

RICHMOND CARES, RICHMOND GIVES SOCIETY
Financial Statements
Year Ended March 31, 2018

RICHMOND CARES, RICHMOND GIVES SOCIETY
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Year Ended March 31, 2018

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INDEPENDENT AUDITOR'S REPORT

To the Members of Richmond Cares, Richmond Gives Society

We have audited the accompanying financial statements of Richmond Cares, Richmond Gives Society, which comprise the statement of financial position as at March 31, 2018 and the statements of revenues and expenditures, 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 audit opinion.

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Independent Auditor's Report to the Members of Richmond Cares, Richmond Gives Society *(continued)*

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Richmond Cares, Richmond Gives Society as at March 31, 2018 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

As required by the Society Act of British Columbia, we report that, in our opinion, the accounting policies applied in preparing and presenting the financial statements in accordance with Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

A handwritten signature in black ink, appearing to read "Avison", is positioned in the lower right quadrant of the page.

Langley, British Columbia
June 13, 2018

CHARTERED PROFESSIONAL ACCOUNTANTS

RICHMOND CARES, RICHMOND GIVES SOCIETY
Statement of Financial Position
March 31, 2018

	2018	2017 <i>(Restated)</i> <i>(Note 9)</i>
ASSETS		
CURRENT		
Cash and cash equivalents	\$ 306,297	\$ 363,863
Restricted cash	36,003	36,131
Goods and services tax recoverable	1,196	1,151
Prepaid expenses	6,286	6,054
	349,782	407,199
EQUIPMENT <i>(Note 4)</i>	6,582	4,766
	\$ 356,364	\$ 411,965
LIABILITIES		
CURRENT		
Accounts payable	\$ 32,738	\$ 28,768
Deferred contributions <i>(Note 5)</i>	262,373	314,054
	295,111	342,822
NET ASSETS		
Invested in capital assets	6,582	4,766
Unrestricted	54,671	64,377
	61,253	69,143
	\$ 356,364	\$ 411,965

COMMITMENTS *(Note 6)*

ON BEHALF OF THE BOARD

_____ *Pat Johnson* Director

_____ *Canwell* Director

See notes to financial statements

RICHMOND CARES, RICHMOND GIVES SOCIETY
Statement of Changes in Net Assets
Year Ended March 31, 2018

	Invested in capital assets	Unrestricted	2018	2017
NET ASSETS - BEGINNING OF YEAR	\$ 4,766	\$ 64,377	\$ 69,143	\$ 69,957
Deficiency of revenues over expenses	(3,717)	(4,173)	(7,890)	(814)
Acquisition of equipment	5,533	(5,533)	-	-
NET ASSETS - END OF YEAR	\$ 6,582	\$ 54,671	\$ 61,253	\$ 69,143

See notes to financial statements

RICHMOND CARES, RICHMOND GIVES SOCIETY
Statement of Revenues and Expenditures
Year Ended March 31, 2018

	2018	2017
REVENUES		
United Way	\$ 310,859	\$ 283,103
Government of B.C.	299,447	287,362
Grants, memberships and other revenue	278,118	200,581
Donations, fundraising	224,709	246,871
Vancouver Coastal Health	83,000	85,000
B.C. Gaming Commission grant	53,388	66,770
City of Richmond grants	41,473	44,441
Government of Canada	24,360	24,666
Amortization of deferred capital funding	-	47,441
City of Richmond contracts	-	5,659
	<u>1,315,354</u>	<u>1,291,894</u>
EXPENSES		
Administration expense and audit	11,748	6,546
Amortization	3,717	55,829
Computer supplies and maintenance	26,950	26,308
Insurance	6,779	6,959
Miscellaneous	1,197	4,803
Office expenses	6,778	11,479
Office rent	43,430	46,186
Printing and directories	13,451	19,565
Professional development	1,349	754
Program supplies	120,756	105,630
Promotional	26,913	32,735
Special projects	3,348	733
Subscriptions and memberships	1,469	1,341
Telecommunications	12,135	11,725
Travel and automobile	35,288	30,401
Volunteer recognition and training	14,777	19,524
Wages and benefits	973,971	898,160
Website	19,188	14,030
	<u>1,323,244</u>	<u>1,292,708</u>
DEFICIENCY OF REVENUES OVER EXPENSES	<u>\$ (7,890)</u>	<u>\$ (814)</u>

See notes to financial statements

RICHMOND CARES, RICHMOND GIVES SOCIETY
Statement of Cash Flow
Year Ended March 31, 2018

