

RICHMOND CARES, RICHMOND GIVES SOCIETY
FINANCIAL STATEMENTS
(UNAUDITED)
March 31, 2023

INDEX

	Page
Independent Practitioner's Review Engagement Report	1
Statement of Financial Position	2
Statement of Changes in Net Assets	3
Statement of Operations	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 10

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Directors of Richmond Cares, Richmond Gives Society,

I have reviewed the accompanying financial statements of Richmond Cares, Richmond Gives Society, that comprise the statement of financial position as at March 31, 2023, and statement of changes in net assets, the statement of operations, and statement of 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.

Practitioner's Responsibility

My responsibility is to express a conclusion on the accompanying financial statements based on my review. I conducted my review in accordance with Canadian generally accepted standards for review engagements, which require me 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, 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, I do not express an audit opinion on these financial statements.

Basis for Qualified Conclusion

In common with many charitable organizations, the Richmond Cares, Richmond Gives Society derives a part of its revenue from fundraising and special events, and 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 records of Richmond Cares, Richmond Gives Society. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising and special events, and donations, excess of revenues over expenses, and cash flows from operations for the years ended March 31, 2023 and 2022, current assets and net assets as at March 31, 2023 and 2022. My review conclusion on the financial statements for the year ended March 31, 2022 was modified accordingly because of the possible effects of this limitation in scope.

Qualified Conclusion

Based on my review, except for the possible effects of the matter described in the Basis for Qualified Conclusion paragraph, nothing has come to my attention that causes me to believe that the financial statements do not present fairly, in all material respects, the financial position of Richmond Cares, Richmond Gives Society as at March 31, 2023, 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.

Delta, B.C.
June 14, 2023

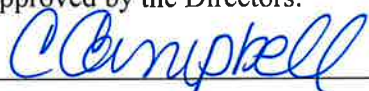


CHARTERED PROFESSIONAL ACCOUNTANT

RICHMOND CARES, RICHMOND GIVES SOCIETY
STATEMENT OF FINANCIAL POSITION
(UNAUDITED)
As at March 31, 2023

ASSETS		
	<u>2023</u>	<u>2022</u>
CURRENT		
Cash and cash equivalents (note 2a)	\$ 489,121	\$ 499,548
Restricted Cash (note 3)	348,371	328,486
Gift cards	10,010	1,728
Amounts receivable (note 4)	40,796	22,870
Prepaid expenses	19,541	14,691
Goods and Services Tax recoverable	11,008	9,326
TOTAL CURRENT ASSETS	918,847	876,649
CAPITAL ASSETS (notes 2b & 5)	29,136	30,719
TOTAL ASSETS	947,983	907,368
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (note 6)	73,625	44,554
Client prepayments	11,442	11,925
Deferred revenue (note 7)	765,669	757,325
Deferred capital funding	26,050	23,049
TOTAL CURRENT LIABILITIES	876,786	836,853
NET ASSETS		
INVESTED IN CAPITAL ASSETS	29,136	30,719
NET ASSETS	42,061	39,796
TOTAL NET ASSETS	71,197	70,515
TOTAL LIABILITIES AND NET ASSETS	\$ 947,983	\$ 907,368

Approved by the Directors:

 _____, Director

 _____, Director

See Accompanying Notes to Financial Statements

RICHMOND CARES, RICHMOND GIVES SOCIETY
STATEMENT OF CHANGES IN NET ASSETS

(unaudited)

For the year ended March 31, 2023

NET ASSETS	<u>Invested in Capital assets</u>	<u>Unrestricted</u>	<u>2023 Total</u>	<u>2022 Total</u>
Balance, beginning of year	\$ 30,719	\$ 39,796	\$ 70,515	\$ 70,515
Excess of revenues over expenses	-	27,782	27,782	29,114
Additions of capital assets	25,517	(25,517)	-	-
Amortization of capital assets	(27,100)	-	(27,100)	(29,114)
BALANCE, end of year	\$ 29,136	\$ 42,061	\$ 71,197	\$ 70,515

