

Financial Statements of

**COMMUNITY SOCIAL PLANNING COUNCIL
OF GREATER VICTORIA**

Year Ended March 31, 2015

(Unaudited)

**DICKSON
DUSANJ
& WIRK**

CHARTERED
ACCOUNTANTS

REVIEW ENGAGEMENT REPORT

To: The Members of the Community Social Planning Council of Greater Victoria

We have reviewed the statement of financial position of the Community Social Planning Council of Greater Victoria (the "Society") as at March 31, 2015 and the statements of operations and changes in net assets and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the Society.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.



Victoria, B.C.
August 16, 2015

DICKSON DUSANJ & WIRK
Chartered Accountants

Community Social Planning Council of Greater Victoria

Statement of Financial Position (Unaudited)

As at March 31, 2015 with comparative figures for 2014

2015
\$

2014
\$

| | 2015 \$ | 2014 \$ |
|--|-----------------------|-----------------------|
| Assets | | |
| Current: | | |
| Cash | - | 40,891 |
| Term deposits | 74,000 | 99,000 |
| Accounts receivable | 70,021 | 60,915 |
| Prepaid expenses and deposits | 8,962 | 8,954 |
| | <u>152,983</u> | <u>209,760</u> |
| Property and equipment (Note 3) | 1,029 | 2,507 |
| | <u>154,012</u> | <u>212,267</u> |
| Liabilities | | |
| Current: | | |
| Bank indebtedness (Note 4) | 60,376 | - |
| Accounts payable | 49,508 | 44,744 |
| Government remittances payable | 1,893 | 4,229 |
| | <u>111,777</u> | <u>48,973</u> |
| Net Assets | | |
| Restricted Programs and Projects Fund (Note 5) | - | 20,153 |
| Internally restricted (Note 6) | 68,000 | 68,000 |
| Investment in property and equipment | 1,029 | 2,507 |
| Unrestricted | (26,794) | 72,634 |
| | <u>42,235</u> | <u>163,294</u> |
| | <u>154,012</u> | <u>212,267</u> |

Commitments (Note 11)

Approved by the Directors:

_____ Director

_____ Director

Community Social Planning Council of Greater Victoria

Statement of Operations

(Unaudited)

Year ended March 31, 2015 with comparative figures for 2014

| | Unrestricted Core Operating Fund | Programs and Projects Fund | 2015 \$ | 2014 \$ |
|--|---|-------------------------------|------------------|-----------------|
| Revenue | | | | |
| Municipalities <i>(Note 7)</i> | 66,000 | - | 66,000 | 64,716 |
| Foundations | 194,807 | - | 194,807 | 116,825 |
| Government | 12,034 | - | 12,034 | 8,304 |
| Other business grants | 45,000 | - | 45,000 | 100,375 |
| Other income | 142,795 | - | 142,795 | 85,456 |
| Research contracts | 140,317 | - | 140,317 | 128,417 |
| Donations and memberships | 11,267 | - | 11,267 | 19,647 |
| Interest | 174 | - | 174 | 2,062 |
| United Way | - | - | - | 35,332 |
| BC Transit Ticket Assistance Program | - | 170,183 | 170,183 | 173,394 |
| Community Investment Fund Project | - | 23,182 | 23,182 | 41,715 |
| Capital Region - Food and Agriculture Roundtable | - | - | - | 77,344 |
| Total income | 612,394 | 193,365 | 805,759 | 853,586 |
| Expenses | | | | |
| Operations: | | | | |
| Salaries, wages and benefits <i>(Note 8)</i> | 371,352 | - | 371,352 | 299,421 |
| Administration | 26,279 | - | 26,279 | 25,586 |
| Programs | 274,250 | - | 274,250 | 191,806 |
| Overhead | 31,504 | - | 31,504 | 33,602 |
| Amortization | 1,478 | - | 1,478 | 3,494 |
| BC Transit Ticket Assistance Program | - | 182,330 | 182,330 | 173,394 |
| Community Investment Fund Project | - | 39,625 | 39,625 | 47,441 |
| Capital Region - Food and Agriculture Roundtable | - | - | - | 120,726 |
| Total expenses | 704,863 | 221,955 | 926,818 | 895,470 |
| (Deficiency) of revenues over expenses | (92,469) | (28,590) | (121,059) | (41,883) |

