

Whistler Community Services Society
Financial Statements
For the year ended March 31, 2012

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Financial Statements
For the year ended March 31, 2012

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Independent Auditor's Report

To the Board of the Whistler Community Services Society

We have audited the accompanying financial statements of Whistler Community Services Society, which comprise the Statements of Financial Position as at March 31, 2012, and the Statements of Operations, Changes in Fund Balances and 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.

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 charitable organizations, Whistler Community Services Society derives revenue from donations and cash receipts 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 Whistler Community Services Society. Therefore, we were not able to determine whether any adjustments might be necessary to donation revenue, excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2012, current assets, and fund balances as at March 31, 2012. Our audit opinion on the financial statements for the year ended March 31, 2012 was modified accordingly because of the possible effects of this limitation in scope.

Qualified Opinion

In our opinion, except for the 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 Whistler Community Services Society as at March 31, 2012 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.

Comparative Information

Without modifying our opinion, we draw attention to Note 2 to the financial statements which describes that Whistler Community Services Society adopted Canadian accounting standards for not-for-profit organizations on April 1, 2011, with a transition date of April 1, 2010. These standards were applied retrospectively by management to the comparative information in these financial statements, including the Statement of Financial Position as at March 31, 2011, and April 1, 2010, and the Statement of Operations, Changes in Fund Balances and Cash Flows for the year ended March 31, 2011 and related disclosures. We were not engaged to report on the restated comparative information, and as such, it is unaudited.

BDO Canada LLP.

Chartered Accountants

Whistler, British Columbia
October 30, 2012

Whistler Community Services Society
Statement of Financial Position

	March 31 2012	March 31 2011	April 1 2010
		(Unaudited) (Restated - Note 8)	(Unaudited)
Assets			
Current			
Cash (Note 3)	\$ 247,015	\$ 323,883	\$ 277,109
Accounts receivable (Note 4)	12,565	8,466	2,502
Prepaid expenses	11,587	-	-
	<u>271,167</u>	<u>332,349</u>	<u>279,611</u>
Non current			
Capital Assets (Note 5)	30,106	27,079	21,965
Restricted cash (Note 3)	102,322	119,010	153,388
	<u>\$ 403,595</u>	<u>\$ 478,438</u>	<u>\$ 454,964</u>
Liabilities and Net Assets			
Liabilities			
Current			
Accounts payable and accrued liabilities	\$ 56,502	\$ 31,345	\$ 438
Wages and benefits payable	33,065	30,542	16,943
	<u>89,567</u>	<u>61,887</u>	<u>17,381</u>
Net assets			
Unrestricted funds	211,706	297,541	284,195
Internally restricted capital fund	98,241	109,071	105,441
Other restricted funds	4,081	9,939	47,947
	<u>314,028</u>	<u>416,551</u>	<u>437,583</u>
	<u>\$ 403,595</u>	<u>\$ 478,438</u>	<u>\$ 454,964</u>

The accompanying notes are an integral part of these financial statements

Whistler Community Services Society Statement of Operations

For the year ended March 31, 2012	2012	2011
		(Unaudited) (Restated - Note 8)
Revenues		
Donations & grants (Note 6)	\$ 112,709	\$ 123,469
Government grants (Note 6)	77,017	3,358
Interest income	1,738	1,454
Program and membership fees	18,845	13,168
Revenue (Note 7)	869,322	759,614
	1,079,631	901,063
Program Costs		
Fundraising costs (Schedule 1)	510,319	367,093
Program costs (Schedule 2)	486,820	369,081
	997,139	736,174
General and Administrative Expenses		
Accounting and legal	29,116	9,057
Advertising	1,326	2,647
Bank charges	1,009	841
Insurance	7,185	8,730
Office and general	15,938	16,892
Rent	8,022	9,600
Repairs and maintenance	1,212	7,613
Security	3,221	365
Telephone and utilities	7,056	4,288
Training	1,941	846
Travel	2,818	1,940
Wages	106,171	123,102
	185,015	185,921
(Deficiency) of revenues over expenses for the year	\$ (102,523)	\$ (21,032)

Whistler Community Services Society
Statement of Changes in Fund Balances

For the year ended March 31, 2012

	Internally Restricted Capital Fund	Other Restricted	Unrestricted	2012	2011
					(Unaudited) (Restated - Note 8)
Balance, beginning of year, as previously stated	\$ 109,071	\$ 9,939	\$ 327,366	\$ 446,376	\$ 437,583
Adjustments to prior year (Note 8)	-	-	(29,825)	(29,825)	-
Balance, beginning of year, as restated	109,071	9,939	297,541	416,551	437,583
Revenues	-	137,609	942,022	1,079,631	901,063
Expenses	-	143,467	1,038,687	1,182,154	922,095
(Deficiency) of revenues over expenses for the year	-	(5,858)	(96,665)	(102,523)	(21,032)
Interfund Transfers	(10,830)	-	10,830	-	-
Balance, end of year	\$ 98,241	\$ 4,081	\$ 211,706	\$ 314,028	\$ 416,551