	2018	2017 <i>(Restated)</i> <i>(Note 9)</i>
OPERATING ACTIVITIES		
Deficiency of revenues over expenses	\$ (7,890)	\$ (814)
Items not affecting cash:		
Amortization of equipment	3,717	55,829
Amortization of deferred capital funding	-	(47,441)
	<u>(4,173)</u>	<u>7,574</u>
Changes in non-cash working capital:		
Accounts receivable	-	1,002
Accounts payable	3,971	(27,377)
Deferred contributions	(51,681)	110,748
Prepaid expenses	(232)	6,268
Goods and services tax payable	(45)	(79)
	<u>(47,987)</u>	<u>90,562</u>
Cash flow from (used by) operating activities	<u>(52,160)</u>	<u>98,136</u>
INVESTING ACTIVITY		
Purchase of equipment	<u>(5,533)</u>	<u>(3,530)</u>
FINANCING ACTIVITY		
Restricted cash	<u>128</u>	<u>(18,534)</u>
INCREASE (DECREASE) IN CASH FLOW	(57,565)	76,072
Cash - beginning of year	<u>363,863</u>	<u>287,791</u>
CASH - END OF YEAR	\$ 306,298	\$ 363,863
CASH CONSISTS OF:		
Cash	\$ 302,307	\$ 352,303
Cash equivalents	<u>3,991</u>	<u>11,560</u>
	\$ 306,298	\$ 363,863

See notes to financial statements

RICHMOND CARES, RICHMOND GIVES SOCIETY
Notes to Financial Statements
Year Ended March 31, 2018

1. DESCRIPTION OF OPERATIONS

Richmond Cares, Richmond Gives Society (the "Society") is a non-profit society incorporated on April 1, 1977 under the Societies Act of the Province of British Columbia. 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.

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

2. BASIS OF PRESENTATION

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash represents amounts on deposit with a Canadian banking institution. Cash equivalents represents gift certificates held for distribution in connection with one of the Society's programs.

Equipment

Equipment is stated at cost less accumulated amortization. Equipment is amortized over its estimated useful life on a straight-line basis at the following rates:

Computer equipment	3 years
Furniture and fixtures	5 years
Website	2 years

Contributed or donated equipment is recorded at fair value at the date of contribution.

The Society reviews the useful lives and the carrying values of its equipment 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.

Equipment acquired during the year but not placed into use are not amortized until they are placed into use.

Deferred contributions and capital funding

Deferred contributions represents restricted contributions received for future expenditures.

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.

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RICHMOND CARES, RICHMOND GIVES SOCIETY
Notes to Financial Statements
Year Ended March 31, 2018

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

Unrestricted net assets

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.

Revenue recognition

Richmond Cares, Richmond Gives Society follows the deferral method of accounting for contributions.

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.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

Measurement uncertainty

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

RICHMOND CARES, RICHMOND GIVES SOCIETY
Notes to Financial Statements
Year Ended March 31, 2018

4. EQUIPMENT

	Cost	Accumulated amortization	2018 Net book value
Computer equipment	\$ 46,482	\$ 41,974	\$ 4,508
Office equipment	14,431	12,357	2,074
Website	69,958	69,958	-
	\$ 130,871	\$ 124,289	\$ 6,582

	Cost	Accumulated amortization	2017 Net book value
Computer equipment	\$ 44,914	\$ 43,276	\$ 1,638
Office equipment	14,431	11,303	3,128
Website	69,958	69,958	-
	\$ 129,303	\$ 124,537	\$ 4,766

5. DEFERRED CONTRIBUTIONS

	2018	2017
<u>Deferred contributions</u>		
Balance, beginning of year	\$ 314,054	\$ 203,306
Contributions received	673,040	701,273
Amounts recognized to income	(724,721)	(590,525)
Balance, end of year	\$ 262,373	\$ 314,054
<u>Deferred capital contributions</u>		
Balance, beginning of year	\$ -	\$ 47,441
Capital funding received	-	-
Amounts amortized to revenue	-	(47,441)
Balance, end of year	\$ -	\$ -

RICHMOND CARES, RICHMOND GIVES SOCIETY
Notes to Financial Statements
Year Ended March 31, 2018

6. LEASE COMMITMENTS

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

2019	\$ 26,166
2020	4,350
2021	4,350
2022	4,350
	<hr/>
	\$ 39,216

7. REMUNERATION DISCLOSURE

During the year ended March 31, 2018, the Society paid total remuneration of \$173,295 to two employees for services, each of whom received total annual remuneration of \$75,000 or greater. Remuneration includes all wages, bonuses, and taxable benefits.

8. FINANCIAL INSTRUMENTS

The Society is exposed to various risks through its financial instruments. The following analysis provides information about the Society's risk exposure and concentration as of March 31, 2018.

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.

Unless otherwise noted, it is management's opinion that the Society is not exposed to significant other price risks arising from these financial instruments.

9. COMPARATIVE FIGURE RESTATEMENT

In the prior period, externally restricted cash in the amount of \$36,131 was incorrectly included in cash and cash equivalents on the statement of financial position and in the statement of cash flows. As a result, the comparative statement of financial position and statement of cash flows have been restated to correctly present the externally restricted cash.