The accompanying notes are an integral part of these financial statements

Community Social Planning Council of Greater Victoria

Statement of Changes in Net Assets
(Unaudited)

| Year ended March 31, 2015 with comparative figures for 2014 | Restricted Programs and Projects Fund (Note 5) | Internally Restricted (Note 6) | Investment in Property and Equipment | Unrestricted | Total 2015 | Total 2014 |
|--|---|---------------------------------------|---|---------------------|-------------------|-------------------|
| Balance, beginning of year | 20,153 | 68,000 | 2,507 | 72,634 | 163,294 | 205,177 |
| (Deficiency) of revenues over expenses | (28,590) | - | (1,478) | (90,991) | (121,059) | (41,883) |
| Interfund transfers (Note 9) | 8,437 | - | - | (8,437) | - | - |
| Balance, end of year | - | 68,000 | 1,029 | (26,794) | 42,235 | 163,294 |

The accompanying notes are an integral part of these financial statements

Community Social Planning Council of Greater Victoria

Cash Flow Statement

(Unaudited)

Year ended March 31, 2015 with comparative figures for 2014

| | 2015 | 2014 |
|--|------------------|-----------------|
| | \$ | \$ |
| Operating activities | | |
| (Deficiency) of revenue over expenses | (121,059) | (41,883) |
| Items not involving cash: | | |
| Amortization | 1,478 | 3,494 |
| | (119,581) | (38,389) |
| Cash provided by (used in) non-cash working capital: | | |
| Accounts receivable | (9,106) | (7,446) |
| Government remittances payable | (2,336) | 8,780 |
| Prepays | (8) | (5,600) |
| Accounts payable and accrued liabilities | 4,764 | 30,077 |
| Total cash flows (used in) operating activities | (126,267) | (12,578) |
| Cash flows (used in) investing activities | | |
| Purchase of property and equipment | - | (3,088) |
| (Decrease) in cash and term deposits | (126,267) | (15,666) |
| Cash and term deposits, beginning of year | 139,891 | 155,557 |
| Cash and term deposits, end of year | 13,624 | 139,891 |
| Cash and term deposits consists of: | | |
| Cash (Indebtedness) | (60,376) | 40,891 |
| Term deposits | 74,000 | 99,000 |
| | 13,624 | 139,891 |

Community Social Planning Council of Greater Victoria

Notes to the Financial Statements

(Unaudited)

Year ended March 31, 2015 with comparative figures for 2014

1. Status and Nature of Operations

The Community Social Planning Council of Greater Victoria (the "Society") is incorporated under the Society Act (British Columbia) and is registered as a charitable organization and is exempt from income taxes under the Income Tax Act.

The purpose of the Society is to improve the quality of life for everyone in British Columbia's Capital Region, particularly the people who are disadvantaged due to poverty and distress. The work includes the advancement and education and the alleviation of poverty and its related elements.

2. Summary of Significant Accounting Policies

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

(a) Revenue Recognition

The Society follows the restricted fund method of accounting for revenue.

The Core Operating Fund accounts for the Society's general operations and administrative activities. The Programs and Projects Fund accounts for restricted contributions that are to be used for specific projects.

Contributions for restricted funds are recognized as revenue in the restricted funds in the year received or receivable. Any restricted contributions related to general operations are recognized as revenue in the Operating Fund in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue of the Core Operating Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. In kind contributions are only recorded when received or receivable.

(b) Donated Services

No amount has been reflected in these financial statements for donated services since no objective basis is available to measure the value of such services. The Society's programs, however, depend on contributions made by a substantial number of volunteers who donated significant amounts of their time during the year.

(c) Property and Equipment

Property and equipment are recorded at contributed value. Property and equipment are amortized over their estimated useful life on a straight-line basis using the following annual rates:

| | |
|-------------------------|---------|
| Computer hardware | 3 years |
| Furniture and equipment | 5 years |
| Computer software | 2 years |

Community Social Planning Council of Greater Victoria

Notes to the Financial Statements

(Unaudited)

Year ended March 31, 2015 with comparative figures for 2014

2. Summary of Significant Accounting Policies (continued)

(d) Use of Estimates

The preparation of the 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 at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known. Actual results may vary from the current estimates.

(e) Financial Instruments

The Society's financial instruments consist of cash, term deposits, and accounts payable and accrued liabilities. The Society has received its financial instruments at fair value.

The carrying values of the Society's cash, accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these assets and liabilities.