The accompanying notes are an integral part of these financial statements

Whistler Community Services Society
Statement of Cash Flows

For the year ended March 31, 2012	2012	2011
		(Unaudited) (Restated - Note 8)
Cash provided by (used in)		
Operating activities		
Excess (deficiency) of revenues over expenses for the year	\$ (102,523)	\$ (21,032)
Items not requiring cash		
Amortization	7,803	6,416
Changes in non-cash working capital balances		
GST receivable	(4,099)	(5,964)
Prepaid expenses	(11,587)	-
Accounts payable and accruals	25,157	30,907
Wages and benefits payable	2,523	13,599
	(82,726)	23,926
Investing activities		
Capital assets acquired	(10,830)	(11,530)
Increase (decrease) in cash during the year	(93,556)	12,396
Cash, beginning of year	442,893	430,497
Cash, end of year	\$ 349,337	\$ 442,893
Represented by		
Cash	\$ 247,015	\$ 323,883
Restricted cash	102,322	119,010
	\$ 349,337	\$ 442,893

Whistler Community Services Society

Notes to the Financial Statements

March 31, 2012

1. Significant Accounting Policies

Purposes of the Society

Whistler Community Services Society (the "Society") provides a structure to co-ordinate programs and agencies in the social fields for Whistler, British Columbia. Its mission is to provide programs and services that improve social sustainability in Whistler.

The Society is incorporated under the Society Act of British Columbia and is a registered charity under the Income Tax Act.

The Society provides numerous programs which offer support and assistance to families in times of need and stressful life situations. These programs include: Community Gardens, Community Kitchens, Counselling Assistance, Drug & Alcohol Awareness and Prevention, Emergency Assistance, Food Bank, Food Buying Club, Greenhouse, Helping Hand, Interim Housing, Kidsport, Parent / Infant, Single Parent, Peer Ed, Santa's Helpers, SNAP, SNOW, Summer Camp, Survival Guide, Volunteer Coordinator, Welcome Week, and Youth Outreach Programs.

Fund Accounting

The Society follows the restricted fund method of accounting for contributions. Revenues and expenses related to program delivery and administrative activities are reported in the Other Restricted Fund and the Unrestricted Fund. These funds report unrestricted and restricted resources with restricted grants being allocated to the Other Restricted Fund, and internally generated revenues and general donations being allocated to the Unrestricted Fund. The Internally Restricted Capital Fund reports internally restricted assets set aside for the future purchase of capital assets.

Revenue Recognition

Grants are recognized as revenue when received or receivable if the amount can reasonably estimated and collection is reasonably assured. Operating grants, if contributed for a future period, are deferred and reported as deferred contributions until that future period.

Other unrestricted revenue, including sales from the Re-Use-It and Re-Build-It stores, and program fees are reported as revenue when services are provided, and amounts receivable can be reasonably estimated and collection is reasonably assured.

Whistler Community Services Society
Notes to the Financial Statements

March 31, 2012

1. Significant Accounting Policies (cont.)

Capital Assets Capital assets are recorded at cost on the statement of financial position as capital assets. Amortization is charged on a declining balance basis over the expected useful life of the assets. Amortization is provided as follows:

Computer equipment	55% Declining Balance
Furniture and equipment	20% Declining Balance
Vehicles	30% Declining Balance

Income Taxes The Society is exempt from income tax under Section 149(1)(l) of the Income Tax Act.

Use of Estimates The preparation of financial statements in accordance 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. Areas of significance requiring management to exercise judgment on the determination of estimates include collectibility of accounts receivable and useful lives of capital assets. Actual results could differ from management's best estimates as additional information becomes available in the future.

Financial Instruments The Society's financial instruments consist of cash, accounts receivable, accounts payable and accruals, and wages and benefits payable. In accordance with CICA Handbook Section 3856, the Society has classified its financial instruments as follows:

- Cash is classified as held for trading.
- Accounts receivable are classified as loans and receivables.
- Accounts payable and accruals, and wages and benefits payable and are classified as other financial liabilities.

Cash is recorded at fair value. Accounts receivable, accounts payable and accruals, and employee wages payable are recorded at amortized cost using the effective interest method which at year-end approximates fair value.