See Accompanying Notes to Financial Statements

RICHMOND CARES, RICHMOND GIVES SOCIETY
STATEMENT OF OPERATIONS
(unaudited)
FOR THE YEAR ENDED MARCH 31, 2023

	2023	2022
	Total	Total
REVENUE		
Ministry of Children and Family Development	\$ 470,695	\$ 503,592
United Way	471,646	400,820
Grants and community funding	261,652	276,815
Government of Canada	14,772	9,600
Donations	187,540	231,130
Vancouver Coastal Health	437,965	219,744
B.C. Gaming Branch grant	87,545	88,646
Fundraising and special events	158,713	108,470
City of Richmond	43,615	42,634
Vancouver Foundation	45,701	37,395
Programs revenue	64,182	65,040
Interest and other income	15,234	15,403
Membership fees	4,970	4,835
	2,264,230	2,004,124
EXPENSES		
Accounting and legal	4,466	4,173
Contract fees	516,330	316,907
Education and training	8,054	1,781
Furniture and equipment replacement	420	-
Insurance	6,970	7,531
Office expenses	35,581	25,552
Occupancy expenses	61,620	61,361
Public relations	117,549	78,678
Program expenses	208,001	224,778
Salaries and benefits	1,151,589	1,144,886
Technology support	49,010	51,475
Telecommunications	15,978	12,224
Travel	54,010	41,034
Volunteer Recognition	6,870	4,630
	2,236,448	1,975,010
Excess revenue over expenses from operations	27,782	29,114
Amortization	(27,100)	(29,114)
Excess of revenue over expenses	\$ 682	\$ -

See Accompanying Notes to Financial Statements

RICHMOND CARES, RICHMOND GIVES SOCIETY
STATEMENT OF CASH FLOWS
(UNAUDITED)
For the year ended March 31, 2023

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Revenues	\$ 2,248,883	\$ 2,045,239
Cash paid for operating expenses	(2,213,907)	(1,960,827)
	34,976	84,412
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of capital assets	(25,518)	(6,899)
INCREASE IN CASH	9,458	77,513
CASH AND CASH EQUIVALENTS, beginning of year	828,034	750,521
CASH AND CASH EQUIVALENTS, end of year	\$ 837,492	\$ 828,034
REPRESENTED BY:		
CASH AND CASH EQUIVALENTS	\$ 489,121	\$ 499,548
RESTRICTED CASH	348,371	328,486
	\$ 837,492	\$ 828,034

See Accompanying Notes to Financial Statements

RICHMOND CARES, RICHMOND GIVES SOCIETY
NOTES TO FINANCIAL STATEMENTS
(UNAUDITED)
March 31, 2023

1. PURPOSE OF THE SOCIETY

The Society was incorporated under the Society Act of British Columbia as a not-for-profit organization on April 1, 1977 and is a registered charity under the Income Tax Act, and as such is exempt from income taxes and is able to issue donation receipts for income tax purposes. In order to maintain its status as a registered charity under the Act, the Society must meet certain requirements within the Act. In the opinion of management, these requirements have been met.

The Society is based in the City of Richmond, British Columbia. The Society's primary purpose is to enhance the quality of life for individuals and families in the Richmond community by providing a range of social services and support. Some of the key objectives of the Society include:

1. Building community capacity - The Society works to strengthen the capacity of local non-profit organizations by providing resources, training, and networking opportunities that support these organizations to better serve the community.
2. Facilitating volunteer engagement - The Society matches individuals with volunteer opportunities that align with their skills, interests, and availability.
3. Promoting philanthropy and charitable giving - The Society facilitates donations to local non-profit organizations, and collaborates with businesses and individuals to support community initiatives and projects.
4. Providing community information and referral - The Society serves as a resource hub that provides information and referrals to individuals seeking assistance with various social services by connecting them with appropriate programs and resources based on their needs.
5. Forming collaborative partnerships - The Society works in partnership with other organizations, government agencies, and community stakeholders to identify emerging needs, develop innovative solutions, and collectively address social challenges.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

a. Cash and cash equivalents

Cash and cash equivalents is comprised of petty cash, bank accounts, and term deposits that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Cash and cash equivalents consist of the following:

