

VOLUNTEER RICHMOND INFORMATION SERVICES SOCIETY
(operating as Richmond Cares, Richmond Gives)
Financial Statements
Year Ended March 31, 2016

VOLUNTEER RICHMOND INFORMATION SERVICES SOCIETY
(operating as Richmond Cares, Richmond Gives)
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Year Ended March 31, 2016

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INDEPENDENT AUDITOR'S REPORT

To the Members of Volunteer Richmond Information Services Society (operating as Richmond Cares, Richmond Gives)

We have audited the accompanying financial statements of Volunteer Richmond Information Services Society (operating as Richmond Cares, Richmond Gives), which comprise the statement of financial position as at March 31, 2016 and the statement 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.

Auditor's 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 auditor's 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 auditor considers 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 qualified audit opinion.

(continues)

Basis for Qualified Opinion

In common with many not-for-profit organizations, Volunteer Richmond Information Services Society (operating as Richmond Cares, Richmond Gives), derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of Volunteer Richmond Information Services Society (operating as Richmond Cares, Richmond Gives). Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2016, current assets and net assets as at March 31, 2016.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Volunteer Richmond Information Services Society (operating as Richmond Cares, Richmond Gives), as at March 31, 2016 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Other Matter

The financial statements for the year ended March 31, 2015 were audited by another accounting firm, who expressed a qualified opinion on those financial statements on June 9, 2015 for the reasons described in the Basis for Qualified Opinion paragraph.

Langley, British Columbia
June 17, 2016

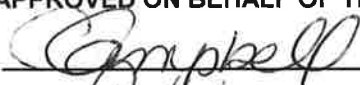



CHARTERED PROFESSIONAL ACCOUNTANTS

VOLUNTEER RICHMOND INFORMATION SERVICES SOCIETY
(operating as Richmond Cares, Richmond Gives)
Statement of Financial Position
March 31, 2016

	2016	2015
ASSETS		
CURRENT		
Cash	\$ 305,388	\$ 380,762
Accounts receivable	1,002	7,515
Goods and services tax recoverable	1,072	1,452
Prepaid expenses	12,322	37,928
	319,784	427,657
EQUIPMENT (Note 5)	57,063	34,526
	\$ 376,847	\$ 462,183
LIABILITIES		
CURRENT		
Accounts payable	\$ 56,143	\$ 16,775
Deferred income	203,306	354,638
	259,449	371,413
DEFERRED CAPITAL FUNDING (Note 6)	47,441	25,379
	306,890	396,792
NET ASSETS		
Invested in capital assets	9,624	9,149
Unrestricted funds	60,333	56,242
	69,957	65,391
	\$ 376,847	\$ 462,183

APPROVED ON BEHALF OF THE BOARD


 _____ Director

 _____ Director

SIGN HERE

See notes to financial statements

VOLUNTEER RICHMOND INFORMATION SERVICES SOCIETY
(operating as Richmond Cares, Richmond Gives)

Statement of Changes in Net Assets
Year Ended March 31, 2016

	Invested in capital assets	Unrestricted Funds	2016	2015
NET ASSETS - BEGINNING OF YEAR	\$ 9,149	\$ 56,242	\$ 65,391	\$ 63,790
Excess of revenues over expenses	(48,626)	53,192	4,566	1,601
Acquisition of capital assets (net)	71,163	(71,163)	-	-
Amortization of deferred funding	38,982	(38,982)	-	-
Deferred capital funding received during the year	(61,044)	61,044	-	-
	<u>9,624</u>	<u>60,333</u>	<u>69,957</u>	<u>65,391</u>
NET ASSETS - END OF YEAR	<u>\$ 9,624</u>	<u>\$ 60,333</u>	<u>\$ 69,957</u>	<u>\$ 65,391</u>

See notes to financial statements

VOLUNTEER RICHMOND INFORMATION SERVICES SOCIETY
(operating as Richmond Cares, Richmond Gives)
Statement of Operations
For the Year Ended March 31, 2016

