Docusign Envelope ID: 06918008-E578-44C0-9225-BD88B462ABD7

Whistler Community Services Society

Financial Statements

For the year ended March 31, 2024

Docusign Envelope ID: 06918008-E578-44C0-9225-BD88B462ABD7

Whistler Community Services Society
Financial Statements
For the year ended March 31, 2024

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Independent Auditor's Report

To the Board of the Whistler Community Services Society

Qualified Opinion

We have audited the accompanying financial statements of Whistler Community Services Society (the Society), which comprise the statement of financial position as at March 31, 2024, and the statements of operations, changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2024, and its results of operations, changes in fund balances and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Society derives revenue from donations and 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 the Society. Therefore, we were not able to determine whether any adjustments might be necessary to donation revenue, thrift store revenue, excess of revenues over expenses, and cash flows from operations for the years ended March 31, 2024 and 2023, current assets as at March 31, 2024 and 2023 and net assets as at April 1 and March 31 for both the 2024 and 2023 fiscal years. Our audit opinion on the financial statements for the year ended March 31, 2023 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Responsibilities of Management and Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

As required by the Societies Act (British Columbia), we report that, in our opinion, the accounting principles in Canadian accounting standards for not-for-profit organization have been applied on a basis consistent with that of the preceding year.

BDO Canada LLP

Chartered Professional Accountants

Whistler, British Columbia
September 5, 2024

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Whistler Community Services Society
Statement of Financial Position

As at March 31	2024	2023
Assets		
Current		
Cash and cash equivalents (Note 3)	$ 2,631,319	$ 2,649,010
Accounts receivable (Note 4)	113,897	64,100
Prepaid expenses	21,100	27,615
	2,766,316	2,740,725
Tangible Capital Assets (Note 5)	3,250,249	3,344,509
	$ 6,016,565	$ 6,085,234
Liabilities and Net Assets		
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 6)	$ 132,209	$ 136,268
Wages and benefits payable (Note 6)	99,996	74,985
Current portion of loan payable (Note 7)	22,331	29,936
	254,536	241,189
Loan Payable (Note 7)	837,671	860,002
	1,092,207	1,101,191
Net Assets		
Investment in tangible capital assets fund	2,390,247	2,454,571
Internally restricted operating fund	1,965,297	1,841,377
Capital maintenance fund	410,607	363,422
Food security fund	90,230	150,144
Other restricted funds	67,977	174,529
	4,924,358	4,984,043
	$ 6,016,565	$ 6,085,234

Approved on behalf of the Board:

DocuSigned by:
Alistair Cray
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Director

Signed by:
Emily Dicken, Board Chair
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Director

The accompanying notes are an integral part of these financial statements

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Whistler Community Services Society
Statement of Operations

For the year ended March 31	2024	2023
Revenue		
Thrift store revenue (Note 8)	$ 2,230,276	$ 2,069,902
Donations and grants (Note 9)	1,123,054	1,232,431
Rental Revenue	17,464	-
Program and membership fees	24,000	25,044
Interest income	93,718	38,093
Other income	2,200	2,900
	3,490,712	3,368,370
Program and Thrift Store Costs (Note 11)		
Thrift store costs (Schedule 1)	1,656,331	1,422,789
Program costs (Schedule 2)	1,741,459	1,553,430
	3,397,790	2,976,219
General and Administrative Expenses (Note 11)		
Accounting and legal	7,215	6,538
Amortization	1,394	875
Insurance	4,484	4,037
Interest	8,312	8,566
Office and general	15,802	8,558
Wages	115,400	107,527
	152,607	136,101
Excess (deficiency) of revenue over expenses for the year	$ (59,685)	$ 256,050

The accompanying notes are an integral part of these financial statements

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Whistler Community Services Society
Statement of Changes in Fund Balances

For the year ended March 31

	Investment in Tangible Capital Assets Fund	Capital Maintenance Fund	Internally Restricted Operating Fund	Food Security Fund	Other Restricted Fund	Unrestricted Fund	2024	2023
Balance, beginning of year	$ 2,454,571	$ 363,422	$ 1,841,377	$ 150,144	$ 174,529	$ -	$ 4,984,043	$ 4,727,993
Revenue	-	-	-	249,768	90,627	3,150,317	3,490,712	3,368,370
Expenses	193,874	-	-	511,082	80,890	2,764,551	3,550,397	3,112,320
Excess (deficiency) of revenue over expenses for the year	(193,874)	-	-	(261,314)	9,737	385,766	(59,685)	256,050
Interfund Transfers (Note 10)								
Acquisition of tangible capital assets	99,614	-	-	-	(99,614)	-	-	-
Loan principal repayments	29,936	-	-	-	-	(29,936)	-	-
Other interfund transfers	-	47,185	123,920	201,400	(16,675)	(355,830)	-	-
Balance, end of year	$ 2,390,247	$ 410,607	$ 1,965,297	$ 90,230	$ 67,977	$ -	$ 4,924,358	$ 4,984,043