	<u>2023</u>	<u>2022</u>
Chequing accounts	\$ 257,077	\$ 374,807
Savings accounts	378,442	452,877
Term deposits	201,623	-
Petty cash	<u>350</u>	<u>350</u>
	<u>\$ 837,492</u>	<u>\$ 828,034</u>
Represented by:		
Cash and cash equivalents	\$ 489,121	\$ 501,276
Restricted cash	<u>348,371</u>	<u>328,486</u>
	<u>\$ 837,492</u>	<u>\$ 829,762</u>

RICHMOND CARES, RICHMOND GIVES SOCIETY
NOTES TO FINANCIAL STATEMENTS
(UNAUDITED)
March 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

b. Capital assets

Capital assets are recorded at cost. The cost for contributed capital assets is considered to be fair value at the date of contribution.

Amortization is provided using the following methods at rates intended to amortize the cost of assets over their estimated useful lives.

Computer equipment	Straight-line basis over three years
Furniture and Equipment	Straight-line basis over ten years
Website	Straight-line basis over two years

c. Revenue recognition

The Society follows the deferral method of accounting for contributions.

Government grants received as operating grants are recognized in the period they are received or in the period designated by the donor. Government grants received as capital grants are deferred and amortized over the period that the corresponding assets are amortized. Deferred revenue represents funds not yet paid out for capital expenses or represent funds not yet expended.

All membership fees, user fees, donations and miscellaneous revenue are recognized in the period for which they are received unless specifically allocated to future expenditures and therefore deferred until the associated expense occurs.

Interest income is recognized when earned.

d. Use of estimates

When preparing financial statements according to ASNPO, the Society makes estimates and assumptions relating to:

- Useful life of capital assets; and
- Accrued liability

Management's assumptions are based on a number of factors, including historical experience, current events, actions that the Society may undertake in future, and other assumptions believed reasonable under the circumstances. These estimates are periodically reviewed and, accordingly, adjustments made to these estimates are taken into income in the year in which it is determined. These estimates are subject to measurement uncertainty, and actual results may therefore differ from those estimates.

RICHMOND CARES, RICHMOND GIVES SOCIETY
NOTES TO FINANCIAL STATEMENTS
(UNAUDITED)
March 31, 2023

3. RESTRICTED CASH

These funds are from Gaming grants and held in an account outside of general operating funds. These funds are to be disbursed based on guidelines provided by the Province of British Columbia Gaming Branch.

Restricted cash also includes the Christmas fund. Donations are received specifically for the Christmas fund and every Christmas season, the Society distributes grocery vouchers to individuals and families in need out of this fund.

The following is the the breakdown of restricted cash:

	<u>2023</u>	<u>2022</u>
BC Gaming funds	\$ 87,628	\$ 87,545
Richmond Christmas funds	<u>260,743</u>	<u>240,941</u>
	<u>\$ 348,371</u>	<u>\$ 328,486</u>

4. AMOUNTS RECEIVABLE

Consists of the following:

	<u>2023</u>	<u>2022</u>
Vancouver Coastal Health	\$ 31,074	\$ 20,105
Richmond Family Place	4,278	-
Miscellaneous	<u>5,444</u>	<u>2,765</u>
	<u>\$ 40,796</u>	<u>\$ 22,870</u>

5. CAPITAL ASSETS

	<u>2023</u>		<u>2022</u>	
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Cost</u>	<u>Accumulated Amortization</u>
Computers	\$ 52,990	\$ (42,915)	\$ 53,845	\$ (44,316)
Office Equipment	35,180	(16,119)	20,566	(14,566)
Website	<u>30,381</u>	<u>(30,381)</u>	<u>30,381</u>	<u>(15,191)</u>
	<u>\$ 118,551</u>	<u>\$ (89,415)</u>	<u>\$ 104,792</u>	<u>\$ (74,073)</u>
Net book value	<u>\$ 29,136</u>		<u>\$ 30,719</u>	

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Consists of the following:

	<u>2023</u>	<u>2022</u>
Vendor payables	\$ 68,853	\$ 40,307
Accounting accrual	<u>4,773</u>	<u>4,245</u>
	<u>\$ 73,626</u>	<u>\$ 44,552</u>

