


YOUNG ADULT CANCER CANADA INC.
Financial Statements
Year Ended July 31, 2018



HARRIS RYAN



YOUNG ADULT CANCER CANADA INC.

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Year Ended July 31, 2018

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HARRIS RYAN

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, 2018 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.

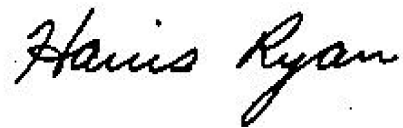
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

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, 2018, and current assets and net assets as at July 31, 2018.

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, 2018 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.



St. John's, Newfoundland and Labrador
October 26, 2018

CHARTERED PROFESSIONAL ACCOUNTANTS

YOUNG ADULT CANCER CANADA INC.

Statement of Financial Position


July 31, 2018

	2018	2017
ASSETS		
CURRENT		
Cash	\$ 442,558	\$ 346,691
Accounts receivable (Note 3)	107,929	92,470
Prepaid expenses	9,476	13,833
	559,963	452,994
TANGIBLE CAPITAL ASSETS (Note 4)	10,635	11,713
INVESTMENT	75,000	75,000
	\$ 645,598	\$ 539,707
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 69,125	\$ 59,402
Deferred income	97,718	73,099
	166,843	132,501
NET ASSETS	478,755	407,206
	\$ 645,598	\$ 539,707

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, 2018

	2018	2017
NET ASSETS - BEGINNING OF YEAR	\$ 407,206	\$ 223,555
EXCESS OF REVENUES OVER EXPENDITURES	71,549	183,651
NET ASSETS - END OF YEAR	\$ 478,755	\$ 407,206

YOUNG ADULT CANCER CANADA INC.
Statement of Revenues and Expenditures
Year Ended July 31, 2018

	2018	2017
REVENUES		
Shave for the Brave	\$ 452,474	\$ 572,026
Corporate donations	280,530	289,865
Personal donations	146,537	89,597
Third party events	100,898	111,413
Climb	26,920	54,501
In Memoriam donations	20,492	16,161
Miscellaneous	4,388	7,401
Interest	1,115	713
	1,033,354	1,141,677
EXPENDITURES		
Support (<i>Schedule 1</i>)	453,989	461,455
Fund Development (<i>Schedule 2</i>)	258,927	271,582
Operations (<i>Schedule 3</i>)	149,161	136,169
Awareness and Advocacy (<i>Schedule 4</i>)	99,728	88,820
	961,805	958,026
EXCESS OF REVENUES OVER EXPENDITURES	\$ 71,549	\$ 183,651

See notes to financial statements

YOUNG ADULT CANCER CANADA INC.**Statement of Cash Flow****Year Ended July 31, 2018**

	2018	2017
OPERATING ACTIVITIES		
Excess of revenues over expenditures	\$ 71,549	\$ 183,651
Item not affecting cash:		
Amortization of tangible capital assets	5,547	4,978
	77,096	188,629
Changes in non-cash working capital (<i>Note 6</i>)	23,240	20,540
Cash flow from operating activities	100,336	209,169
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(5,219)	(1,489)
Proceeds on disposal of tangible capital assets	750	-
Cash flow used by investing activities	(4,469)	(1,489)
INCREASE IN CASH FLOW	95,867	207,680
Cash - beginning of year	346,691	139,011
CASH - END OF YEAR	\$ 442,558	\$ 346,691

See notes to financial statements

YOUNG ADULT CANCER CANADA INC.

Notes to Financial Statements

Year Ended July 31, 2018

1. PURPOSE OF THE ORGANIZATION

Young Adult Cancer Canada Inc. (the "organization") is a charitable organization established to support young adults diagnosed with cancer in Canada as they live with, through and beyond cancer, to be the connection to peers, bridge out of isolation, and source of inspiration. To fulfill its mission, 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 unpredictable nature of fundraising activities can create variability in revenues and expenses year over year, and the resulting financial position at each year end. 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 and Guaranteed investment certificates with maturities of 100 days or less.

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	100%	declining balance method
Furniture and equipment	20%	declining balance method

(continues)

YOUNG ADULT CANCER CANADA INC.

Notes to Financial Statements

Year Ended July 31, 2018

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. ACCOUNTS RECEIVABLE

	2018	2017
Accounts Receivable	\$ 89,135	\$ 76,642
HST Receivable	18,794	15,828
	\$ 107,929	\$ 92,470

YOUNG ADULT CANCER CANADA INC.

