


YOUNG ADULT CANCER CANADA INC.
Financial Statements
Year Ended July 31, 2016



HARRIS RYAN



YOUNG ADULT CANCER CANADA INC.
Index to Financial Statements
Year Ended July 31, 2016

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Changes in Net Assets	4
Statement of Revenues and Expenditures	5
Statement of Cash Flow	6
Notes to Financial Statements	7 - 10
Support (<i>Schedule 1</i>)	11
Fund Development (<i>Schedule 2</i>)	12
Operations (<i>Schedule 3</i>)	13
Awareness and Advocacy (<i>Schedule 4</i>)	14

INDEPENDENT AUDITOR'S REPORT

To the Directors of Young Adult Cancer Canada Inc.

We have audited the accompanying financial statements of Young Adult Cancer Canada Inc., which comprise the statement of financial position as at July 31, 2016 and the statements of revenues and expenditures, changes in net assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

In common with many charitable organizations, the organization derives revenue from fundraising campaigns and other donations the completeness of which is not susceptible of 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, excess of revenues over expenditures and cash flow from operations for the year ended July 31, 2016, and current assets and net assets as at July 31, 2016.

Qualified Opinion


In our opinion, except for the effect of adjustments, if 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, the financial statements present fairly, in all material respects, the financial position of Young Adult Cancer Canada Inc. as at July 31, 2016 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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Independent Auditor's Report to the Directors of Young Adult Cancer Canada Inc. *(continued)*

Other Matter

The prior year's financial statements, presented for comparative purposes, were audited by another firm of Chartered Professional Accountants who expressed a qualified opinion on January 15, 2016.

A handwritten signature in black ink that reads "Harris Ryan". The signature is written in a cursive, flowing style.

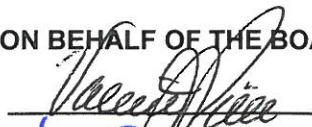
St. John's, Newfoundland and Labrador
October 25, 2016

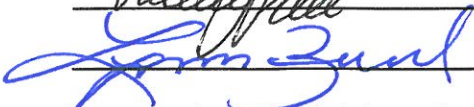
CHARTERED PROFESSIONAL ACCOUNTANTS

YOUNG ADULT CANCER CANADA INC.
Statement of Financial Position
July 31, 2016

	2016	2015
ASSETS		
CURRENT		
Cash	\$ 139,011	\$ 80,647
Accounts receivable	73,656	34,526
Inventory	8,775	10,074
Prepaid expenses	11,448	14,357
	232,890	139,604
TANGIBLE CAPITAL ASSETS (Note 3)	15,202	18,340
INVESTMENT	75,000	75,000
	\$ 323,092	\$ 232,944
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 62,146	\$ 48,756
Deferred income	37,391	42,191
	99,537	90,947
NET ASSETS	223,555	141,997
	\$ 323,092	\$ 232,944

ON BEHALF OF THE BOARD


 _____ Director


 _____ Director

See notes to financial statements

YOUNG ADULT CANCER CANADA INC.
Statement of Changes in Net Assets
Year Ended July 31, 2016

	2016	2015
NET ASSETS - BEGINNING OF YEAR	\$ 141,997	\$ 280,541
Excess of revenue over expenditures	81,558	(138,544)
NET ASSETS - END OF YEAR	\$ 223,555	\$ 141,997

YOUNG ADULT CANCER CANADA INC.
Statement of Revenues and Expenditures
For the Year Ended July 31, 2016

	2016	2015
REVENUE		
Shave for the Brave	\$ 491,009	\$ 661,049
Corporate donations	289,346	238,076
Personal donations	143,335	101,984
Third party events	116,233	96,913
Climb	15,198	-
In Memoriam donations	10,092	56,472
Miscellaneous	5,482	7,683
Merchandise	2,719	3,462
Interest	-	1,988
	1,073,414	1,167,627
EXPENDITURES		
Support (<i>Schedule 1</i>)	454,378	607,247
Fund Development (<i>Schedule 2</i>)	252,008	294,128
Operations (<i>Schedule 3</i>)	161,713	217,692
Awareness and Advocacy (<i>Schedule 4</i>)	123,757	187,104
	991,856	1,306,171
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	\$ 81,558	\$ (138,544)

