

**THE YUKON HUMAN RIGHTS COMMISSION**

**FINANCIAL STATEMENTS**

**MARCH 31, 2016**  
**(unaudited)**

**Review Engagement Report**

**Statement of Financial Position**

**Statement of Operations**

**Statement of Changes in Net Assets (Deficit)**

**Statement of Cash Flows**

**Notes to Financial Statements**

# J. Kim Tanner, C.A., Ltd.

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Chartered Accountant

## REVIEW ENGAGEMENT REPORT

To the Commissioners of The Yukon Human Rights Commission:

I have reviewed the statement of financial position of The Yukon Human Rights Commission as at March 31, 2016 and the statements of operations, changes in net assets (deficit) and cash flows for the year then ended. These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. My review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussions related to information supplied to me by the Commission.

A review does not constitute an audit and consequently I do not express an audit opinion on these financial statements.

Based on my review, nothing has come to my attention that causes me to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles for not-for-profit organizations. In addition, nothing has come to my attention that causes me to believe that operations for the year are not, in all material respects, in accordance with the terms of the grant transfer agreement entered into with the Government of Yukon during the year.

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CHARTERED ACCOUNTANT

Whitehorse, Yukon  
June 27, 2016

THE YUKON HUMAN RIGHTS COMMISSION

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2016  
(unaudited)

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 20,683	\$ 25,248
Accounts receivable	-	250
Prepaid expenses	<u>14,970</u>	<u>5,608</u>
	35,653	31,106
EQUIPMENT (note 2a, 4)	<u>6,064</u>	<u>7,976</u>
	<u>\$ 41,717</u>	<u>\$ 39,082</u>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 17,801	\$ 15,051
Wages payable	<u>21,550</u>	<u>31,564</u>
	<u>39,351</u>	<u>46,615</u>
<b>NET ASSETS</b>		
INVESTMENT IN EQUIPMENT (note 2a, 4)	6,064	7,976
UNRESTRICTED NET ASSETS (DEFICIT)	<u>(3,698)</u>	<u>(15,509)</u>
	<u>2,366</u>	<u>(7,533)</u>
	<u>\$ 41,717</u>	<u>\$ 39,082</u>

APPROVED BY:

 Commissioner

 Commissioner

THE YUKON HUMAN RIGHTS COMMISSION

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2016

(unaudited)

	<u>2016</u>	<u>2015</u>
<b>REVENUE</b>		
Government of Yukon funds for operations	\$ 598,000	\$ 582,000
Government of Yukon training grants	3,095	-
Donations and other income	345	500
Interest income	<u>312</u>	<u>657</u>
	<u>601,752</u>	<u>583,157</u>
<b>EXPENSES</b>		
<b>Administration</b>		
Annual report	1,749	1,043
Dues and membership	4,300	4,300
Equipment repairs and maintenance	11,879	10,817
Interest and bank charges	324	406
Office supplies	4,836	5,566
Postage, freight and deliveries	487	389
Professional fees	3,465	3,463
Subscriptions, publications and films	6,367	7,049
Telephone and internet	<u>7,788</u>	<u>9,906</u>
	<u>41,195</u>	<u>42,939</u>
<b>Staff</b>		
Employee travel and training	8,256	14,489
Employee liability insurance	5,018	1,084
Wages and employee benefits	456,502	471,929
Contract fees	-	2,829
	<u>469,776</u>	<u>490,331</u>
<b>Commission</b>		
Commissioner honorariums	14,200	19,400
Board liability insurance	5,900	5,900
Commissioner training	3,997	4,177
Commissioner meetings and hospitality	1,561	627
Commissioner strategic planning	-	3,820
	<u>25,658</u>	<u>33,924</u>
<b>Public Education</b>		
Plain Language newsletter	-	132
Special events program	1,960	1,773
Website and print materials	<u>3,276</u>	<u>7,200</u>
	<u>5,236</u>	<u>9,105</u>

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THE YUKON HUMAN RIGHTS COMMISSION

STATEMENT OF OPERATIONS (continued)

FOR THE YEAR ENDED MARCH 31, 2016  
(unaudited)

	<u>2016</u>	<u>2015</u>
Complaints Management		
Legal services	\$ -	\$ -
Case investigation	176	789
Hearing costs	2,460	-
Settlement training	500	750
	<u>3,136</u>	<u>1,539</u>
Operational		
Insurance	1,507	1,694
Janitorial	1,800	1,800
Rent	39,500	39,500
	<u>42,807</u>	<u>42,994</u>
 TOTAL EXPENSES	 <u>587,808</u>	 <u>620,832</u>
 EXCESS (SHORTAGE) OF REVENUE OVER EXPENSES FOR THE YEAR	 <u>\$ 13,944</u>	 <u>\$ (37,675)</u>

THE YUKON HUMAN RIGHTS COMMISSION  
STATEMENT OF CHANGES IN NET ASSETS (DEFICIT)  
FOR THE YEAR ENDED MARCH 31, 2016  
(unaudited)

	Investment in Equipment	Unrestricted Net Assets	Net 2016	Net 2015
BALANCE AT BEGINNING OF YEAR	\$ 7,976	\$ (15,509)	\$ (7,533)	\$ 37,447
Excess (shortage) of revenue over expenses in year	-	13,944	13,944	(37,675)
Transfer between funds	-	(2,133)	(2,133)	(6,004)
Additions to equipment in year	2,133	-	2,133	6,004
Write off of old equipment in year	-	-	-	(3,049)
Amortization of equipment in year	<u>(4,045)</u>	<u>-</u>	<u>(4,045)</u>	<u>(4,256)</u>
BALANCE END OF YEAR	<u>\$ 6,064</u>	<u>\$ (3,698)</u>	<u>\$ 2,366</u>	<u>\$ (7,533)</u>

