

THE VOBOC FOUNDATION
FINANCIAL STATEMENTS
NOVEMBER 30, 2020
(UNAUDITED)

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of the Board of Directors
THE VOBOC FOUNDATION

We have reviewed the accompanying financial statements of THE VOBOC FOUNDATION that comprise the balance sheet as at November 30, 2020, and the statements of operations, 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Basis for Qualified Conclusion

In common with many not-for-profit organizations, THE VOBOC FOUNDATION derives revenues from donations, the completeness of which is not susceptible to us obtaining evidence we considered necessary for the purpose of the review. Accordingly, the evidence obtained of these revenues was limited to the amounts recorded in THE VOBOC FOUNDATION records. Therefore, we were not able to determine whether any adjustments may be necessary to these revenues, excess of revenues over expenses and cash flows from operations for the year ended November 30, 2020, as well as the current assets as at November 30, 2020 and the net assets as at December 1, 2019 and November 30, 2020.

Qualified Conclusion

Based on our review, except for the possible effects of the matter described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of THE VOBOC FOUNDATION as at November 30, 2020, 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.

LCA CPA LLP¹

Montreal, Québec
June 2, 2021

¹ By CPA auditor, CA, public accountancy permit No. A115131

THE VOBOC FOUNDATION

BALANCE SHEET

AS AT NOVEMBER 30, 2020

(unaudited)

	2020	2019
ASSETS		
CURRENT		
Cash	\$ 76,804	\$ 103,715
Temporary investments	40,633	-
Sales taxes receivable	2,546	2,028
Inventories (<i>note 3</i>)	7,673	1,659
Prepaid expenses	309	345
Grants receivable (<i>note 4</i>)	35,000	-
	162,965	107,747
PROPERTY AND EQUIPMENT (<i>note 5</i>)	1,748	1,179
	\$ 164,713	\$ 108,926
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (<i>note 6</i>)	\$ 9,194	\$ 12,940
Deferred contributions (<i>note 7</i>)	33,159	15,000
	42,353	27,940
NET ASSETS		
RESTRICTED PROPERTY AND EQUIPMENT	1,748	1,179
UNRESTRICTED	120,612	79,807
	122,360	80,986
	\$ 164,713	\$ 108,926

Approved by the Board,

_____, Director

THE VOBOC FOUNDATION
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED NOVEMBER 30, 2020
(unaudited)

	2020	2019
REVENUES		
Contributions	\$ 215,035	\$ 184,693
Interest income	312	366
	<u>215,347</u>	<u>185,059</u>
EXPENSES		
Operating (<i>schedule A</i>)	161,155	141,562
Consulting fees	3,999	9,915
Professional fees	3,835	4,966
Rent	1,975	1,967
Information technology	1,052	1,241
Office supplies	811	547
Telecommunications	542	710
Insurance	374	933
Taxes and permits	283	393
Interest and bank charges	13	153
Travel	-	449
(Recovery) Amortization of property and equipment	(66)	295
	<u>173,973</u>	<u>163,131</u>
EXCESS OF REVENUES OVER EXPENSES	\$ 41,374	\$ 21,928

THE VOBOC FOUNDATION

CHANGES IN NET ASSETS

FOR THE YEAR ENDED NOVEMBER 30, 2020

(unaudited)

	Property and equipment	Unrestricted	2020 Total	2019 Total
BALANCE, BEGINNING OF YEAR	\$ 1,179	\$ 79,807	\$ 80,986	\$ 59,058
EXCESS OF REVENUES OVER EXPENSES	66	41,308	41,374	21,928
INTERFUND TRANSFER	503	(503)	-	-
BALANCE, END OF YEAR	\$ 1,748	\$ 120,612	\$ 122,360	\$ 80,986

THE VOBOC FOUNDATION
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED NOVEMBER 30, 2020
(unaudited)

	2020	2019
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 41,374	\$ 21,928
Non-cash item:		
(Recovery) Amortization of property and equipment	(66)	295
	41,308	22,223
Net change in non-cash working capital items <i>(note 8)</i>	(27,083)	25,253
	14,225	47,476
INVESTING ACTIVITIES		
Acquisition of temporary investment	(40,633)	-
Acquisition of property and equipment	(503)	-
	(41,136)	-
(DECREASE) INCREASE IN CASH	(26,911)	47,476
CASH BEGINNING OF YEAR	103,715	56,239
CASH END OF YEAR	\$ 76,804	\$ 103,715

THE VOBOC FOUNDATION
NOTES TO FINANCIAL STATEMENTS
AS AT NOVEMBER 30, 2020
(unaudited)

1. STATUTES OF INCORPORATION AND NATURE OF ACTIVITIES

The Foundation is incorporated under the Canada Not-for-profit Corporations Act and is registered as a charitable public foundation under the Income Tax Act. As such, it is exempt from income tax and may issue income tax receipts to donors. Its purpose is to improve the experience and outcome for adolescents and young adults ("AYA") with cancer.

2. SIGNIFICANT ACCOUNTING POLICIES

The Foundation applies the Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook.

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the reported amounts of revenues and expenses for the periods covered. The main estimates relate to the net realizable value of inventory, impairment of financial assets and the useful life of property and equipment.