	2016	2015
REVENUES		
Government of Canada	\$ 10,046	\$ 11,292
Government of B.C.	285,138	285,138
Vancouver Coastal Health	75,000	77,274
City of Richmond grant	43,577	38,073
City of Richmond contracts	619	866
United Way	276,322	238,827
Donations, fundraising	330,679	152,824
B.C. Gaming Commission grant	86,215	206,275
Grants, membership and other revenue	319,917	308,401
Amortization of deferred capital funding	38,982	8,460
	<u>1,466,495</u>	<u>1,327,430</u>
EXPENSES		
Administration expense and audit	6,402	3,669
Amortization	48,626	17,470
Computer supplies and maintenance	28,856	27,926
Insurance	8,050	7,038
Fundraising expenses	18,573	3,969
Office expenses	8,297	7,090
Office rent	50,135	49,633
Printing and directories	19,989	14,953
Professional development	3,339	4,584
Program supplies	154,796	97,963
Promotional	18,411	14,603
Special projects	26,543	22,889
Subscriptions and memberships	2,423	2,423
Telecommunications	13,648	16,549
Travel and automobile	27,560	20,645
Volunteer recognition and training	48,255	45,394
Wages and benefits	978,026	969,031
	<u>1,461,929</u>	<u>1,325,829</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 4,566</u>	<u>\$ 1,601</u>

See notes to financial statements

VOLUNTEER RICHMOND INFORMATION SERVICES SOCIETY
(operating as Richmond Cares, Richmond Gives)

Statement of Cash Flow
Year Ended March 31, 2016

	2016	2015
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 4,566	\$ 1,601
Items not affecting cash:		
Amortization of property, plant and equipment	48,626	17,470
Amortization of deferred capital funding	(38,982)	(8,460)
	14,210	10,611
Changes in non-cash working capital:		
Accounts receivable	6,513	(4,911)
Accounts payable	39,368	2,028
Deferred income	(151,332)	26,452
Prepaid expenses	25,606	(17,752)
Goods and services tax payable	380	68
	(79,465)	5,885
Cash flow from (used by) operating activities	(65,255)	16,496
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(71,163)	(4,113)
Contributions for website	61,044	-
Cash flow used by investing activities	(10,119)	(4,113)
(DECREASE) INCREASE IN CASH FLOW	(75,374)	12,383
Cash - beginning of year	380,762	368,379
CASH - END OF YEAR	\$ 305,388	\$ 380,762

See notes to financial statements

VOLUNTEER RICHMOND INFORMATION SERVICES SOCIETY
(operating as Richmond Cares, Richmond Gives)
Notes to Financial Statements
Year Ended March 31, 2016

1. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

2. DESCRIPTION OF BUSINESS

Volunteer Richmond Information Services Society (operating as Richmond Cares, Richmond Gives), is a non-profit society incorporated on April 1, 1977 under the Societies Act of the Province of British Columbia. The Society is a charitable organization registered under the Income Tax Act and, as such, is exempt from income taxes and able to issue donation receipts for income tax purposes. The Society's main objectives are to provide information and to promote volunteerism among citizens and non-profit organizations in Richmond to enhance community well-being.

Since October 2014, the Society is operating under the tradename Richmond Cares, Richmond Gives.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Income tax status

For income tax purposes, the Society is a Non-profit Organization exempt from income taxes under Section 149(1)(f) of the Canadian Income Tax Act.

Capital assets

Purchased equipment is recorded at cost. Contributed or donated equipment is recorded at fair value at the date of contribution. Amortization is provided on a straight-line basis over the estimated useful life of the equipment:

Computer equipment	3 years	straight-line method
Office equipment	10 years	straight-line method
Website	2 years	straight-line method

The Society reviews the useful lives and the carrying values of its capital assets on an ongoing basis for continued appropriateness, taking into consideration any events or changes in circumstances which might have impaired their carrying values. Any impairment is measured at the amount by which the carrying amount of an asset exceeds its fair value.

Revenue recognition

Volunteer Richmond Information Services Society (operating as Richmond Cares, Richmond Gives) 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.