RICHMOND CARES, RICHMOND GIVES SOCIETY
NOTES TO FINANCIAL STATEMENTS
(UNAUDITED)
March 31, 2023

7. DEFERRED REVENUE

Revenues advanced from funders and government agencies and received from contributors, donors and special events where their use is for specific operating purposes. Recognition of these amounts as revenue is deferred to periods when the specific expenditures are made. Changes in the balance are as follows:

	Beginning Balance	Receipts	Disbursements	Ending Balance
Christmas fund	\$ 240,941	\$ 40,500	\$ 20,698	\$ 260,743
Operations	126,856	40,000	11,610	155,246
Seniors programs	153,365	710,692	712,471	151,586
Gaming funds	87,545	87,628	87,545	87,628
Child care programs	54,797	90,563	80,920	64,440
Volunteer centre programs	<u>93,821</u>	<u>73,251</u>	<u>121,124</u>	<u>45,948</u>
	<u>\$ 757,325</u>	<u>\$ 1,042,634</u>	<u>\$ 1,034,368</u>	<u>\$ 765,591</u>

8. REMUNERATION

As part of the disclosure requirements of the B.C. Societies Act, the Society reports two employees who earned in excess of \$75,000. Total remuneration (which includes wages and taxable benefits) for the calendar year 2022 was \$203,123 (2021 - \$204,186)

9. ECONOMIC DEPENDENCE

The Society is economically dependent on government funding and other non-government grants to provide sufficient funds to continue operations, and replace essential equipment. The following are the percentages over total revenue:

	<u>2023</u>	<u>2022</u>
Federal	0.93%	2.19%
Provincial	46.73%	43.74%
Municipal	1.93%	2.13%
Non-government	<u>29.85%</u>	<u>28.05%</u>
Percentage of total revenue	<u>79.44%</u>	<u>76.11%</u>

RICHMOND CARES, RICHMOND GIVES SOCIETY
NOTES TO FINANCIAL STATEMENTS
(UNAUDITED)
March 31, 2023

10. COMMITMENTS

Commencing May 2022 the Society entered into a 48 month lease with Signature Automotive Group Ltd. for a vehicle. The monthly payments are \$573 plus taxes.

Commencing February 2022 the Society entered into a 48 month contract with Automation One Business Systems Inc. for a photocopier equipment and service agreement. The monthly payments are \$375 plus taxes.

Commencing September 1, 2021 the Society entered into a 5 year lease with Richmond Caring Place Society to August 31, 2026 for its administration office located at 190/280/325 - 7000 Minoru Boulevard Richmond, BC. The monthly lease payments are \$4,709 as of March 31, 2023. Effective September 1, 2023, the monthly lease payments will be \$7,534 and is projected to increase further as of September 1, 2024 to \$8,889.

Commencing February 5, 2020, the Society entered into a 48 month lease with Applewood Motors Richmond Inc. for a vehicle. The monthly payments are \$438 plus taxes. On February 6, 2020, the Society signed a memorandum of understanding (MOU) with the Rotary Club of Steveston (Rotary) stating that Rotary will reimburse the Society the cost of the lease payments and the Society will be responsible for the payment of proper business use insurance, maintenance, gas, parking costs, and other related costs. The MOU is in effect until the lease expires.

11. FINANCIAL INSTRUMENTS

The Society's financial instruments consist of accounts receivable, and payables. Unless otherwise noted, it is management's opinion that the Society is not exposed to significant credit, interest rate, or liquidity risks arising from these financial instruments.

The Society is exposed to financial risk that arises from the fluctuation in interest rates, in currency exchange rates, and in the credit quality of its clients.

Credit risk

The Society's credit risk consists principally of cash and cash equivalents, and accounts receivable. The Society maintains cash and cash equivalents with reputable and major financial institutions. Management considers the risk of non-performance of these instruments to be remote.

There is no client comprising a majority of receivables. There is no particular concentration of credit risk.

Interest rate risk

The Society is exposed to interest rate risk with respect to the following financial instruments: cash and cash equivalents in interest bearing accounts. Changes in interest rates can affect the fair value of investments and the cash flows related to interest income and expense.

Liquidity risk

The Organization is exposed to liquidity risk in meeting its obligations associated with financial liabilities, which is dependent on receipt of funds from clients and grant providers.