YOUNG ADULT CANCER CANADA INC.**Statement of Cash Flow****Year Ended July 31, 2016**

	2016	2015
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenditures	\$ 81,558	\$ (138,544)
Item not affecting cash:		
Amortization of tangible capital assets	6,121	5,453
	87,679	(133,091)
Changes in non-cash working capital (<i>Note 5</i>)	(26,335)	(39,087)
Cash flow from (used by) operating activities	61,344	(172,178)
INVESTING ACTIVITY		
Purchase of tangible capital assets	(2,980)	(8,582)
INCREASE (DECREASE) IN CASH FLOW	58,364	(180,760)
Cash - beginning of year	80,647	261,408
CASH - END OF YEAR	\$ 139,011	\$ 80,647

See notes to financial statements

YOUNG ADULT CANCER CANADA INC.

Notes to Financial Statements

Year Ended July 31, 2016

1. DESCRIPTION OF BUSINESS

Young Adult Cancer Canada Inc. (the "organization") is a charitable organization established to eliminate the isolation for young adults with cancer. The organization's mandate is to help every young adult dealing with cancer in Canada by providing inspiration, information and support. To fulfill its mandate, the organization undertakes certain fund development activities and receives donations and grants from various sources at different points in time throughout the fiscal year. The organization funds its operating requirements throughout the fiscal period through the use of cash on hand.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO) and reflect the following significant accounting policies.

Cash

Cash consists of balances on deposit with Canadian financial institutions.

Revenue recognition

Young Adult Cancer Canada Inc. 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 received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Inventory

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

Contributed services

Volunteers contribute a significant number of hours per year to assist the organization in carrying out its objectives. In addition, the organization receives donated materials and services throughout the year. These contributions are only recognized in the financial statements when the fair value can be reasonably determined.

Tangible capital assets

Tangible capital assets are stated at cost. Tangible capital assets are amortized over their estimated useful lives on a declining balance basis using the half year rule in the year of acquisition, at the following rates and methods:

Computer equipment and software	100%	declining balance method
Furniture and fixtures	20%	declining balance method

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YOUNG ADULT CANCER CANADA INC.

Notes to Financial Statements

Year Ended July 31, 2016

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

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial instruments are reported at amortized cost, and tested for impairment at each reporting date.

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

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the impairment, directly or by adjusting the allowance account, 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 net income.

Allocation of expenses

The organization records its expenses by function: support, awareness and advocacy, fund development and operations.

Operating expenses are allocated using a predetermined percentage allocation based on wages.

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Key components of the financial statements requiring management to make estimates include the useful life and amortization of tangible capital assets, in-kind donations and accrued liabilities. Actual results could differ materially from those estimates.

3. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2016 Net book value	2015 Net book value
Furniture and equipment	\$ 30,518	\$ 16,807	\$ 13,711	\$ 17,138
Computer equipment	34,913	33,466	1,447	1,202
Computer software	577	533	44	-
	\$ 66,008	\$ 50,806	\$ 15,202	\$ 18,340

YOUNG ADULT CANCER CANADA INC.

Notes to Financial Statements

Year Ended July 31, 2016

4. OPERATING LINE OF CREDIT

During the year, the organization had access to an operating line of credit with a maximum facility of \$75,000 (2015 - 75,000), bearing interest at the bank's prime rate plus 1% (2015 - prime rate plus 1%). As at July 31, 2016, no amounts were drawn under this facility.

5. CHANGES IN NON-CASH WORKING CAPITAL

	2016	2015
Accounts receivable	\$ (39,129)	\$ (7,435)
Inventory	1,299	(10,074)
Accounts payable and accrued liabilities	13,386	(29,180)
Deferred income	(4,800)	8,663
Prepaid expenses	2,909	(1,061)
	\$ (26,335)	\$ (39,087)

6. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of July 31, 2016.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from accounts receivable. Management believes that the credit risk with respect to accounts receivable is not material.

