

**The Cariboo Family Enrichment Centre Society**  
**Financial Statements**  
*March 31, 2020*

# The Cariboo Family Enrichment Centre Society

## Contents

*For the year ended March 31, 2020*

---

	<i>Page</i>
<b>Independent Auditor's Report</b>	
<b>Financial Statements</b>	
Statement of Financial Position.....	1
Statement of Operations.....	2
Statement of Changes in Net Assets.....	3
Statement of Cash Flows.....	4
<b>Notes to the Financial Statements.....</b>	<b>5</b>

---

## **Independent Auditor's Report**

---

To the Board of Directors of The Cariboo Family Enrichment Centre Society:

### **Qualified Opinion**

We have audited the financial statements of The Cariboo Family Enrichment Centre Society (the "Society"), which comprise the statement of financial position as at March 31, 2020, and the statements of operations, changes in net assets 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, 2020, 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.

### **Basis for Qualified Opinion**

In common with many not-for-profit organizations, the Society derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Society and we were not able to determine whether any adjustments might be necessary to recorded contributions, the excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2020 and current assets as at March 31, 2020 and net assets as at March 31, 2020. The audit opinion issued by Deloitte LLP on the financial statements for the year ended March 31, 2019 was modified accordingly because of the possible effects of this scope limitation.

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 opinion.

### **Other Matter**

The financial statements of the Society for the year ended March 31, 2019 were audited by Deloitte LLP of Prince George, BC, Canada. Deloitte LLP expressed a qualified opinion on those statements on June 12, 2019 for the reasons described in the Basis for Qualified opinion paragraph.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the 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.

### **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.

Prince George, British Columbia

August 4, 2020

*MNP LLP*

Chartered Professional Accountants

# The Cariboo Family Enrichment Centre Society

## Statement of Financial Position

*As at March 31, 2020*

	2020	2019
<b>Assets</b>		
<b>Current</b>		
Cash (Note 3)	435,635	419,092
Portfolio investments (Note 4)	146,512	115,216
Accounts receivable	61,561	8,563
Prepaid expenses	735	6,023
	644,443	548,894
<b>Tangible capital assets (Note 5)</b>	<b>22,301</b>	<b>18,660</b>
	666,744	567,554
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accruals	24,479	23,749
Government remittances payable	28,487	19,299
Wages and benefits payable	61,246	42,080
Deferred contributions (Note 6)	388,982	288,738
	503,194	373,866
<b>Commitments (Note 7)</b>		
<b>Net Assets</b>		
Net assets invested in tangible capital assets	22,301	18,660
Net assets externally restricted (Note 8)	4,603	5,879
Net assets internally restricted (Note 9)	197,333	165,837
Net assets (debt) unrestricted	(60,687)	3,312
	163,550	193,688
	666,744	567,554

Approved on behalf of the Board of Directors

E-SIGNED by Chris Pettman

Director

\_\_\_\_\_  
Director

*The accompanying notes are an integral part of these financial statements*

# The Cariboo Family Enrichment Centre Society

## Statement of Operations

*For the year ended March 31, 2020*

	2020	2019
<b>Revenue</b>		
Ministry of Children and Family Development	960,563	957,258
Childcare	388,762	440,850
Canadian Red Cross	160,292	56,720
BC Gaming Commission	126,850	130,450
Course fees and other income	63,510	62,647
Fundraising	38,532	29,655
Interior Health Authority	20,128	12,641
Success by Six	-	12,465
	<b>1,758,637</b>	<b>1,702,686</b>
<b>Expenses</b>		
Wages and benefits	1,364,132	1,233,119
Rent	102,602	102,592
Program supplies	91,687	71,778
Staff development	36,415	19,774
Donations in kind	27,152	17,538
Repairs and maintenance	20,745	20,432
Janitorial	20,117	23,958
Facilitator and subcontractor fees	19,835	25,972
Office supplies	18,377	19,974
Phone, fax, and internet	14,182	14,191
Insurance	10,575	9,016
Client expense	10,000	-
Audit	9,451	10,102
Travel	7,716	7,203
Advertising and promotion	7,592	1,575
Office equipment	5,663	3,120
Photocopier	5,577	8,046
Membership and subscriptions	3,483	1,329
Workshops	3,015	562
Legal fees	2,013	391
Bad debt	-	396
Amortization	8,446	6,075
	<b>1,788,775</b>	<b>1,597,143</b>
<b>Excess (deficiency) of revenue over expenses</b>	<b>(30,138)</b>	<b>105,543</b>

