

Financial statements

The YMCA of Greater Vancouver

December 31, 2016



Building a better
working world

Independent auditors' report

To the Members of
The YMCA of Greater Vancouver

Report on the financial statements

We have audited the accompanying financial statements of **The YMCA of Greater Vancouver**, which comprise the statement of financial position as at December 31, 2016, and the statements of operations, 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.

Auditors' 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 auditors' 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 auditors consider 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 audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **The YMCA of Greater Vancouver** as at December 31, 2016, 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.

Report on other legal and regulatory requirements

As required by the *Society Act* of British Columbia, we report that, in our opinion, Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

Vancouver, Canada
April 24, 2017

Ernst & Young LLP

Chartered Professional Accountants



The YMCA of Greater Vancouver

Statement of financial position

As at December 31

	2016	2015
	\$	\$
Assets		
Current		
Cash	—	—
Total current assets	—	—
Liabilities and net assets		
Current liabilities		
Accounts payable and accrued liabilities	—	—
Total current liabilities	—	—
Net assets		
Unrestricted	—	—
Total net assets	—	—
Total liabilities and net assets	—	—

See accompanying notes

On behalf of the Board:



Director



Director

The YMCA of Greater Vancouver

Statement of operations

Year ended December 31

	2016	2015
	\$	\$
Revenue		
Program fees	—	—
	—	—
Expenses		
Salaries	—	—
	—	—
Excess of revenue over expenses for the year	—	—

See accompanying notes

The YMCA of Greater Vancouver

Statement of changes in net assets

Year ended December 31

	2016	2015
	\$	\$
Net assets, beginning of year	—	—
Excess of revenue over expenses for the year	—	—
Net assets, end of year	—	—

See accompanying notes

The YMCA of Greater Vancouver

Statement of cash flows

Year ended December 31

	2016	2015
	\$	\$
Operating activities		
Excess of revenue over expenses for the year	—	—
Cash provided by operating activities	—	—
Net increase in cash during the year	—	—
Cash, beginning of year	—	—
Cash, end of year	—	—

See accompanying notes

The YMCA of Greater Vancouver

Notes to financial statements

December 31, 2016

1. Purpose of organization

The YMCA of Greater Vancouver [the "Association" or the "YMCA"] is an independent, charitable organization dedicated to the development of people in spirit, mind and body as well as the improvement of local, national and international communities. The Association is incorporated under the *Society Act* of British Columbia and is a registered charity under the *Income Tax Act* (Canada) and accordingly is not subject to income taxes. The Association is currently in the process of transitioning to the new *Societies Act* of British Columbia and this is expected to be ratified at the 2016 Annual General Meeting.

2. Significant accounting policies

These financial statements were prepared in accordance with Part III of the *CPA Canada Handbook – Accounting*, "Accounting Standards for Not-for-Profit Organizations" which sets out generally accepted accounting principles for not-for-profit organizations in Canada and includes the significant accounting policies described hereafter.

Revenue recognition

The Association follows the deferral method of accounting for contributions, which include grants and donations. Externally restricted contributions are initially deferred and then recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions, including grants and donations, are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Pledges are recognized as revenue if collection is reasonably assured, otherwise they are not recognized until the cash or asset is received. Contributions related to capital development projects and capital assets represent restricted contributions and are recognized as income on the same basis as the related assets are amortized.

Program fees and membership fees are recognized as revenue over the period to which the fees relate. Funds from government sources for services are recognized as revenue as the services to which the funds relate are delivered or performed. Amounts received in advance of meeting the criteria for revenue recognition are initially deferred and then recognized as revenue when earned.

Investment income, which consists of interest, dividends, income distributions from pooled funds and realized and unrealized gains and losses, is recorded in the statement of operations.

Financial instruments

Investments are recorded at fair value. Transactions are recorded on a trade date basis, and transaction costs are expensed as incurred.

Other financial instruments, including accounts receivable and accounts payable and accrued liabilities, are recorded at amortized cost, net of any provisions for impairment.

The YMCA of Greater Vancouver

Notes to financial statements

December 31, 2016

Property and equipment

Property and equipment are recorded at cost less accumulated amortization. The Association charges amortization on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings and infrastructure	25 to 32 years
Program and operating equipment	4 to 8 years
Computer and office equipment	5 years
Automobiles	5 years
Leasehold improvements	Term of the lease

Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit and short-term investments with a short term to maturity of approximately three months or less from the date of purchase, unless they are held for investment rather than liquidity purposes, in which case they are classified as investments.

Leases

Leases are classified as either capital or operating leases. Those leases that transfer substantially all the benefits and risks of ownership of the property to the Association are accounted for as capital leases. Capital lease obligations reflect the present value of future lease payments discounted at appropriate interest rates. All other leases are accounted for as operating leases, wherein rental payments are charged to operations as incurred.

YMCA facilities under development

YMCA facilities under development are recorded at cost and are not amortized. When project construction is complete, the YMCA facility under development project is transferred to the appropriate asset categories and amortized over its useful life. Interest costs and internal salaries and wages directly attributable to the development projects are capitalized as part of the facilities under development.

Long-term debt

Long-term debt is initially measured at fair value, net of transaction costs and financing fees. It is subsequently measured at amortized cost. Transaction costs and financing fees are amortized using the straight-line method.

Pension plan

Contributions to a multi-employer defined contribution pension plan are expensed on an accrual basis.

Contributed materials and services

Volunteers contribute an indeterminable number of hours per year. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements. Contributed materials are also not recognized in the financial statements.

The YMCA of Greater Vancouver

Notes to financial statements

December 31, 2016

Management's 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 amounts reported in the financial statements and accompanying notes. Management believes that the estimates utilized in preparing its financial statements are reasonable and prudent; however, actual results could differ from these estimates. Management estimates impact the period over which property and equipment and deferred capital contributions are amortized.

3. Financial instruments and risk

As at December 31, 2016, the Association is not exposed to credit risk, currency risk, interest rate risk, liquidity risk or market risk as the Association had no assets or liabilities.

4. British Columbia *Societies Act* disclosures

In accordance with the new *Societies Act* of British Columbia and its accompanying regulations, which were effective November 28, 2016, the following disclosures are required:

[a] Remuneration paid to directors

The directors of the Association received no compensation as a result of their board position.

[b] Remuneration paid to employees and contractors

The Association has no employees and no remuneration was paid to any contractor or employee in the year.

5. Subsequent event

On January 1, 2017, The Young Men's Christian Association of Greater Vancouver transferred by way of a deed of gift all assets and liabilities to The YMCA of Greater Vancouver. The Young Men's Christian Association of Greater Vancouver and The YMCA of Greater Vancouver are controlled by the same board of trustees; therefore, no changes to the book value of assets and liabilities occurred as a result of the deed of gift. The YMCA of Greater Vancouver will continue the work of the Young Men's Christian Association of Greater Vancouver.

