

RICHMOND CARES, RICHMOND GIVES SOCIETY
FINANCIAL STATEMENTS
(UNAUDITED)
March 31, 2024

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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, 2024, 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 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, 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, I was 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, 2024 and 2023, current assets and net assets as at March 31, 2024 and 2023. My review conclusion on the financial statements for the year ended March 31, 2023 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, 2024, 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.

A handwritten signature in dark ink, appearing to be the name of the chartered professional accountant.


Delta, B.C.
June 13, 2024

CHARTERED PROFESSIONAL ACCOUNTANT

RICHMOND CARES, RICHMOND GIVES SOCIETY
STATEMENT OF FINANCIAL POSITION
(UNAUDITED)
As at March 31, 2024

ASSETS			
		<u>2024</u>	<u>2023</u>
CURRENT			
Cash and cash equivalents (note 2a)	\$	530,405	\$ 489,121
Restricted Cash (note 3)		313,141	348,371
Gift cards		4,091	10,010
Amounts receivable (note 4)		47,421	40,796
Prepaid expenses		24,460	19,541
Goods and Services Tax recoverable		11,634	11,008
TOTAL CURRENT ASSETS		931,152	918,847
CAPITAL ASSETS (notes 2b & 5)		28,026	29,136
TOTAL ASSETS		959,178	947,983
LIABILITIES			
CURRENT			
Accounts payable and accrued liabilities (note 6)		62,524	73,627
Client prepayments		11,609	11,442
Deferred revenue (note 7)		789,903	765,669
Deferred capital funding		23,983	26,050
TOTAL CURRENT LIABILITIES		888,019	876,788
NET ASSETS			
INVESTED IN CAPITAL ASSETS		28,026	29,136
NET ASSETS		43,133	42,059
TOTAL NET ASSETS		71,159	71,195
TOTAL LIABILITIES AND NET ASSETS		\$ 959,178	\$ 947,983

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, 2024

NET ASSETS	Invested in <u>Capital assets</u>	<u>Unrestricted</u>	2024 <u>Total</u>	2023 <u>Total</u>
Balance, beginning of year	\$ 29,136	\$ 42,059	\$ 71,195	\$ 70,513
Excess of revenues over expenses	-	10,678	10,678	27,782
Additions of capital assets	9,604	(9,604)	-	-
Amortization of capital assets	(10,714)	-	(10,714)	(27,100)
BALANCE, end of year	\$ 28,026	\$ 43,133	\$ 71,159	\$ 71,195

See Accompanying Notes to Financial Statements

RICHMOND CARES, RICHMOND GIVES SOCIETY
STATEMENT OF OPERATIONS
(unaudited)
FOR THE YEAR ENDED MARCH 31, 2024

	2024	2023
	<u>Total</u>	<u>Total</u>
REVENUE		
Ministry of Education and Child Care	\$ 567,699	\$ 470,695
United Way	408,677	471,646
Grants and community funding	302,968	261,652
Government of Canada	37,350	14,772
Donations	222,208	187,540
Vancouver Coastal Health	391,352	437,965
B.C. Gaming Branch grant	90,400	87,545
Fundraising and special events	103,859	158,713
City of Richmond	51,697	43,615
Vancouver Foundation	45,114	45,701
Programs revenue	81,914	64,182
Interest and other income	69,326	15,234
Membership fees	5,520	4,970
	2,378,084	2,264,230
EXPENSES		
Accounting and legal	4,380	4,466
Contract fees	461,743	516,330
Education and training	7,528	8,054
Furniture and equipment replacement	-	420
Insurance	10,428	6,970
Office expenses	33,560	35,581
Occupancy expenses	80,761	61,620
Public relations	85,667	117,549
Program expenses	276,213	208,001
Salaries and benefits	1,265,111	1,151,589
Technology support	76,781	49,010
Telecommunications	16,710	15,978
Travel	42,958	54,010
Volunteer Recognition	5,566	6,870
	2,367,406	2,236,448
Excess revenue over expenses from operations	10,678	27,782
Amortization	(10,714)	(27,100)
(Deficiency)/Excess of revenue over expenses	\$ (36)	\$ 682

See Accompanying Notes to Financial Statements

RICHMOND CARES, RICHMOND GIVES SOCIETY
STATEMENT OF CASH FLOWS
(UNAUDITED)
For the year ended March 31, 2024