The accompanying notes are an integral part of these financial statements

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Whistler Community Services Society
Statement of Cash Flows

For the year ended March 31	2024	2023
Cash provided by (used in)		
Operating activities		
Excess of revenue over expenses for the year	$ (59,685)	$ 256,050
Items not requiring cash		
Amortization	193,874	169,052
	134,189	425,102
Changes in non-cash working capital balances		
Accounts receivable	(49,797)	(9,063)
Prepaid expenses	6,515	(8,963)
Accounts payable and accruals	(4,059)	47,308
Wages and benefits payable	25,011	(73,765)
	111,859	380,619
Investing activities		
Acquisition of tangible capital assets	(99,614)	(151,645)
Financing activities		
Loan principal repayments	(29,936)	(15,775)
	(29,936)	(15,775)
Increase (decrease) in cash and cash equivalents during the year	(17,691)	213,199
Cash and cash equivalents, beginning of year	2,649,010	2,435,811
Cash and cash equivalents, end of year	$ 2,631,319	$ 2,649,010

The accompanying notes are an integral part of these financial statements

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1. Significant Accounting Policies

Purposes of the Society

Whistler Community Services Society (the "Society") provides a structure to co-ordinate programs and agencies for social caring. Its mission is to support and advocate for a healthy community.

The Society is registered under the Societies Act (British Columbia). As a registered charity, it is not subject to income taxes under section 149(1)(f) of the Income Tax Act.

The Society provides numerous programs which offer support and assistance to families in times of need and hardship. These programs include: Activate and Connect; Birth, Baby & Beyond; Breakfast Club; Camp Fund; Community Transport; Concussion Support Group; Connect Whistler; Counselling Assistance; Electronic Communication Assistance; Emergency Financial Assistance; Emergency Housing; Food Bank; Healthy Choices; Holiday Hampers; Income Tax Program; KidsArt; Kids on the Move; Outreach Services; Peer Educators; Pregnancy and Infant Loss Support Group; Physiotherapy Assistance; Tool Lending Library; Whistler Navigator; and Whistler Rainbow Connection.

The Society supports its programs through its thrift stores, including the Re-Use-It ("RUI"), Re-Build-It ("RBI"), and recycling centres. Items are donated to these centres and are then liquidated to generate funds for the Society's programs.

Basis of Presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Fund Accounting

The Society follows the restricted fund method of accounting for contributions. Revenue and expenses related to program delivery and administrative activities are reported in the Other Restricted Fund if revenue is restricted for a specific purpose, or the Unrestricted Fund when revenue is available for general operations. Revenues and expenses related to the operating costs of food security programs are reported in the Food Security Fund. The Capital Maintenance Fund reports internally and externally restricted assets set aside for maintenance and upkeep of the Society's building at 8000 Nesters Road, Whistler, BC. The Internally Restricted Operating Fund reports internally restricted assets set aside to ensure financial stability and protect against the risk of various events such as an unexpected increase in expenses, unanticipated loss of funding, uninsured losses or the need for one-time unbudgeted expenses. The Investment in Tangible Capital Assets Fund represents the Society's investment in tangible capital assets net of any related financing.

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1. Significant Accounting Policies (continued)

Revenue Recognition

Grants are recognized as revenue when received or receivable if the amount can be 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 cash donations from the exchange of donated goods at the Re-Use-It and Re-Build-It stores, and program fees are reported as revenue when services are provided or the goods have been transferred, amounts receivable can be reasonably estimated and collection is reasonably assured.

Tangible Capital Assets

Tangible capital assets are recorded at cost on the statement of financial position as tangible 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
Buildings	4%	Declining Balance

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 and contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Areas requiring management to exercise judgment on the determination of estimates include collectibility of accounts receivable, useful lives of tangible capital assets, allocation of expenses, and completeness of accounts payable and accrued liabilities. Actual results could differ from management's best estimates as additional information becomes available and may impact future periods.