It is management's opinion that the Society is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Whistler Community Services Society
Notes to the Financial Statements

March 31, 2012

1. Significant Accounting Policies (cont.)

**Allocation of
Fundraising and
General Expenses**

Management allocates all costs directly associated with its Re-Use-It and Re-Build-It stores to fundraising costs - see Schedule 1. The same policy is applied to program costs, with all costs directly associated with running the Society's programs being allocated to program costs - see Schedule 2.

**Contributed Services
and Materials**

Management has chosen to not recognize contributed materials or services for donations at the Re-Use-It and Re-Build-It stores or directly associated with its programs. As such, these contributions to the Society have not been recognized in the Society's financial statements.

2. First-time Adoption of Canadian accounting standards for not-for-profit organizations

Effective April 1, 2010, the Society adopted the requirements of the new accounting framework, Canadian accounting standards for not-for-profit organizations (ASNPO) or Part III of the requirements of the Canadian Institute of Chartered Accountants (CICA) Handbook - Accounting. These are the Society's first financial statements prepared in accordance with this framework and the transitional provisions of Section 1501, First-time Adoption have been applied. Section 1501 requires retrospective application of the accounting standards with certain elective exemptions and retrospective exceptions. The accounting policies set out in Note 1 - Significant Accounting Policies have been applied in preparing the financial statements for the year ended March 31, 2012, the comparative information presented in these financial statements for the year ended March 31, 2011 and in the preparation of an opening ASNPO statement of financial position at the date of transition of April 1, 2010.

The Society issued financial statements for the year ended March 31, 2011 using generally accepted accounting principles prescribed by the CICA Handbook - Accounting Part V - Pre-changeover Accounting Standards (GAAP). The adoption of Canadian accounting standards for not-for-profit organizations resulted in no adjustments to the previously reported assets, liabilities, net assets, surplus of revenues over expenses and cash flows of the Society. Additionally, no elective exemptions were applied upon transition.

Whistler Community Services Society
Notes to the Financial Statements

March 31, 2012

3. Cash

Cash consists of cash on hand and bank balances.

The Society's bank accounts are held at one credit union. The bank accounts earns interest at the current prevailing rates.

Restricted funds consists of \$102,322 in cash (2011 - \$119,010) set aside for capital replacements and improvements. \$98,241 relates to capital replacement and improvements, and \$4,081 relates to restricted program funding.

4. Accounts receivable

	2012	2011
Grants, donations, and other receivables	\$ 1,055	\$ -
GST/HST rebates receivable	11,510	8,466
	\$ 12,565	\$ 8,466

It is management's opinion that the Society is not exposed to significant credit risk arising from the balance of these receivables.

5. Property and Equipment

	2012		2011	
	Cost	Accumulated Amortization	Net Book Value	(Unaudited) Net Book Value
Computer equipment	\$ 1,371	\$ (377)	\$ 994	\$ -
Vehicle	27,356	(17,989)	9,367	13,381
Furniture and equipment	24,679	(4,934)	19,745	13,698
	\$ 53,406	\$ (23,300)	\$ 30,106	\$ 27,079

Whistler Community Services Society
Notes to the Financial Statements

March 31, 2012

6. Grant and Donation Revenue

Grant and donation revenue are from the following sources:

	<u>2012</u>	<u>2011</u>
		(Unaudited)
Province of British Columbia	\$ 77,017	\$ 3,358
Other - Charities, corporations, and individuals	<u>112,709</u>	<u>123,469</u>
	<u>\$ 189,726</u>	<u>\$ 126,827</u>

Donation revenue is derived primarily from corporations and individuals.

7. Revenue

Revenue is from the following sources:

	<u>2012</u>	<u>2011</u>
		(Unaudited)
Re-Use-It Centre donations	\$ 705,615	\$ 727,101
Re-Build-It Centre donations	137,490	-
Recycling donations	23,299	16,743
Other	<u>2,918</u>	<u>15,770</u>
	<u>\$ 869,322</u>	<u>\$ 759,614</u>

Re-Use-It Centre donations consist of the receipt of cash from donations in exchange for donated clothing, sports equipment, electronic equipment, and housewares. The Re-Build-It Centre commenced operations in April 2011 and its donations consist of furniture, cabinets, appliances, and other household items. All items held for exchange in the RUI and RBI are donated to the Society at no cost. Other costs of running these facilities are considered to be fundraising costs which have been disclosed in Schedule 1 of these financial statements.