*The accompanying notes are an integral part of these financial statements*

**The Cariboo Family Enrichment Centre Society**  
**Statement of Changes in Net Assets**

*For the year ended March 31, 2020*

	<i>Investment in Tangible Capital Assets</i>	<i>Internally Restricted Net Assets</i>	<i>Externally Restricted Net Assets</i>	<i>Unrestricted Net Assets</i>	<b>2020</b>	<b>2019</b>
Net assets, beginning of year	18,660	165,837	5,879	3,312	193,688	88,145
Excess (deficiency) of revenue over expenses	-	-	-	(30,138)	(30,138)	105,543
Investment in tangible capital assets	12,087	-	-	(12,087)	-	-
Amortization	(8,446)	-	-	8,446	-	-
Internally imposed restrictions	-	31,496	-	(31,496)	-	-
Externally imposed restrictions	-	-	(1,276)	1,276	-	-
<b>Net assets (debt), end of year</b>	<b>22,301</b>	<b>197,333</b>	<b>4,603</b>	<b>(60,687)</b>	<b>163,550</b>	<b>193,688</b>

*The accompanying notes are an integral part of these financial statements*

# The Cariboo Family Enrichment Centre Society

## Statement of Cash Flows

For the year ended March 31, 2020

	2020	2019
<b>Cash provided by (used for) the following activities</b>		
<b>Operating</b>		
Excess (deficiency) of revenue over expenses	(30,138)	105,543
Amortization	8,446	6,075
	(21,692)	111,618
Changes in working capital accounts		
Accounts receivable	(52,998)	6,883
Prepaid expenses	5,288	(4,198)
Accounts payable and accruals	730	(53,890)
Government remittances payable	9,188	2,727
Wages and benefits payable	19,166	10,181
Deferred contributions	100,244	134,223
	59,926	207,544
<b>Investing</b>		
Purchase of portfolio investments	(31,296)	(1,053)
Purchase of tangible capital assets	(12,087)	(14,996)
	(43,383)	(16,049)
<b>Increase in cash resources</b>	<b>16,543</b>	<b>191,495</b>
<b>Cash resources, beginning of year</b>	<b>419,092</b>	<b>227,597</b>
<b>Cash resources, end of year</b>	<b>435,635</b>	<b>419,092</b>

The accompanying notes are an integral part of these financial statements



# The Cariboo Family Enrichment Centre Society

## Notes to the Financial Statements

For the year ended March 31, 2020

---

### 1. Incorporation and nature of the organization

The Cariboo Family Enrichment Centre Society ("CFEC" or the "Society") was incorporated on August 29, 1988 under the Society Act of British Columbia and has been serving the South Cariboo for over 30 years. The mission of the organization is to strengthen the quality of personal, family and community life through counselling, education, referral and support. Our vision is "Enriched Families Living with Vitality". Our values in working with families and our community include respect, empathy, integrity, collaboration, confidentiality, client centered and quality improvement.

CFEC's Strategic Plan has three goals that drive the organization to continue to improve its services to the community:

- Positively impact the lives of children, youth and families in the South Cariboo
- Secure the resources and infrastructure needed to support children, youth and families
- Advocate and mobilize community to support children, youth and families

CFEC serves the communities of 100 Mile House and District, Bridge lake, Lac La Hache, 108 Mile Ranch, 70 Mile House, Forest Grove and Canim Lake; combined this population represents over 16,000 people. The Cariboo Family Enrichment Centre Society is a registered charity under section 149.1(1)(b) of the Income Tax Act (Canada) and accordingly is exempt from income taxes, provided certain requirements of the Income Tax Act (Canada) are met.

The Cariboo Family Enrichment Centre promotes quality, culturally competent, evidence based services provided in a working environment supportive of employees wellness. In October 2015 the Cariboo Family Enrichment Centre received its fourth - four year Council on Accreditation Award recognizing the high quality of services to the South Cariboo Community.

#### **Description of CFEC's Activities**

CFEC is governed by a Board of six directors. Funding for the Cariboo Family Enrichment Centre Society is provided by the British Columbia Ministry of Children and Family Development, BC Gaming Commission, Service Canada, United Way, Interior Health Authority, childcare fees, corporate grants, and community donations. The following are some of the programs offered during the 2019/2020 fiscal year:

#### **Family Services Department**

*The Family Services Department provides support services to prompt a planned change in the behaviour, condition or functioning of children, youth, families, and caregivers.*

*Programs, services, and activities of the Family Services Department include:*

- *Pregnancy Outreach Program*
- *Parent Info Drop-In Sessions*
- *Infant Massage*
- *Supervised and Supported Visits*
- *Home Visitor Program*
- *Nobody's Perfect Parenting Workshop*
- *Pre-Natal-In-A-Day*
- *Pre and post natal support*
- *Blended Families Workshops*
- *Food Skills For Families*