THE YUKON HUMAN RIGHTS COMMISSION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2016  
(unaudited)

	<u>2016</u>	<u>2015</u>
<b>CASH PROVIDED BY (USED FOR) OPERATIONS</b>		
Cash received from Government of Yukon	\$ 601,095	\$ 582,000
Cash received from Yukon Law Foundation	-	-
Other cash received for operations	595	250
Cash paid out for wages and benefits	(479,790)	(473,459)
Cash paid out for other operational costs	<u>(124,644)</u>	<u>(121,517)</u>
	<u>(2,744)</u>	<u>(12,726)</u>
<b>CASH PROVIDED BY (USED FOR) FINANCING</b>		
Purchase of equipment	<u>(2,133)</u>	<u>(6,004)</u>
<b>CASH PROVIDED BY (USED FOR) INVESTMENT</b>		
Interest income received on term deposits and savings	<u>312</u>	<u>657</u>
<b>INCREASE (DECREASE) IN CASH FOR THE YEAR</b>	<b>(4,565)</b>	<b>(18,073)</b>
<b>CASH AT BEGINNING OF YEAR</b>	<u>25,248</u>	<u>43,321</u>
<b>CASH AT END OF YEAR</b>	<u>\$ 20,683</u>	<u>\$ 25,248</u>

THE YUKON HUMAN RIGHTS COMMISSION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2016  
(unaudited)

**1. PURPOSE OF THE ORGANIZATION**

The Yukon Human Rights Commission is a Yukon non-profit organization created to investigate and resolve allegations of human rights abuse in the Yukon. It is an organization created and funded by the Government of Yukon to administer the Human Rights Act.

**2. SIGNIFICANT ACCOUNTING POLICIES**

The Yukon Human Rights Commission uses Canadian accounting standards for not-for-profit organizations as the basis of its accounting and financial statement presentation. The following is a summary of the significant accounting policies used by management in the preparation of these financial statements.

a) Amortization

Purchases of equipment are recorded at cost. Amortization is provided at rates sufficient to amortize the cost over the estimated useful lives of the equipment. Equipment is amortized using the declining balance method at the rates set out in note 4.

Current year amortization totals \$4,045 (\$4,256 in 2015).

The Investment in Equipment represents the total amortized cost of the equipment of the Commission.

b) Revenue Recognition

The Yukon Human Rights Commission 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.

c) Donated Materials

Donated capital assets and materials are recorded at estimated fair market value with a corresponding amount of revenue recorded as "Donations in kind".



THE YUKON HUMAN RIGHTS COMMISSION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2016  
(unaudited)

**2. SIGNIFICANT ACCOUNTING POLICIES, continued**

d) Measurement Uncertainty - the Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make assumptions and estimates that have an effect on the reported amount of assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Actual results could be different from those estimates.

e) Financial Instruments

*Measurement of financial instruments*

The Commission initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash, term deposits and GICs, and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and wages payable.

*Impairment*

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of any write-down is recognized in the Statement of Operations. Previously recognized impairment losses may be reversed to the extent of an improvement, 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 the Statement of Operations.

*Transaction costs*

The Commission recognizes its transaction costs in net income in the period incurred. However, the carrying amount of the financial instruments that will not be subsequently measured at fair value is reflected in the transaction costs that are directly attributable to their origin, issuance or assumption.

THE YUKON HUMAN RIGHTS COMMISSION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2016  
(unaudited)

**3. CAPITAL MANAGEMENT**

The Commission's capital consists of unrestricted net assets, which is the accumulated surplus of revenues over expenses. Management manages the capital to ensure adequate funds are on hand to meet current and future commitments of the Commission.

**4. EQUIPMENT**

		<u>2016</u>			<u>2015</u>
	Rate	Cost	Accumulated Amortization	Net	Net
Furniture & equipment	20%	\$ 6,641	\$ 3,741	\$ 2,900	\$ 1,875
Computer equipment	55%	<u>11,941</u>	<u>8,777</u>	<u>3,164</u>	<u>6,101</u>
		<u>\$ 18,582</u>	<u>\$ 12,518</u>	<u>\$ 6,064</u>	<u>\$ 7,976</u>

**5. FINANCIAL INSTRUMENTS RISK**

The Yukon Human Rights Commission's financial instruments consist of cash, accounts receivable, accounts payable, and deferred revenue. Unless otherwise noted, it is the management's opinion that the Yukon Human Rights Commission is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

a) Interest rate risk

Interest rate risk arises from holding fixed interest rate investments. This risk is minimal due to the amounts invested and the short term nature of the use of such investments.

b) Liquidity risk

Liquidity risk is the risk that the Commission will encounter difficulty meeting obligations associated with its financial liabilities. The Commission's payables are all due within one year and its current assets (cash, receivables, and prepaids) do not exceed the current liabilities, indicating potential cash flow

issues. This is a planned temporary situation and the Commission does not expect this to affect future operations.

## **6. ECONOMIC DEPENDENCE**

The Commission is economically dependent upon the Government of Yukon Territory as substantially all operating revenue comes from this source.

## **7. LEASE AGREEMENT**

The Commission has a lease agreement for office space which expires in November 2017. Rental payments of \$3,291.66 are due monthly under this agreement.

The Commission, in the lease agreement, is given the first and sole option to renew the lease for an additional five year term, with the rental rate to be negotiated at the time of renewal.