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VOLUNTEER RICHMOND INFORMATION SERVICES SOCIETY
(operating as Richmond Cares, Richmond Gives)
Notes to Financial Statements
Year Ended March 31, 2016

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Deferred revenue

Deferred revenue represents restricted contributions received for future expenditures.

Contributed services

Volunteers contributed approximately 22,000 hours during the year to assist the Society in carrying out its various activities. In addition, the Society has received services in kind related to its programs. Because of the difficulty in determining their fair value, these contributed services are not recognized in the financial statements.

Deferred capital funding

Deferred capital funding represents the unamortized portion of donations or grants received from donors for the funding of capital asset purchases. Deferred capital funding is amortized to revenue on the same basis and using the same amortization rates as the related capital assets.

Deferred contributions

Contributions that are received with restrictions that require them to be used to cover specific expenses are deferred until those expenses are incurred. The revenue is recognized in the year that the restrictions are met.

Unrestricted funds

Any revenues received from funding organizations or general fund raising activities that are not specifically directed to a named program are considered unrestricted funds that are available to be used at the organization's discretion.

Use of 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 reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period.

Significant areas requiring the use of management estimates relate to the determination of net recoverable value of assets, useful lives for amortization purposes and provisions for contingencies. By their nature, these estimates are subject to measurement uncertainty and actual results could differ from these estimates.

These estimates and assumptions are reviewed periodically and as adjustments become necessary they are reported in excess of revenues and expenses in the periods in which they become known.

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VOLUNTEER RICHMOND INFORMATION SERVICES SOCIETY
(operating as Richmond Cares, Richmond Gives)
Notes to Financial Statements
Year Ended March 31, 2016

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments policy

Cash and term deposits are classified as held-for trading. Changes in fair value are recorded in the statement of operations. Accounts receivable are classified as loans and receivables. They are initially recorded at fair value and subsequently measured at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities. They are initially recorded at fair value and subsequently measured at amortized cost.

4. FINANCIAL INSTRUMENTS

The society is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the society's risk exposure and concentration as of March 31, 2016.

Interest rate risk

The Society's savings accounts bear interest at market rates. The Society is minimally exposed to the risk of lower investment returns if the prevailing market interest rates change significantly.

Fair values

The fair values of cash, term deposits, accounts receivable, and accounts payable and accrued liabilities approximate their carrying values given the short-term nature of these instruments.

VOLUNTEER RICHMOND INFORMATION SERVICES SOCIETY
(operating as Richmond Cares, Richmond Gives)

Notes to Financial Statements

Year Ended March 31, 2016

5. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2016 Net book value
Computer equipment	\$ 48,523	\$ 47,153	\$ 1,370
Office equipment	16,501	12,706	3,795
Information booth	84,597	67,678	16,919
Website	69,958	34,979	34,979
	\$ 219,579	\$ 162,516	\$ 57,063

	Cost	Accumulated amortization	2015 Net book value
Computer equipment	\$ 48,523	\$ 43,438	\$ 5,085
Office equipment	15,296	11,234	4,062
Information booth	84,597	59,218	25,379
	\$ 148,416	\$ 113,890	\$ 34,526

6. DEFERRED CAPITAL FUNDING

	2016	2015
Balance, beginning of year	\$ 25,379	\$ 33,839
Additions to capital funding	61,044	-
	86,423	33,839
Amortized to revenue	(38,982)	(8,460)
	\$ 47,441	\$ 25,379

7. LEASE COMMITMENTS

The Society is committed to minimum future lease payments for its facilities at the Richmond Caring Place and for a photocopier for the next two years as follows:

2017	\$ 54,792
2018	21,039
	\$ 75,831

VOLUNTEER RICHMOND INFORMATION SERVICES SOCIETY
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Notes to Financial Statements
Year Ended March 31, 2016

8. GAMING FUNDS

The Society applied for and received a grant from the B.C. Gaming Commission of \$80,000 during the month of February 2016 which was partially spent on salaries and other program expenses in accordance with the terms of the grant. The remainder must be spent within one year of the receipt of the funds.