Financial Instruments

The Society's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, wages and benefits payable, and loan payable. The Society initially measures all of its financial instruments at fair value and subsequently at amortized cost using the effective interest rate method.

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1. Significant Accounting Policies (continued)

Allocation of Expenses	Management allocates all costs directly associated with its Re-Use-It and Re-Build-It stores to thrift store costs. The same policy is applied to program costs, with all costs directly associated with running the Society's programs being allocated to program costs. General costs that are not directly attributable to any specific function are allocated across thrift store, program, and general and administrative costs based on management's judgment of the relative consumption of these goods and services by each function.
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. Subsequently, when the contributed items are exchanged for a cash donation, the amount received is recorded as Thrift Store revenue at that time.

2. Remuneration of Directors, Employees and Contractors

The Societies Act (British Columbia) requires the Society to disclose the total remuneration paid to the Directors, for either being a Director or for acting in another capacity, as well as the total number of employees or contractors with annual remuneration equal to or greater than $75,000 and the aggregate remuneration of those employees.

During the year, there were three employees (2023 - three employees) paid in excess of $75,000, with total remuneration of $261,315 (2023 - $295,360). There was no remuneration paid to directors.

3. Cash and Cash Equivalents

Cash and cash equivalents consists of cash on hand, bank balances, and $2,407,557 of cashable GICs.

The Society's bank accounts and GICs are held at one credit union and one chartered bank. The bank accounts earn interest at the current prevailing rates and the GICs earn interest between 4.70% and 5.46% per annum.

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4. Accounts Receivable

	2024	2023
Accounts receivable	$ 100,937	$ 30,174
Grants receivable	-	19,844
GST rebates receivable	12,960	14,082
	$ 113,897	$ 64,100

5. Tangible Capital Assets

			2024	2023
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Building	$ 3,801,984	$ 797,730	$ 3,004,254	$ 3,129,384
Vehicle	125,893	79,581	46,312	51,674
Furniture and equipment	349,173	149,490	199,683	128,518
Work in progress	-	-	-	34,933
	$ 4,277,050	$ 1,026,801	$ 3,250,249	$ 3,344,509

6. Government Remittances Payable

Included in accounts payable and accrued liabilities, and wages and benefits payable are $40,177 (2023 - $54,172) of government remittances.

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7. Related Party Transactions

The Resort Municipality of Whistler ("RMOW") is a related party of the Society through significant influence. During the year, the Society engaged in the following transactions with RMOW:

	2024	2023
Expenses		
Re-Build-It Centre Lease	$ 1	$ 1
Ground Lease	17,000	17,000
Interest on related party loan	33,249	25,822
Garbage and recycling disposal	15,537	9,320
Utilities	10,948	30,753
Other services	16,270	5,143
Revenue		
Municipal grants (Note 9)	$ 23,297	$ 78,211
Gifts general	600	-

All transactions have been measured at their carrying values on the transaction date.

Commitments

i. Re-Build-It Centre Lease

The Society's Re-Build-It Centre is leased from the RMOW for a nominal value. The lease was renewed on January 1, 2023 for a five year term.

ii. Ground Lease

The Society leases land from the RMOW at 8000 Nesters Road, where the Society's programs and Re-Use-It thrift store operations are located. The lease term is 50 years effective May 11, 2018, with two consecutive renewal terms of 10 years each. The Society makes annual lease payments to the RMOW of $17,000 per year up to a cumulative maximum of $850,000.

Loan Payable

During the year ended March 31, 2018, the Society entered into a loan agreement with the RMOW for $1,000,000 to assist in financing the construction of the building located at 8000 Nesters Road. The loan bears interest at the ten year indicative market rate as posted by the Municipal Finance Authority of British Columbia (the "MFABC"), to be adjusted every 5 years, and is repayable in quarterly installments until maturity in January 2048. The interest rate was adjusted accordingly, effective January 1, 2023, from 2.88% to 3.83%, resulting in quarterly installments of $13,738. The loan is secured by a mortgage over the land on which the building is constructed.

