

**RICHMOND CARES, RICHMOND GIVES SOCIETY**  
**FINANCIAL STATEMENTS**  
**(UNAUDITED)**  
**March 31, 2021**

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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, 2021, 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, 2021 and 2020, current assets and net assets as at March 31, 2021 and 2020. My review conclusion on the financial statements for the year ended March 31, 2020 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, 2021, 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.

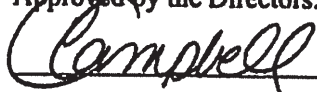
Delta, B.C.  
June 8, 2021

  
CHARTERED PROFESSIONAL ACCOUNTANT

**RICHMOND CARES, RICHMOND GIVES SOCIETY**  
**STATEMENT OF FINANCIAL POSITION**  
**(UNAUDITED)**  
**As at March 31, 2021**

ASSETS			
		<u>2021</u>	<u>2020</u>
<b>CURRENT</b>			
Cash (note 2a)	\$	556,680	\$ 631,708
Restricted Cash (note 3)		193,841	94,419
Cash equivalents (note 2a)		1,728	5,472
Amounts receivable		6,514	17,983
Prepaid expenses		18,485	12,199
Goods and Services Tax recoverable		10,935	9,427
<b>TOTAL CURRENT ASSETS</b>		<b>788,183</b>	<b>771,208</b>
<b>CAPITAL ASSETS (notes 2b &amp; 4)</b>		<b>52,934</b>	<b>23,108</b>
<b>TOTAL ASSETS</b>		<b>841,117</b>	<b>794,316</b>
<b>LIABILITIES</b>			
<b>CURRENT</b>			
Accounts payable and accrued liabilities		35,774	43,776
Client prepayments		11,957	13,090
Deferred revenue (note 5 & 10)		677,202	649,666
Deferred capital funding		45,669	21,741
<b>TOTAL CURRENT LIABILITIES</b>		<b>770,602</b>	<b>728,273</b>
<b>NET ASSETS</b>			
<b>INVESTED IN CAPITAL ASSETS</b>		<b>52,934</b>	<b>23,108</b>
<b>NET ASSETS</b>		<b>17,581</b>	<b>42,935</b>
<b>TOTAL NET ASSETS</b>		<b>70,515</b>	<b>66,043</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	\$	<b>841,117</b>	\$ <b>794,316</b>

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, 2021

NET ASSETS	<u>Invested in Capital assets</u>	<u>Unrestricted</u>	<u>2021 Total</u>	<u>2020 Total</u>
Balance, beginning of year	\$ 23,108	\$ 42,935	\$ 66,043	\$ 64,019
Excess of revenues over expenses	-	18,219	18,219	12,618
Additions of capital assets	43,573	(43,573)	-	-
Amortization of capital assets	(13,747)	-	(13,747)	(10,846)
Disposition of capital assets	-	-	-	252
<b>BALANCE, end of year</b>	<b>\$ 52,934</b>	<b>\$ 17,581</b>	<b>\$ 70,515</b>	<b>\$ 66,043</b>

See Accompanying Notes to Financial Statements

**RICHMOND CARES, RICHMOND GIVES SOCIETY**  
**STATEMENT OF OPERATIONS**  
(unaudited)  
**FOR THE YEAR ENDED MARCH 31, 2021**

	<b>2021</b>	<b>2020</b>
	<b><u>Total</u></b>	<b><u>Total</u></b>
<b>REVENUE</b>		
Ministry of Children and Family Development	\$ 457,471	\$ 403,474
United Way (note 10)	448,402	294,100
Grants and community funding	287,779	197,149
Government of Canada (note 10)	219,815	162,070
Donations	176,662	203,709
Vancouver Coastal Health	115,223	90,057
B.C. Gaming Branch grant	86,310	85,522
Fundraising and special events	62,110	106,054
City of Richmond	42,634	44,798
Vancouver Foundation	28,844	29,609
Programs revenue	40,284	56,301
Interest and other income	12,252	10,862
Membership fees	9,170	10,445
	<b>1,986,956</b>	<b>1,694,150</b>
<b>EXPENSES</b>		
Accounting and legal	3,528	5,603
Contract fees	191,591	199,474
Education and training	2,844	2,667
Furniture and equipment replacement	5,443	-
Insurance	7,668	4,516
Office expenses	23,651	29,368
Occupancy expenses	61,979	53,701
Public relations	64,817	69,124
Program expenses	386,278	281,603
Salaries and benefits (note 6)	1,117,636	933,924
Technology support	47,749	49,951
Telecommunications	8,691	12,125
Travel	43,107	36,519
Volunteer Recognition	3,755	2,957
	<b>1,968,737</b>	<b>1,681,532</b>
<b>Excess revenue over expenses from operations</b>	<b>18,219</b>	<b>12,618</b>
<b>Amortization</b>	<b>(13,747)</b>	<b>(10,846)</b>
<b>Gain on sale of assets</b>	<b>-</b>	<b>252</b>
<b>Excess of revenue over expenses</b>	<b>\$ 4,472</b>	<b>\$ 2,024</b>

See Accompanying Notes to Financial Statements

**RICHMOND CARES, RICHMOND GIVES SOCIETY**  
**STATEMENT OF CASH FLOWS**  
**(UNAUDITED )**  
**For the year ended March 31, 2021**

