	2008
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 8,302	\$ 97,431
Short-term investments	10,000	-
Accounts receivable	143,017	17,174
Deposits	41,869	-
	203,188	114,605
	\$ 203,188	\$ 114,605
<b>Liabilities &amp; Members' Equity</b>		
<b>Current</b>		
Accounts payable	\$ 115,282	\$ 24,495
	115,282	24,495
<b>Net Assets</b>	87,906	90,110
	\$ 203,188	\$ 114,605

**APPROVED**

\_\_\_\_\_ Director:

\_\_\_\_\_ Director:

(The accompanying notes form an integral part of the these financial statements)

**Pacific Aids Network Society**  
**Statement of Receipts and Disbursements and Net Assets**  
**For the year ended March 31, 2009**  
**(with comparative figures as at March 31, 2008)**

	2009	2008
<b>Receipts</b>		
Contributions <i>(Note 3)</i>	\$ 214,000	\$ 167,410
Other <i>(Note 4)</i>	28,835	8,074
Investment income	172	78
	243,007	175,562
<b>Disbursements</b>		
Board meetings	3,989	-
Contract staff - evaluation	5,775	667
Fall HIV Forum & GA	43,605	36,002
Materials	3,190	2,397
Office equipment	-	5,586
Other expenses	6,742	4,598
Personnel	89,338	43,337
Regional meetings	13,664	2,127
Rent and utilities	4,944	1,953
Spring skills building	73,964	24,742
	245,211	121,409
<b>Excess receipts over disbursements for the year</b>	(2,204)	54,153
<b>Net Assets, beginning of year</b>	90,110	35,957
<b>Net Assets, end of year</b>	\$ 87,906	\$ 90,110

(The accompanying notes form an integral part of the these financial statements)

**Pacific Aids Network Society**  
**Statement of Cash Flows**  
**For the year ended March 31, 2009**  
**(with comparative figures as at March 31, 2008)**

	2009	2008
<b>Cash flows from operating activities</b>		
Excess expenditures over revenue	\$ (2,204)	\$ 54,153
	(2,204)	54,153
Changes in non-cash working capital		
Short-term investments	(10,000)	-
Accounts receivable	(125,843)	(12,051)
Deposits	(41,869)	-
Accounts payable	90,787	(58,187)
	(89,129)	(16,085)
<b>Cash flows from financing activities</b>		
Advances from affiliates	-	1,868
<b>Decrease in cash</b>	(89,129)	(14,217)
<b>Cash at beginning of year</b>	97,431	111,648
<b>Cash at end of year</b>	\$ 8,302	\$ 97,431

(The accompanying notes form an integral part of the these financial statements)

**Pacific Aids Network Society**  
**Notes to the Financial Statements**  
**As at March 31, 2009**

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**1. Purpose of the Organization**

The Pacific Network Society is a non-profit society, incorporated on July 18, 2003 under the BC Society Act. The purpose of the Society is to provide a network for communication, education, mutual support, collective advocacy and action for HIV related issues throughout British Columbia. For Federal income tax purposes the Society is a not-for-profit society.

**2. Summary of Significant Accounting Policies**

The accounting policies of the Society are in accordance with Canadian generally accepted accounting principles. Outlined below are the policies considered particularly significant.

**Revenue Recognition**

The Society uses the deferral basis of accounting for contributions which include government contributions, and other grants.

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

Externally restricted contributions are recognized as revenue in the period in which the related expenses are incurred.

Other revenue and expenses are recorded using the accrual basis of accounting.

**Cash and Cash Equivalents**

All short-term investments with a maturity of three months or less at the date of purchase are treated as cash and cash equivalents.

**Short-term investments**

Short-term investments consist of term deposits which will mature within thirty one days to one year, and are classified as available-for-sale and are recorded at fair value.

**Financial Instruments**

**Pacific Aids Network Society**  
**Notes to the Financial Statements**  
**As at March 31, 2009**

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The financial instruments of the society consist of cash, short-term investments, accounts payable and accrued liabilities. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

During the year, the society adopted the Canadian Institute of Chartered Accountants (CICA) Handbook section 3855, Financial Instruments - Recognition and Measurement and Section 3861, Financial instruments - Disclosure and Presentation to account for its financial assets and financial liabilities. These sections require that all non-derivative financial assets and liabilities be measured at fair value with the exception of (i) loans and receivables and held-to-maturity investments, which should be measured at amortized cost; and (ii) investments in equity instruments that do not have a quoted market price in an active market, which should be measured at cost, other than such instruments that are classified as held-for-trading.

Subsequent measurement and changes in fair value will depend on initial classifications. Held for trading assets and liabilities are measured at fair value and changes in fair value are recognized in earnings. Available-for-sale investments are measured at fair value with changes in fair value recorded in the statement of changes in net assets until the investment is de-recognized or other than temporarily impaired at which time the amounts would be recorded in net earnings.

These sections also require that gains and losses on financial instruments measured at fair value be recognized in net income in the periods in which they arise, with the exceptions of (i) unrealized gains and losses on financial assets classified as available-for-sale, which are recognized directly in net assets until the financial asset is de-recognized or becomes impaired; and (ii) certain financial instruments that are part of a designated hedging relationship.

The adoption of these sections was done on a prospective basis and resulted in no change to opening net assets.

**Economic Dependence**

The Society is financially dependant upon both the Federal and BC Provincial Government to fund its continuing operations.

**Use of Estimates**

In conformity with generally accepted accounting principles management is required to make estimates and assumptions that could 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 expenditures during the year. Actual results could differ from those reported.

**Pacific Aids Network Society**  
**Notes to the Financial Statements**  
**As at March 31, 2009**

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**3. Contributions**

Contributions consist of the following:

	<b>2009</b>	<b>2008</b>
Public Health Agency of Canada	\$ 170,000	\$ 100,000
Provincial Health Services Authority	44,000	67,410
	\$ 214,000	\$ 167,410

**4. Other revenue**

Other revenues are composed of the following:

	<b>2009</b>	<b>2008</b>
Corporate sponsorships	10,000	-
Conference partners	7,100	-
Other	4,565	2,050
	\$ 28,835	\$ 8,074

**5. Comparative Figures**

The comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year.