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7. Related Party Transactions (continued)

Loan Payable (continued)

Minimum principal repayments on the loan over the next five years are as follows:

2025	$ 22,331
2026	23,198
2027	24,100
2028	25,036
2029	26,009
Thereafter	739,328
	$ 860,002

8. Thrift Store Revenue

Thrift store revenue is from the following sources:

	2024	2023
Re-Use-It Centre donations	$ 1,530,604	$ 1,398,545
Re-Build-It Centre donations	471,843	415,913
Recycling donations	227,829	255,444
	$ 2,230,276	$ 2,069,902

Re-Use-It Centre donations consist of the receipt of cash in exchange for donated clothing, sports equipment, electronic equipment, and housewares. Re-Build-It Centre donations consist of the receipt of cash in exchange for donated furniture, cabinets, appliances, and other household items. All items held for exchange at both locations are donated to the Society at no cost. Recycling donations consist of the receipt of cash in exchange for donated household recycling.

The costs of running these facilities are considered to be Thrift Store costs which have been disclosed in Schedule 1 of these financial statements.

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9. Donations and Grants

Donation and grant revenue are from the following sources:

	2024	2023
Government of Canada	$ 6,672	$ 9,668
Province of British Columbia	33,962	131,723
Municipalities (Note 7)	23,297	78,211
Other - Charities, corporations, and individuals	1,059,123	1,012,829
	$ 1,123,054	$ 1,232,431

10. Interfund Transfers and Loans

On August X, 2024, the Board resolved to transfer $47,185 to the Capital Maintenance Fund, $123,920 to the Internally Restricted Operating Fund, and $201,400 to the Food Security Fund. These transfers were funded $16,675 from the Other Restricted Fund and $355,830 from the Unrestricted Fund.

Tangible capital assets net of the loan payable are held in the Investment in Tangible Capital Assets Fund. All other assets and liabilities of the Society are held within the Unrestricted Fund. As at March 31, 2024, $410,607, $1,965,297, $90,230, and $67,977 (2023 - $363,422, $1,841,377, $150,144, and $174,529) were due to the Capital Maintenance, Internally Restricted, Food Security, and Other Restricted Funds, respectively, from the Unrestricted Fund.

11. Allocation of Expenses

General costs of $801,445 (2023 - $699,356) have been allocated as follows:

	2024	2023
Thrift store costs	$ 271,017	$ 253,417
Program costs	377,821	309,838
General and administrative	152,607	136,101
Total expenses	$ 801,445	$ 699,356

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12. Financial Instrument Risk

The Society, through its financial assets and liabilities, is exposed to various risks. The following analysis provides an assessment of those risks as at March 31, 2024. These risks remain unchanged from prior year.

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. The Society is potentially exposed to credit risk on its cash and cash equivalents (described in Note 3). To mitigate this risk, the Society has deposited its cash and cash equivalents with reputable financial institutions.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Society is potentially exposed to interest rate risk on its cash and cash equivalents (described in Note 3), and loan payable (described in Note 7).

Liquidity Risk

Liquidity risk is the risk that the Society encounters difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Society will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. Liquidity risk arises from accounts payable and accrued liabilities, wages and benefits payable, loan payable, and lease commitments. The Society has accumulated cash reserves from annual operating surpluses which mitigate this risk.

It is management's opinion that the Society is not exposed to significant currency risk arising from financial instruments.

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For the year ended March 31

1. Schedule of Thrift Store Costs

	2024	2023
Accounting and legal	$ 14,431	$ 13,075
Advertising	1,674	5,936
Amortization	83,885	80,783
Bank charges	23,312	21,207
Garbage and recycling disposal	15,537	8,179
Insurance	16,663	11,236
Interest expense	16,624	17,131
Office and general	26,852	29,220
Program supplies	2,189	-
Rent	31,810	9,774
Repairs and maintenance	27,136	39,412
Security	1,203	4,593
Telephone and utilities	27,386	31,159
Training	5,983	686
Travel	3,906	4,201
Wages	1,357,740	1,146,197
Total thrift store costs	$ 1,656,331	$ 1,422,789

2. Schedule of Program Costs

	2024	2023
Accounting and legal	$ 16,603	$ 29,026
Advertising	31,859	29,369
Amortization	108,595	87,394
Bank charges	10,658	8,180
Insurance	13,782	10,843
Interest expense	8,374	8,566
Office and general	70,281	49,794
Program supplies	423,592	362,143
Rent	8,500	8,500
Repairs and maintenance	28,129	35,277
Security	10,986	5,303
Telephone and utilities	32,682	38,024
Training	23,792	13,722
Travel	8,324	9,504
Wages	945,302	857,785
Total program costs	$ 1,741,459	$ 1,553,430