3. Property and Equipment

| | 2015 | | 2014 | |
|--------------------------------|---------------|--------------------------|--------------|--------------------------|
| | \$ | | \$ | |
| | Cost | Accumulated Amortization | Cost | Accumulated Amortization |
| Computer hardware | 11,907 | <u>10,878</u> | 11,907 | <u>9,400</u> |
| Less: Accumulated amortization | <u>10,878</u> | | <u>9,400</u> | |
| Net Book Value | <u>1,029</u> | | <u>2,507</u> | |

4. Bank Indebtedness

The society has an operating line of credit with VanCity Credit Union in the amount of \$75,000 at an interest rate of 17.5% per annum and is secured by \$68,000 of restricted funds. At March 31, 2015 a balance of \$60,376 is outstanding.

5. Restricted Programs and Projects Fund

Restricted Programs and Projects Fund is comprised of the following projects:

| | 2015 | 2014 |
|---------------------------|----------|---------------|
| | \$ | \$ |
| Community Investment Fund | <u>-</u> | <u>20,153</u> |

Community Social Planning Council of Greater Victoria

Notes to the Financial Statements

(Unaudited)

Year ended March 31, 2015 with comparative figures for 2014

6. Internally Restricted

The Society has a policy to hold a minimum of three months' operating expenses in reserve in the event that a decision is taken to wind down operations. In accordance with this policy, the Board of Directors has internally restricted \$68,000 (2014 - \$68,000) of the net assets. This restricted amount is not available for other purposes without the approval of the Board of Directors. The restricted amount can change with board approval in response to increases in operating expenses.

7. Grants from Municipalities

The Society received grants from the municipalities of Victoria, Oak Bay, Saanich and Esquimalt.

8. Salaries, Benefits, and Wages

Salary, wages, and benefits expense are allocated between the operating fund and program and project activities based on actual time spent by staff. Total gross salaries, wages and benefits incurred during the year were \$407,943 (2014 - \$400,920), with a total of \$36,591 (2014 - \$101,499) allocated to program and project activities.

9. Interfund Transfers

During the year, \$20,000 was transferred from the Unrestricted fund to the Community Investment Fund during the year. At year end, \$11,563 was transferred from the Community Investment Fund to the Unrestricted fund.

10. Financial Risks and Concentration of Risks

The Society actively manages the risks that arise from its use of financial instruments, including liquidity, credit and market risk. The Society adheres to an investment policy that outlines the objectives, constraints, and parameters related to its investing activities. The Society does not utilize derivatives or other off-balance sheet instruments, nor does the Society engage in hedging transactions.

(a) Liquidity Risk

Liquidity risk is the risk that the Society cannot meet a demand for cash or fund its obligations as they come due. A key liquidity requirement for the Society is grant commitments. Liquidity risk is managed by investing the majority of the Society's assets in investments that are traded in an active market and can be readily liquidated. In addition, the Society aims to retain sufficient cash positions to maintain liquidity. The Society's investments are considered readily realizable and liquid, therefore the Society's liquidity risk is considered minimal. There have been no significant changes in the company's liquidity risk exposure from the prior year.

Community Social Planning Council of Greater Victoria

Notes to the Financial Statements

(Unaudited)

Year ended March 31, 2015 with comparative figures for 2014

10. Financial Risks and Concentration of Risks (continued)

(b) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. This risk is mitigated by the fact that accounts receivable are not concentrated with any single party. There have been no significant changes in the company's credit risk exposure from the prior year.

(c) Interest Rate Risk

Interest rate risk arises when the Society invests in interest-bearing financial instruments, and therefore the Society is exposed to interest rate risk on its term deposit portfolio. The Society is not exposed to significant interest rate risk due to the short-term maturity of its term deposits. There have been no significant changes in the company's interest rate risk exposure from the prior year.

(d) Currency Risk

Currency risk is the risk that the value of financial instruments denominated in currencies other than the functional currency of the Society will fluctuate due to changes in foreign exchange rates. The Society is not exposed to currency risk. There have been no significant changes in the company's currency risk exposure from the prior year.

11. Commitments

The Society signed a premises lease with Royal Oak Shopping Centre Ltd. for premises at 203-4475 Viewmont Ave. The lease commenced on October 1, 2010 and terminates on September 30, 2015.

Summary of minimum lease payments until expiry of contracts:

| | |
|------|----------------|
| 2016 | <u>\$9,629</u> |
|------|----------------|