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Revenues	\$ 2,399,713	\$ 2,248,883
Cash paid for operating expenses	(2,384,054)	(2,213,907)
	15,659	34,976
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of capital assets	(9,605)	(25,518)
	6,054	9,458
INCREASE IN CASH	6,054	9,458
CASH AND CASH EQUIVALENTS, beginning of year	837,492	828,034
	\$ 843,546	\$ 837,492
REPRESENTED BY:		
CASH AND CASH EQUIVALENTS	\$ 530,405	\$ 489,121
RESTRICTED CASH	313,141	348,371
	\$ 843,546	\$ 837,492

See Accompanying Notes to Financial Statements

RICHMOND CARES, RICHMOND GIVES SOCIETY
NOTES TO FINANCIAL STATEMENTS
(UNAUDITED)
March 31, 2024

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>2024</u>	<u>2023</u>
Chequing accounts	\$ 274,420	\$ 257,077
Savings accounts	156,244	378,442
Term deposits	412,476	201,623
Petty cash	<u>406</u>	<u>350</u>
	<u>\$ 843,546</u>	<u>\$ 837,492</u>
Represented by:		
Cash and cash equivalents	\$ 530,405	\$ 489,121
Restricted cash	<u>313,141</u>	<u>348,371</u>
	<u>\$ 843,546</u>	<u>\$ 837,492</u>

RICHMOND CARES, RICHMOND GIVES SOCIETY
NOTES TO FINANCIAL STATEMENTS
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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
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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>2024</u>	<u>2023</u>
BC Gaming funds	\$ 88,398	\$ 87,628
Richmond Christmas funds	<u>224,743</u>	<u>260,743</u>
	<u>\$ 313,141</u>	<u>\$ 348,371</u>

4. AMOUNTS RECEIVABLE

Consists of the following:

	<u>2024</u>	<u>2023</u>
Vancouver Coastal Health	\$ 40,861	\$ 31,074
Richmond Family Place		4,278
Miscellaneous	<u>6,560</u>	<u>5,444</u>
	<u>\$ 47,421</u>	<u>\$ 40,796</u>

5. CAPITAL ASSETS

	<u>2024</u>		<u>2023</u>	
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Cost</u>	<u>Accumulated Amortization</u>
Computers	\$ 62,594	\$ (51,154)	\$ 52,990	\$ (42,915)
Office Equipment	35,180	(18,594)	35,180	(16,119)
Website	<u>30,381</u>	<u>(30,381)</u>	<u>30,381</u>	<u>(30,381)</u>
	<u>\$ 128,155</u>	<u>\$ (100,129)</u>	<u>\$ 118,551</u>	<u>\$ (89,415)</u>
Net book value		<u>\$ 28,026</u>		<u>\$ 29,136</u>

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Consists of the following:

	<u>2024</u>	<u>2023</u>
Vendor payables	\$ 56,259	\$ 68,854
Accounting accrual	<u>6,266</u>	<u>4,773</u>
	<u>\$ 62,525</u>	<u>\$ 73,627</u>

RICHMOND CARES, RICHMOND GIVES SOCIETY
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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			Ending
	<u>Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance</u>
Christmas fund	\$ 260,743	\$ -	\$ 36,000	\$ 224,743
Operations	155,324	-	30,078	125,246
Seniors programs	151,586	715,372	687,204	179,754
Gaming funds	87,628	93,819	93,049	88,398
Child care programs	64,440	152,291	149,088	67,643
Volunteer centre programs	<u>45,948</u>	<u>188,674</u>	<u>130,503</u>	<u>104,119</u>
	<u>\$ 765,669</u>	<u>\$ 1,150,156</u>	<u>\$ 1,125,922</u>	<u>\$ 789,903</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 2023 was \$215,379 (2022 - \$203,123)

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>2024</u>	<u>2023</u>
Federal	1.57%	0.93%
Provincial	44.13%	46.73%
Municipal	2.17%	1.93%
Non-government	<u>29.38%</u>	<u>29.85%</u>
Percentage of total revenue	<u>77.25%</u>	<u>79.44%</u>

RICHMOND CARES, RICHMOND GIVES SOCIETY
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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 \$7,534 as of March 31, 2024. It is projected to increase as of September 1, 2024 to \$8,789.

Commencing March 1, 2024, the Society entered into a 60 month lease with Applewood Motors Richmond Inc. for a vehicle. The monthly payments are \$571 plus taxes.

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.