#### **Fetal Alcohol Spectrum Disorder (FASD) Keyworker**

*This program provides assistance for families of children and youth with FASD and similar neurological conditions in accessing assessment and diagnosis. This program also offers support, information and resources for individuals with FASD, their families and other service providers.*

#### **Child Care Resource and Referral Program (CCRR)**

*The purpose of this program is to enhance the availability and quality of child care support options. The services include information, outreach, toy lending, networking and education, childcare referrals, childcare subsidy and parenting programs.*

**The Cariboo Family Enrichment Centre Society**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2020*

---

**1. Incorporation and nature of the organization** *(Continued from previous page)*

***Counselling Services Department***

The Counselling Services Department works with individuals, families, groups, and communities to improve overall care and well-being using a holistic approach. Counsellors will encourage clients to explore emotions and experiences across a variety of issues including substance abuse, aging, bullying, anger management, careers, anxiety, depression, relationships, LGBTQ issues, self-image, and self-harm, as well as to help define goals, plan action, gain insight, develop therapeutic process, and refer clients to appropriate services.

Counselling Services includes Child Counselling and Play Therapy, Parent Teen Mediation, Family Group Conferences, Men's Night and Adult Counselling (Individual, Couples, and Families).

***Youth Services Department***

The Youth Services Department offers support and advocate on behalf of youth facing behavioural, developmental, social, economic, and protection issues. Youth Support Workers work with youth both individually and within group settings offering practical and emotional support and assisting youth to develop skills to make positive changes. YSWs plan and facilitate programs to address issues that youth face including building self-esteem and confidence, family conflict, homelessness, drug and alcohol abuse, sex and relationships, education, and employment.

Currently, the Youth Services Department offers Youth Outreach, the Raven Youth Activity Centre, Relate Connection Program for Caregivers, and Mind-Up mindfulness program.

***Early Care and Learning Centre (ECLC)***

The Child Care Centre provides licensed facilities for 0-3 (infant/toddler), 3-5 years and before school/after school/out of school children (5 to 12) and preschool. The ECLC provides the international Seeds of Empathy Program as well as best practice child development including partnerships with Interior Health Speech and Language Services and Supported Child Services. The ECLC Early Childhood Educators screen and monitor child development using the Ages and Stages Infant/Child Developmental Assessment Forms.

***Early Years Department***

The Early Years Departments supports the BC Government Families First Strategy, to ensure that all families have the information and resources needed to support healthy child development. The Early Years Department engages with families with young children (ages 0-5) and offers support through nutrition, activities, developmental assessments, pre and post natal supplies, information and referrals to all applicable child and family resources in the South Cariboo.

**2. Significant accounting policies**

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada, which are part of Canadian generally accepted accounting principles, and include the following significant accounting policies:

***Financial instruments***

Financial assets and financial liabilities are initially recognized at fair value when the Society becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost except investments in listed shares and derivative financial instruments that are not designated in qualifying hedging relationship are measured at fair value at the year end date. The fair value of listed shares is based on the latest closing price and the fair value quote received from the bank counterparty is used as a proxy for the fair value of derivative financial instruments.

Interest earned on portfolio investments and realized gains and losses on sales of portfolio investments are included in other income in the statement of operations.

**The Cariboo Family Enrichment Centre Society**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2020*

---

**2. Significant accounting policies** *(Continued from previous page)*

*Financial instruments (Continued from previous page)*

Transaction costs related to financial instruments measured at fair value subsequent to initial recognition are expensed as incurred. Transaction costs related to other financial instruments are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the effective interest method. Any premium or discount related to an instrument measured at amortized cost is amortized over the expected life of the item using the effective interest method and recognized in net earnings as interest income or expense.

With respect to financial assets measured at cost of amortized cost, the Society recognizes in operations an impairment loss, if any, when there are indicators of impairment and it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to operations in the period the reversal occurs.

**Portfolio investments**

Portfolio investments are accounted for at fair value.

**Tangible capital assets**

Purchased tangible capital assets are recorded at cost. Contributed tangible capital assets are recorded at fair value at the date of contribution. Tangible capital assets are allocated directly to the program for which budgeted funds have been approved.

The carrying value of tangible capital assets is tested for recoverability whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognized when the asset's carrying amount exceeds its fair value.

Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives.

	<b>Rate</b>
Computer equipment	3 years
Computer software	2 years
Furniture and equipment	5 years
Leasehold improvements	5 years

**Revenue recognition**

The Society follows the deferral method of accounting for contributions. Restricted contributions are deferred and recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue in the period in which they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Unrestricted investment income is recognized as revenue when earned.

**Donations in kind**

Donations in kind are recognized in the financial statements when a fair market value can be reasonably estimated and when the donated goods or services would have been otherwise purchased. Fair value is estimated using market or appraisal values at the date of the donation.

