

VOLUNTEER RICHMOND INFORMATION SERVICES SOCIETY
(Operating as Richmond Cares, Richmond Gives)
Financial Statements
Year Ended March 31, 2017

VOLUNTEER RICHMOND INFORMATION SERVICES SOCIETY
(Operating as Richmond Cares, Richmond Gives)
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Year Ended March 31, 2017

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INDEPENDENT AUDITOR'S REPORT

To the Members of Volunteer Richmond Information Services Society,

We have audited the accompanying financial statements of Volunteer Richmond Information Services Society, which comprise the statement of financial position as at March 31, 2017 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 qualified audit opinion.

Basis for Qualified Opinion

In common with many not-for-profit organizations, Volunteer Richmond Information Services Society 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. 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, 2017, current assets and net assets as at March 31, 2017.

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Independent Auditor's Report to the Members of Volunteer Richmond Information Services Society
(continued)

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 as at March 31, 2017 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.

Langley, British Columbia
June 6, 2017

A handwritten signature in black ink, appearing to read 'Arisa', is positioned above the firm's name.

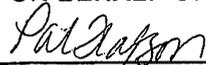
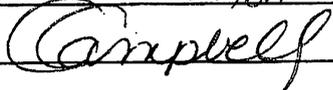
CHARTERED PROFESSIONAL ACCOUNTANTS

VOLUNTEER RICHMOND INFORMATION SERVICES SOCIETY
(Operating as Richmond Cares, Richmond Gives)
Statement of Financial Position
March 31, 2017

	2017	2016
ASSETS		
CURRENT		
Cash	\$ 399,994	\$ 305,388
Accounts receivable	-	1,002
Goods and services tax recoverable	1,151	1,072
Prepaid expenses	6,054	12,322
	407,199	319,784
EQUIPMENT (Note 5)	4,766	57,063
	\$ 411,965	\$ 376,847
 LIABILITIES		
CURRENT		
Accounts payable	\$ 28,768	\$ 56,143
Deferred contributions	314,054	203,306
	342,822	259,449
DEFERRED CAPITAL FUNDING (Note 6)	-	47,441
	342,822	306,890
 NET ASSETS		
Invested in capital assets	4,766	9,624
Unrestricted funds	64,377	60,333
	69,143	69,957
	\$ 411,965	\$ 376,847

LEASE COMMITMENTS (Note 7)

APPROVED ON BEHALF OF THE BOARD


 _____ Director

 _____ Director

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, 2017

	Invested in capital assets	Unrestricted Funds	2017	2016
NET ASSETS - BEGINNING OF YEAR	\$ 9,624	\$ 60,333	\$ 69,957	\$ 65,391
Excess of revenues over expenses	(8,388)	7,574	(814)	4,566
Acquisition of equipment	3,530	(3,530)	-	-
NET ASSETS - END OF YEAR	\$ 4,766	\$ 64,377	\$ 69,143	\$ 69,957

See notes to financial statements

VOLUNTEER RICHMOND INFORMATION SERVICES SOCIETY
(Operating as Richmond Cares, Richmond Gives)
Statement of Revenues and Expenditures
Year Ended March 31, 2017

	2017	2016
REVENUES		
Government of Canada	\$ 24,666	\$ 10,046
Government of B.C.	287,362	285,138
Vancouver Coastal Health	85,000	75,000
City of Richmond grants	44,441	43,577
City of Richmond contracts	5,659	619
United Way	283,103	276,322
Donations, fundraising	246,871	330,679
B.C. Gaming Commission grant	66,770	86,215
Grants, memberships and other revenue	200,581	319,917
Amortization of deferred capital funding	47,441	38,982
	1,291,894	1,466,495
EXPENSES		
Administration expense and audit	6,546	6,402
Amortization	55,829	48,626
Computer supplies and maintenance	26,308	28,856
Insurance	6,959	8,050
Miscellaneous	4,803	18,573
Office expenses	11,479	8,297
Office rent	46,186	50,135
Printing and directories	19,565	19,989
Professional development	754	3,339
Program supplies	105,630	154,796
Promotional	32,735	18,411
Special projects	733	26,543
Subscriptions and memberships	1,341	2,423
Telecommunications	11,725	13,648
Travel and automobile	30,401	27,560
Volunteer recognition and training	19,524	48,255
Wages and benefits	898,160	978,026
Website	14,030	-
	1,292,708	1,461,929
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ (814)	\$ 4,566

See notes to financial statements

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

Statement of Cash Flow
Year Ended March 31, 2017

	2017	2016
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ (814)	\$ 4,566
Items not affecting cash:		
Amortization of equipment	55,829	48,626
Amortization of deferred capital funding	(47,441)	(38,982)
	<u>7,574</u>	<u>14,210</u>
Changes in non-cash working capital:		
Accounts receivable	1,002	6,513
Goods and services tax recoverable	(79)	380
Prepaid expenses	6,268	25,606
Accounts payable	(27,377)	39,368
Deferred contributions	110,748	(151,332)
	<u>90,562</u>	<u>(79,465)</u>
Cash flow from (used by) operating activities	<u>98,136</u>	<u>(65,255)</u>
INVESTING ACTIVITIES		
Purchase of equipment	(3,530)	(71,163)
Contributions for website	-	61,044
Cash flow used by investing activities	<u>(3,530)</u>	<u>(10,119)</u>
INCREASE (DECREASE) IN CASH FLOW	94,606	(75,374)
Cash - beginning of year	<u>305,388</u>	<u>380,762</u>
CASH - END OF YEAR	\$ 399,994	\$ 305,388

See notes to financial statements

VOLUNTEER RICHMOND INFORMATION SERVICES SOCIETY
(Operating as Richmond Cares, Richmond Gives)
Notes to Financial Statements
Year Ended March 31, 2017

1. BASIS OF PRESENTATION

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

2. DESCRIPTION OF BUSINESS

Volunteer Richmond Information Services 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 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.

As of 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 Registered Charity exempt from income taxes under Section 149(1)(f) of the Canadian Income Tax Act.

Equipment

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
Furniture and fixtures	10 years
Website	2 years

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.

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VOLUNTEER RICHMOND INFORMATION SERVICES SOCIETY
(Operating as Richmond Cares, Richmond Gives)
Notes to Financial Statements
Year Ended March 31, 2017

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

Revenue recognition

The Society 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.

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.

Contributed services

Volunteer services were utilized 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.

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 the 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
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Notes to Financial Statements
Year Ended March 31, 2017

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, 2017.

(a) 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.

(b) 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.

VOLUNTEER RICHMOND INFORMATION SERVICES SOCIETY
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Notes to Financial Statements
Year Ended March 31, 2017

5. EQUIPMENT

	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

	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

6. DEFERRED CAPITAL FUNDING

	2017	2016
Balance, beginning of year	\$ 47,441	\$ 25,379
Additions to capital funding	-	61,044
	47,441	86,423
Amortized to revenue	(47,441)	(38,982)
Balance, end of year	\$ -	\$ 47,441

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 year as follows:

2018	<u>\$ 26,773</u>
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VOLUNTEER RICHMOND INFORMATION SERVICES SOCIETY
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Notes to Financial Statements
Year Ended March 31, 2017

8. GAMING FUNDS

The Society applied for and received a grant from the B.C. Gaming Commission of \$81,200 during the month of December 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.