The organization's investment is held within Canadian chartered banks. The organization does not expect any liquidity issues or credit losses on those investments.

(b) Liquidity risk

Liquidity risk is the risk that an entity will not be able to meet its financial obligations as they become due. The organization monitors its cash balances and cash flows generated from operations to meet its requirements. As at July 31, 2016 the organization had cash and investments of \$214,011 (2015 - \$155,647) which is sufficient to cover its short term obligations.

To the extent that the organization does not believe it has sufficient liquidity to meet current obligations, consideration will be given to obtaining additional funds through third party funding, assuming these could be obtained, as well as use of its operating line of credit.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The organization is mainly exposed to interest rate risk.

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YOUNG ADULT CANCER CANADA INC.
Notes to Financial Statements
Year Ended July 31, 2016

6. FINANCIAL INSTRUMENTS *(continued)*

(c) Interest rate risk

Cash and investments bear interest at variable rates. Consequently, the organization is exposed to interest rate risk. The organization does not actively manage this risk due to the fact that it does not believe that it is significant.

7. IN-KIND CONTRIBUTION

As a result of management's determination of the value of in-kind contributions for advertising and travel services received from suppliers, management has decided to reflect the amount of \$139,831 (2015 - \$100,942) in these financial statements in respect of current year services in corporate donations and support expenditures.

YOUNG ADULT CANCER CANADA INC.**Support****(Schedule 1)****Year Ended July 31, 2016**

	2016	2015
Support expenditures		
Wages and benefits	\$ 150,261	\$ 234,848
Web	112,479	89,257
Survivor Conference	96,807	137,755
Retreat Adventure	24,556	28,707
Retreat Yourself	23,347	65,497
Localife	19,409	19,146
Office rental	15,176	15,851
Telephone and internet	2,818	2,690
Professional fees	2,263	2,563
Office supplies and postage	2,021	4,574
Amortization	1,898	1,854
Support program development	1,861	1,630
Insurance	1,010	1,187
Professional development	217	1,213
Miscellaneous	255	475
	\$ 454,378	\$ 607,247

YOUNG ADULT CANCER CANADA INC.**Fund Development****(Schedule 2)****Year Ended July 31, 2016**

	2016	2015
Fund Development expenditures		
Wages and benefits	\$ 150,261	\$ 179,590
Shave for the Brave	38,160	42,258
Third party events	23,698	9,376
Office rental	15,176	12,121
Fund development	11,186	39,967
Climb	3,300	-
Telephone and internet	2,818	2,057
Professional fees	2,263	1,960
Office supplies and postage	2,021	3,497
Amortization	1,898	1,418
Insurance	1,010	908
Professional development	217	928
Miscellaneous	-	48
	\$ 252,008	\$ 294,128

YOUNG ADULT CANCER CANADA INC.**Operations****(Schedule 3)****Year Ended July 31, 2016**

	2016	2015
Operations expenditures		
Wages and benefits	\$ 135,719	\$ 186,496
Office rental	13,708	12,588
Interest and bank charges	2,952	2,978
Telephone and internet	2,545	2,136
Professional fees	2,044	2,035
Office supplies and postage	1,825	3,632
Amortization	1,714	1,472
Insurance	914	943
Professional development	196	963
Operations travel	86	1,449
Governance	10	2,458
Communications	-	492
Miscellaneous	-	50
	\$ 161,713	\$ 217,692

YOUNG ADULT CANCER CANADA INC.**Awareness and Advocacy****(Schedule 4)****Year Ended July 31, 2016**

	2016	2015
Awareness and advocacy expenditures		
Wages and benefits	\$ 48,471	\$ 89,795
Communications	32,430	49,849
Shave for the Brave	31,402	31,644
Office rental	4,896	6,060
YACC Store	3,258	4,348
Telephone and internet	909	1,028
Professional fees	730	980
Office supplies and postage	652	1,749
Amortization	612	709
Insurance	327	454
Professional development	70	464
Miscellaneous	-	24
	\$ 123,757	\$ 187,104