	<u><b>2021</b></u>	<u><b>2020</b></u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Revenues	\$ 2,048,755	\$ 1,980,020
Cash paid for operating expenses	(1,984,532)	(1,673,027)
	<b>64,223</b>	306,993
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of capital assets	(43,573)	(30,202)
<b>INCREASE IN CASH</b>	<b>20,650</b>	276,791
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<b>731,599</b>	454,808
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<b>\$ 752,249</b>	<b>\$ 731,599</b>
<b>REPRESENTED BY:</b>		
CASH	\$ 556,680	\$ 631,708
RESTRICTED CASH	193,841	94,419
<b>CASH EQUIVALENTS</b>	<b>1,728</b>	5,472
	<b>\$ 752,249</b>	<b>\$ 731,599</b>

See Accompanying Notes to Financial Statements

**RICHMOND CARES, RICHMOND GIVES SOCIETY**  
**NOTES TO FINANCIAL STATEMENTS**  
**(UNAUDITED )**  
**March 31, 2021**

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## **1. PURPOSE OF THE SOCIETY**

- ◆ The purposes of the Society are:
  - (a) To recruit and place volunteers in any community that may so require.
  - (b) To locate appropriate placements in community service agencies for any member of the community according to their desires and abilities.
  - (c) To promote the use of volunteers and volunteerism in general.
  - (d) To study and research problems of volunteers and any group using volunteers and to consider how these problems may be resolved.
  - (e) To work co-operatively with other community groups, agencies, organizations having similar objectives and which in any way can contribute to the objective of the Society.
  - (f) The operations of the Society are to be chiefly carried on in the Municipality of Richmond in the Province of British Columbia.
  
- ◆ 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.

## **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 cash on hand, bank accounts and gift cards that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **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



**RICHMOND CARES, RICHMOND GIVES SOCIETY**  
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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

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 received in excess of contracted amounts.

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.

**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>2021</u>	<u>2020</u>
BC Gaming funds	\$ 87,975	\$ 15,986
Richmond Christmas funds	<u>105,866</u>	<u>8,176</u>
	<u>\$ 193,841</u>	<u>\$ 24,162</u>



**RICHMOND CARES, RICHMOND GIVES SOCIETY**  
**NOTES TO FINANCIAL STATEMENTS**  
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**4. CAPITAL ASSETS**

	<u>2021</u>		<u>2020</u>	
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Cost</u>	<u>Accumulated Amortization</u>
Computers	\$ 48,714	\$ (31,375)	\$ 65,641	\$ (48,552)
Office Equipment	18,798	(13,584)	19,600	(13,581)
Website	<u>100,339</u>	<u>(69,958)</u>	<u>69,958</u>	<u>(69,958)</u>
	<u>\$ 167,851</u>	<u>\$ (114,917)</u>	<u>\$ 155,199</u>	<u>\$ (132,091)</u>
Net book value	<u>\$ 52,934</u>		<u>\$ 23,108</u>	

**5. DEFERRED REVENUE**

Revenues 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:

	<u>Beginning Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Balance</u>
Program and Events Revenue (note 10)	563,424	1,029,908	1,004,105	<b>589,227</b>
Gaming funds	<u>86,242</u>	<u>88,043</u>	<u>86,310</u>	<u><b>87,975</b></u>
	<u>\$ 649,666</u>	<u>\$ 1,117,951</u>	<u>\$ 1,090,415</u>	<u><b>\$ 677,202</b></u>

**6. 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 2020 was \$192,278 (2019 - \$188,533)

**7. 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>2021</u>	<u>2020</u>
Federal	11.06%	9.57%
Provincial	55.73%	51.54%
Municipal	2.15%	2.64%
Non-government	<u>15.94%</u>	<u>13.38%</u>
Percentage of total revenue	<u><b>84.88%</b></u>	<u><b>77.13%</b></u>

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**8. COMMITMENTS**

Commencing March 1, 2018 the Society entered into a 48 month contract with Meridian OneCap Credit Corp. for a photocopier equipment and service agreement. The monthly payments are \$363.

Commencing September 1, 2019 the Society entered into a 2 year lease with Richmond Caring Place Society to August 31, 2021 for its administration office located at 151/190/325 - 7000 Minoru Boulevard Richmond, BC. The monthly lease payments are \$4,530. A portion of this office space is sublet to the Richmond Society for Community Living (RSCL) to August 31, 2021, rent received for the space is \$735 per month. On January 1, 2020, RSCL had leased the second floor of the sublet space back to the Society for \$850 per month until August 31, 2021.

Commencing February 5, 2020, the Society entered into a 48 month lease with Applewood Motors Richmond Inc. for a vehicle. The monthly payments are \$490. On February 6, 2020, the Society signed a memorandum of understanding (MOU) with the Rotary Club of Steveston (Rotary) stating that the 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.

**9. FINANCIAL INSTRUMENTS**

The Society's financial instruments consist of accounts receivable, short-term investments, 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, short-term and other investments, 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, and investments in interest bearing securities. 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.

**RICHMOND CARES, RICHMOND GIVES SOCIETY**  
**NOTES TO FINANCIAL STATEMENTS**  
**(UNAUDITED )**  
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**10. IMPACT OF COVID-19**

The COVID-19 pandemic has continued to cause disruptions to the Society's operations, which has resulted in increased expenses on health and safety measures. For the coming year, the health and safety measures put in place allow the Society to continue operations similar to the pre-pandemic times. As such, the accompanying financial statements have been prepared on the going concern assumption that the Society will be able to realize its assets and discharge its liabilities in the normal course of business.

During the year, the Society has additional funding for COVID-19, which allowed for continued employment levels above those that were sustainable from operations. The Society received \$25,000 from the Government of Canada for the Canada Emergency Wage Subsidy.