Notes to Financial Statements

Year Ended July 31, 2018

4. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2018 Net book value	2017 Net book value
Furniture and equipment	\$ 29,768	\$ 21,743	\$ 8,025	\$ 10,969
Computer equipment	41,012	38,685	2,327	723
Computer software	1,186	903	283	21
	\$ 71,966	\$ 61,331	\$ 10,635	\$ 11,713

5. OPERATING LINE OF CREDIT

During the year, the organization had access to an operating line of credit with a maximum facility of \$75,000 (2017 - \$75,000), bearing interest at the bank's prime rate plus 1% (2017 - prime rate plus 1%). As at July 31, 2018, no amounts were outstanding under this facility.

6. CHANGES IN NON-CASH WORKING CAPITAL

	2018	2017
Accounts receivable	\$ (15,459)	\$ (18,814)
Inventory	-	8,775
Accounts payable and accrued liabilities	9,723	(2,744)
Deferred income	24,619	35,708
Prepaid expenses	4,357	(2,385)
	\$ 23,240	\$ 20,540

7. 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, 2018.

(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.

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YOUNG ADULT CANCER CANADA INC.

Notes to Financial Statements

Year Ended July 31, 2018

7. FINANCIAL INSTRUMENTS *(continued)*

(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, 2018 the organization had cash and investments of \$517,558 (2017 - \$421,691), 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.

(c) 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.

(d) 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.

8. 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 \$82,761 (2017 - \$168,951) in these financial statements in respect of current year services in corporate donations and support expenditures.

9. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

YOUNG ADULT CANCER CANADA INC.**Support****(Schedule 1)****Year Ended July 31, 2018**

	2018	2017
Support expenditures		
Wages and benefits	\$ 172,360	\$ 159,875
Survivor conference	106,963	89,626
Web	59,430	125,230
Retreat Yourself	56,666	21,021
Localife	18,446	16,715
Retreat Adventure	14,088	18,122
Office rental	10,425	18,168
Office supplies and postage	4,579	2,410
Professional fees	3,452	2,684
Telephone and internet	3,217	3,626
Amortization	2,138	1,842
Insurance	1,141	1,203
Support program development	564	601
Professional development	427	332
Miscellaneous	93	-
	\$ 453,989	\$ 461,455

YOUNG ADULT CANCER CANADA INC.**Fund Development****(Schedule 2)****Year Ended July 31, 2018**

	2018	2017
Fund Development expenditures		
Wages and benefits	\$ 120,242	\$ 137,737
Shave for the Brave	94,592	60,427
Fund development	12,963	13,096
Third Party events	9,906	13,466
Office rental	7,265	16,695
Climb	3,473	19,045
Office supplies and postage	3,191	2,215
Professional fees	2,406	2,466
Telephone and internet	2,242	3,332
Amortization	1,490	1,692
Insurance	795	1,106
Professional development	298	305
Miscellaneous	64	-
	\$ 258,927	\$ 271,582

YOUNG ADULT CANCER CANADA INC.**Operations****(Schedule 3)****Year Ended July 31, 2018**

	2018	2017
Operations expenditures		
Wages and benefits	\$ 127,514	\$ 115,963
Office rental	7,708	10,311
Office supplies and postage	3,386	1,368
Interest and bank charges	2,628	2,777
Professional fees	2,552	1,523
Telephone and internet	2,378	2,058
Amortization	1,581	1,045
Insurance	844	683
Professional development expense	316	188
Operations Travel	102	50
Governance	83	203
Miscellaneous	69	-
	\$ 149,161	\$ 136,169

YOUNG ADULT CANCER CANADA INC.**Awareness and Advocacy****(Schedule 4)****Year Ended July 31, 2018**

	2018	2017
Awareness and Advocacy expenditures		
Communications	\$ 33,776	\$ 21,322
Wages and benefits	27,282	25,453
YAC Prime Research	24,071	9,702
Brave Day	10,569	21,358
Office rental	1,648	3,928
Office supplies and postage	724	521
Professional fees	546	580
Telephone and internet	508	784
Amortization	338	398
Insurance	180	260
Professional development	68	72
Miscellaneous	15	-
YACC Store	3	4,442
	\$ 99,728	\$ 88,820