Revenue recognition

The Foundation 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 they are received or receivable if the amount to be received can reasonably be estimated and collection is reasonably assured.

Investment transactions are recognized on the transaction date and resulting revenue is recognized on an accrual basis.

Inventories

Inventories are measured at the lower of cost and net realizable value. The cost is determined using the first-in, first-out method.

The cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. The costs of purchase comprise the purchase price, non-recoverable taxes and other costs directly attributable to the acquisition of the backpacks for the Vo-Pak program.

THE VOBOC FOUNDATION
NOTES TO FINANCIAL STATEMENTS
AS AT NOVEMBER 30, 2020
(unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and equipment

Property and equipment are accounted for at cost. Amortization is calculated on their respective estimated useful life using the diminishing balance method at the rate of 20%.

Cash and cash equivalents

The Foundation's policy is to present bank balances under cash and cash equivalents, including bank overdrafts when bank balances that fluctuate frequently from being positive to overdrawn.

Impairment of long-lived assets

Property and equipment subject to amortization are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

Financial instruments

Initial and subsequent measurement

The Foundation initially measures its financial assets and liabilities at fair value, except for certain related party transactions that are measured at the carrying amount or exchange amount, as appropriate.

The Foundation subsequently measures all its financial assets and liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value of these financial instruments are recognized in net earnings in the period incurred.

Financial assets measured at amortized cost on a straight-line basis include cash and grants receivable.

Financial liabilities measured at amortized cost on a straight-line basis include accounts payable.

THE VOBOC FOUNDATION
NOTES TO FINANCIAL STATEMENTS
AS AT NOVEMBER 30, 2020
(unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Impairment

For financial assets measured at cost or amortized cost, the Foundation determines whether there are indications of possible impairment. When there is an indication of impairment, and the Foundation determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in operations. A previously recognized impairment loss may be reversed to the extent of the impairment. The carrying amount of the financial asset may not be 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 operations.

Transaction costs

Transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in operations in the period incurred. Transaction costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the asset or liability and recognized in operations over the life of the instrument using straight-line method.

3. INVENTORIES

Inventories on hand at the year-end consist of backpacks for the Vo-Pak program. These backpacks contain clothing, blankets, supplies and information resources for AYA's diagnosed with cancer.

4. GRANTS RECEIVABLE

Grants receivable represent \$35,000 of unreceived contributions from two donors for which \$10,000 had unrestricted terms from Paladin Labs Inc. and \$25,000 had unrestricted terms from Pfizer Canada Inc. These grants were received in December 2020.

THE VOBOC FOUNDATION
NOTES TO FINANCIAL STATEMENTS
AS AT NOVEMBER 30, 2020
(unaudited)

5. PROPERTY AND EQUIPMENT

	2020		2019	
	Cost	Accumulated amortization	Net book value	Net book value
Furniture	\$ 10,121	\$ 9,327	\$ 794	\$ 552
Computer equipment	9,834	8,880	954	627
	\$ 19,955	\$ 18,207	\$ 1,748	\$ 1,179

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2020	2019
Trade	\$ 234	\$ 591
Accrued liabilities	3,449	8,049
Deductions at source	2,605	2,673
Salaries	2,906	1,627
	\$ 9,194	\$ 12,940

7. DEFERRED CONTRIBUTIONS

Current year deferred contributions represent \$33,159 of unspent resources externally restricted for the CMB Fund. Prior year deferred contributions represented \$15,000 of unspent resources externally restricted for the new Ambassador Program. These contributions were spent during the November 30, 2020 year-end.

8. NET CHANGE IN NON-CASH WORKING CAPITAL ITEMS

	2020	2019
Sales taxes receivable	\$ (518)	\$ 397
Inventories	(6,014)	2,080
Grants receivable	(35,000)	50,000
Prepaid expenses	36	1,223
Accounts payable and accrued liabilities	(3,746)	(3,447)
Deferred contributions	18,159	(25,000)
	\$ (27,083)	\$ 25,253

THE VOBOC FOUNDATION
NOTES TO FINANCIAL STATEMENTS
AS AT NOVEMBER 30, 2020
(unaudited)

9. FINANCIAL INSTRUMENTS

Financial risks

The Foundation is exposed to various risks through its financial instruments, without being exposed to concentrations of risk. The main risks are broken down below.

Credit risk

Credit risk is the risk that one party to a financial asset will cause a financial loss for the Foundation by failing to discharge an obligation.

The Foundation's credit risk is mainly related to grants receivable.

Liquidity risk

Liquidity risk is the risk that the Foundation will encounter difficulty in meeting obligations associated with financial liabilities. The Foundation is exposed to this risk mainly in respect of its accounts payable.

THE VOBOC FOUNDATION
ADDITIONAL INFORMATION
FOR THE YEAR ENDED NOVEMBER 30, 2020
(unaudited)

	2020	2019
SCHEDULE A		
OPERATING		
Programs, purchases, contracts and services	\$ 159,231	\$ 131,106
Fundraising and advertising	1,713	8,397
Volunteering	211	2,059
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	\$ 161,155	\$ 141,562
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