Whistler Community Services Society
Notes to the Financial Statements

March 31, 2012

8. Prior period adjustments

The prior year comparative amounts have been restated to correct several errors that were discovered in the 2011 financial statements. A description of each of these changes is summarized in the table below. In addition to these changes, some prior year comparative figures may have been reclassified to conform with current year presentation. In certain instances, the prior financial statements presented interfund transfers as revenues in one fund and expenses in another. In these financial statements, these interfund revenues and expenses have been reclassified to interfund transfers in the statement of changes in fund balances.

Prepaid asset:

As at March 31, 2011, the Society had recorded \$15,399 in prepaid wages which were subsequently determined to relate to a pay period prior to this date, resulting in an overstatement of prepaid expenses and unrestricted funds, and an understatement of the wages expense of \$15,399 for the year ending March 31, 2011.

Accrued wages payable:

As at March 31, 2011, the Society had not recorded an accrual for wages payable for the portion of the pay period up to March 31, 2011 that was disbursed to staff members in the first pay period of the 2012 fiscal year. As a result, as at March 31, 2011, wages and benefits payable and wages expense were understated and unrestricted funds overstated by \$14,426.

The impact of these changes on previously reported balances are:

	2011 As previously stated	Adjustments	2011 Restated
Prepaid expenses	15,399	(15,399)	-
Employee wages payable	(16,116)	(14,426)	(30,542)
Wages (general & admin)	118,456	4,646	123,102
Wages (fundraising)	294,039	13,752	307,791
Wages (program costs)	152,953	11,427	164,380
Net income (loss) for the year	8,792	(29,825)	(21,033)
Unrestricted funds, end of year	327,366	(29,825)	297,541

Certain prior year figures have been reclassified to conform with the current year's presentation and these are not reflected on this schedule.

Whistler Community Services Society
Notes to the Financial Statements

March 31, 2012

9. Commitments:

Re-Build-It Centre lease

On May 10, 2011 the Society signed one year lease agreement to lease the Re-Build-It building for \$5,088 plus HST per month. This lease was renewed at this same rate for an additional one year term effective June 1, 2012.

Re-Use-It Centre lease

On June 10, 1999 the Society signed a three year lease agreement with the Resort Municipality of Whistler to lease the Re-Use-It building for \$10 per year. This lease has since been automatically renewed for one year periods, and will automatically be extended on annual basis unless 30 days notice of intention to finally terminate the lease is provided by either party.

WCSS office and programs building lease

On January 1, 2012 the Society signed a five year lease agreement with the Resort Municipality of Whistler to lease the Society's office and programs building for \$10 per year. The lease will terminate on December 31, 2016.

Sub-lease Agreements

The Society has entered into three sub-lease agreements for space in the Society's office and programs building. The rates negotiated in the subleases are designed to cover the lessee's portion of the building's common utilities and ongoing maintenance.

On January 15, 2012 the Society entered into a two year sub-lease agreement with the Howe Sound Women's Centre to lease space at a rate of \$85 / month plus an additional fee based on 20% of the building's operating costs to be amended based on actual usage of utilities and the facility. After the original lease term, the lease agreement shall be renegotiated on an annual basis.

On February 1, 2012 the Society entered into a one year sub-lease agreement with the Sea to Sky Community Services Society to lease space at a rate of \$85 / month. The lease agreement shall be renegotiated on an annual basis.

On February 1, 2012 the Society entered into a one year sub-lease agreement with the Zero Ceiling Society to lease space at a rate of \$85 / month. The lease agreement shall be renegotiated on an annual basis.

Whistler Community Services Society
Notes to the Financial Statements

March 31, 2012

10. Comparative Figures

Certain comparative figures have been reclassified to conform with the current year's presentation.

Whistler Community Services Society
Supplementary Schedules

For the year ended March 31

1. Schedule of Fundraising Costs

	2012	2011
Advertising	\$ 13,032	\$ 7,822
Amortization	7,803	6,416
Bank charges	10,419	6,792
Garbage and recycling disposal	5,541	2,698
Insurance	2,342	228
Office and general	7,345	5,511
Rent	62,406	-
Repairs and maintenance	3,639	15,425
Security	1,737	504
Telephone and utilities	10,555	2,120
Training	89	3,062
Travel	6,832	8,724
Wages	378,579	307,791
Total fundraising costs	\$ 510,319	\$ 367,093

2. Schedule of Program Costs

	2012	2011
Advertising	\$ 6,690	\$ 8,994
Bank charges	593	176
Office and general	2,374	2,017
Rent	1,692	1,425
Repairs and maintenance	9,993	1,178
Security	619	793
Telephone and utilities	7,951	5,121
Training	1,545	-
Travel	2,789	1,943
Wages	232,781	183,054
Program Supplies	219,793	164,380
Total program costs	\$ 486,820	\$ 369,081