**Contributed services**

Volunteers contribute a valuable service to assist the Society in carrying out its activities. Because of the difficulty of determining their fair market value, contributed services are not recognized in the financial statements.

**Income taxes**

No provision has been made for income taxes in these financial statements as the Society is a not-for-profit organization registered under the Income Tax Act (Canada) and is exempt from income taxes.

# The Cariboo Family Enrichment Centre Society

## Notes to the Financial Statements

*For the year ended March 31, 2020*

**2. Significant accounting policies** *(Continued from previous page)*

***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 revenue and expenses during the year. Key components of the financial statements requiring management to make estimates include the provision for doubtful accounts in respect to receivables, estimated useful lives and impairment of tangible capital assets, value of donations-in-kind and value of accrued liabilities and potential contingencies. Actual results could differ from those estimates.

**3. Cash**

Cash includes externally restricted cash of \$112,300 (March 31, 2019 - 126,850).

**4. Portfolio investments**

Portfolio investments consist of various guaranteed investment certificates bearing an interest at a rate of 1% - 1.4% per annum, maturing from May 2020 to November 2021.

**5. Tangible capital assets**

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>2020 Net book value</i>	<i>2019 Net book value</i>
Computer equipment	31,978	22,579	9,399	8,905
Computer software	8,649	8,649	-	-
Furniture and equipment	73,889	66,851	7,038	7,601
Leasehold improvements	90,047	84,183	5,864	2,154
	<b>204,563</b>	<b>182,262</b>	<b>22,301</b>	<b>18,660</b>

**6. Deferred contributions**

Deferred contributions represent unspent resources externally restricted for the purpose of providing a broad range of community programs and services and include restricted operating funding received in the current fiscal period that is related to the subsequent period. The change in deferred contributions are as follows:

	<i>2020</i>	<i>2019</i>
Balance, beginning of year	288,738	154,275
Amount received during the year	429,791	327,337
Less: Amount recognized as revenue during the year	(329,547)	(192,874)
Balance, end of year	<b>-</b>	<b>388,982</b>
	<b>388,982</b>	<b>288,738</b>

**The Cariboo Family Enrichment Centre Society**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2020*

---

**7. Commitments**

The Society leases facilities at #1 486 Birch Avenue in 100 Mile House, B.C. Rental payments of \$6,150 per month continue to be paid on a month to month basis as a new lease agreement is being negotiated.

The Society leases the premises at 372 Taylor Avenue in 100 Mile House, B.C. Rental payments of \$2,050 per month continue on a month to month basis plus annual property taxes and one half of fire and liability insurance.

The Society leases the facilities at 429 Cedar Avenue in 100 Mile House, B.C. This lease expired in July 2018 and is \$1 per year, which will continue to be paid on a yearly basis as a new lease agreement is being negotiated.

The Society has committed to future lease payments for office equipment totaling \$33,851, which expire April 2023 and include the following amounts payable over the next three years:

2021	11,816
2022	11,612
2023	10,423
	<hr/>
	33,851

**8. Net assets externally restricted**

Certain external funders require that surplus program funds be applied on a specific basis. These surplus funds are not generally available for discretionary purposes without the consent of funders.

**9. Net assets internally restricted**

A contingency fund has been set aside for emergency and other unplanned events (i.e. staff severance) which would ensure the Society would be available to continue to provide services should unforeseen circumstances occur. A capital fund has been set aside to allow the Society to consider future service and operational opportunities.

**10. Contingencies**

In the normal conduct of operations, there are other pending claims by and against the Society. Litigation is subject to many uncertainties, and the outcome of individual matters is not predictable with assurance. In the opinion of management, based on the advice and information provided by its legal counsel, final determination of these other litigations will not materially affect the Society's financial position or results of operations.

**11. Financial instruments**

The Society's financial assets consist of cash, portfolio investments and accounts receivable. All of these financial assets except portfolio investments are measured at amortized cost. Portfolio investments are measured at fair value.

***Credit risk***

The Society has a long history of dealing with its diverse client base and does not believe it is exposed to an unusual level of credit risk with respect to its accounts receivable. One vendor (2019 - one vendor) makes up 59% (2019 - 87%) of accounts receivable.

***Liquidity risk***

The Society's objective is to have sufficient liquidity to meet its liabilities when due. The Society monitors its cash balances and cash flows generated from operations to meet its requirements. As at March 31, 2020, the most significant financial liabilities are accounts payable and accrued liabilities and wages and benefits payable.

**The Cariboo Family Enrichment Centre Society**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2020*

---

**12. Subsequent events**

Subsequent to year-end, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Society as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

**13. Comparative figures**

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