
REALIZE

(Formerly known as Canadian Working Group on HIV
and Rehabilitation)

FINANCIAL STATEMENTS

MARCH 31, 2017

INDEPENDENT AUDITOR'S REPORT

To the Members,
Realize

We have audited the accompanying financial statements of Realize, formerly known as Canadian Working Group on HIV and Rehabilitation (CWGHR), which comprise the statement of financial position as at March 31, 2017, and the statements of operations and changes in net assets and cash flows 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 organization'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 organization'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 audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Realize as at March 31, 2017, 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.



Chartered Professional Accountants
Licensed Public Accountants

June 19, 2017
Toronto, Ontario

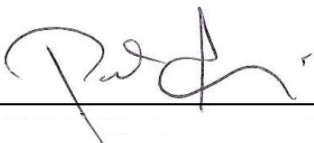
REALIZE

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2017

	2017	2016
ASSETS		
Current assets		
Cash	\$ 66,797	\$ 14,644
Guaranteed investment certificates (note 3)	61,637	280,380
Amounts receivable	76,650	5,762
HST recoverable	9,756	15,945
Prepaid expenses	<u>3,438</u>	<u>4,009</u>
	<u>\$ 218,278</u>	<u>\$ 320,740</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Amounts payable and accrued liabilities	\$ 49,773	\$ 23,101
Deferred contributions (note 4)	<u>25,000</u>	<u>-</u>
	<u>74,773</u>	<u>23,101</u>
Net assets		
Unrestricted	<u>143,505</u>	<u>297,639</u>
	<u>\$ 218,278</u>	<u>\$ 320,740</u>

Approved on behalf of the Board:


_____, Director


_____, Director

see accompanying notes

REALIZE

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED MARCH 31, 2017

	2017	2016
REVENUE		
Grants (note 5)	\$ 712,751	\$ 765,171
Membership, course and registration fees	11,197	29,856
Donations	2,024	9,823
Interest	<u>1,286</u>	<u>2,025</u>
	<u>727,258</u>	<u>806,875</u>
EXPENSES		
Personnel	674,868	693,116
Occupancy costs	69,540	62,113
Travel	60,963	44,531
Financial administration, printing and materials	44,897	39,690
Annual forum and membership meeting	21,250	10,769
Evaluation	<u>9,874</u>	<u>11,412</u>
	<u>881,392</u>	<u>861,631</u>
EXCESS OF EXPENSES OVER REVENUE FOR THE YEAR	(154,134)	(54,756)
Net assets, beginning of year	<u>297,639</u>	<u>352,395</u>
NET ASSETS, END OF YEAR	<u>\$ 143,505</u>	<u>\$ 297,639</u>

see accompanying notes

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STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2017

	2017	2016
OPERATING ACTIVITIES		
Excess of expenses over revenue for the year	\$ (154,134)	\$ (54,756)
Net change in non-cash working capital items (see below)	<u>(12,456)</u>	<u>(52,839)</u>
Net cash used for operating activities	(166,590)	(107,595)
INVESTING ACTIVITIES		
Guaranteed investment certificates redeemed (purchased)	<u>218,743</u>	<u>(2,226)</u>
NET CASH GENERATED (USED) IN THE YEAR	52,153	(109,821)
Cash, beginning of year	<u>14,644</u>	<u>124,465</u>
CASH, END OF YEAR	<u>\$ 66,797</u>	<u>\$ 14,644</u>

Net change in non-cash working capital items:

Decrease (increase) in current assets		
Amounts receivable	\$ (70,888)	\$ 11,574
HST recoverable	6,189	20,878
Prepaid expenses	570	1,883
Increase (decrease) in current liabilities		
Amounts payable and accrued liabilities	26,673	(34,604)
Deferred contributions	<u>25,000</u>	<u>(52,570)</u>
	<u>\$ (12,456)</u>	<u>\$ (52,839)</u>

see accompanying notes

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NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2017

Realize (the organization), formerly known as Canadian Working Group on HIV and Rehabilitation (CWGHR), is continued under the Canada Not-for-profit Corporations Act. The organization is exempt from income tax in Canada as a registered charitable organization under the Income Tax Act (Canada).

The Realize is a national organization that responds to the rehabilitation needs of people living with HIV/AIDS. The organization aims to bridge the traditionally separate worlds of HIV, disability and rehabilitation. Through research, education and cross-sector partnerships the organization works to improve the lives of people with HIV.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Management is responsible for the preparation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations. Outlined below are those policies considered significant:

Revenue recognition

The principal sources of revenue and recognition of these revenues for financial statement purposes are as follows:

Contributions

The organization follows the deferral method of revenue recognition for contributions.

Externally restricted contributions, including grants and restricted donations, related to current expenses are recognized as revenue in the current year. Externally restricted contributions received in the year for expenses to be incurred in the following year are recorded as deferred contributions.

Unrestricted contributions, including donations are recorded as revenue when received.

Contributed materials and services

Contributed materials and services which are normally purchased by the organization are not recorded in the accounts.

Membership fees

Membership fees are recognized as revenue in the year to which they apply.

Course and registration fees

Course and registration fee revenue is recognized in the period in which the service is performed.

Interest income

Interest income is recognized as revenue over the term of the guaranteed investment certificates.

2. FINANCIAL INSTRUMENTS AND RELATED FINANCIAL RISKS

The organization's financial instruments include cash, guaranteed investment certificates, amounts receivable, accounts payable and accrued liabilities.

Guaranteed investment certificates are recorded at cost plus accrued interest income. Amounts receivable, accounts payable and accrued liabilities are initially recorded at fair value and are subsequently recorded net of any provisions for impairment in value.

It is management's opinion that the organization's financial instruments are not exposed to significant financial risks and that existing cash balances and cash flows generated from operations are sufficient to meet the organization's financial liabilities. Fluctuations in market interest rates do not affect future cash flows from the organization's guaranteed investment certificates.

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NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2017

3. GUARANTEED INVESTMENT CERTIFICATES

Guaranteed investment certificates are issued by a major Canadian chartered bank, bear an interest rate of 0.50% and mature between October 2017 and January 2018.

4. DEFERRED CONTRIBUTIONS

The following amounts have been deferred at the year end:

	2017	2016
MAC AIDS Fund	<u>\$ 25,000</u>	<u>\$ -</u>

5. GRANTS

Grant revenue recognized in the year was as follows:

	2017	2016
Public Health Agency of Canada		
National HIV/AIDS Voluntary Sector Response Fund	\$ 712,751	\$ 740,171
MAC AIDS Fund	<u>-</u>	<u>25,000</u>
	<u>\$ 712,751</u>	<u>\$ 765,171</u>

6. LEASE COMMITMENTS

The organization leases office space in Toronto, Canada. Minimum basic rent payments over the term of the lease, which expires in September 2020, are as follows:

April 1, 2017 to March 31, 2018	56,866
April 1, 2018 to March 31, 2019	56,866
April 1, 2019 to September 30, 2020	28,433

The organization also pays for additional variable rental costs on a yearly basis which include utilities, realty taxes and other operating costs.