



Doane  
Grant Thornton

## Financial Statements

Kaslo Community Services Society

March 31, 2025

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## Independent Practitioner's Review Engagement Report

To the Members of  
Kaslo Community Services Society

We have reviewed the accompanying financial statements of Kaslo Community Services Society that comprise the statement of financial position as at March 31, 2025, and the statements of operations, changes in net assets 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 private enterprises, 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.

### Practitioner's responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

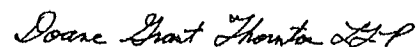
A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Kaslo Community Services Society as at March 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

Trail, Canada  
June 23, 2025



Chartered Professional Accountants

# Kaslo Community Services Society

## Statement of Financial Position

March 31 2025 2024

**Assets**

Current

Cash	\$ 91,122	\$ 133,705
Term deposits (Note 3)	1,010,881	1,011,469
Accounts receivable	62,980	20,354
Prepaid expenses	<u>13,000</u>	<u>1,000</u>
	1,177,983	1,166,528

Tangible capital assets (Note 4)	<u>265,423</u>	<u>190,737</u>
	<b>\$ 1,443,406</b>	<b>\$ 1,357,265</b>

**Liabilities**

Current

Accounts payable and accrued liabilities	\$ 14,762	\$ 13,295
Government remittances payable	21,987	18,519
Wages payable	15,372	16,097
Deferred contributions (Note 5)	<u>516,872</u>	<u>598,304</u>
	568,993	646,215

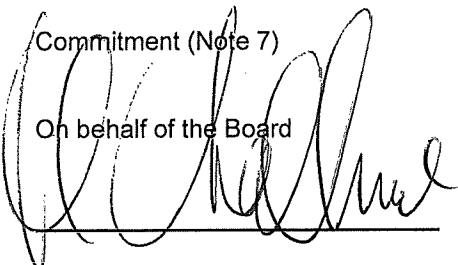
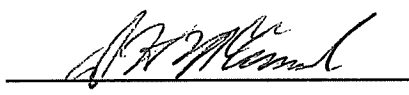
Deferred capital contributions (Note 6)	<u>128,695</u>	<u>62,221</u>
	<u>697,688</u>	<u>708,436</u>

**Net Assets**

Internally restricted (Note 8)	431,230	394,583
Unrestricted	177,760	125,730
Invested in tangible capital assets (Note 9)	<u>136,728</u>	<u>128,516</u>
	<u>745,718</u>	<u>648,829</u>
	<b>\$ 1,443,406</b>	<b>\$ 1,357,265</b>

Commitment (Note 7)

On behalf of the Board

# Kaslo Community Services Society

## Statement of Operations

Year ended March 31

2025

2024

	2025	2024
<b>Revenue</b>		
United Way	\$ 195,151	\$ 129,257
Ministry of Public Safety and Solicitor General	191,897	201,787
Interior Health Authority	186,730	188,322
Columbia Basin Trust	181,927	224,080
Ministry of Children & Family Development	174,725	228,116
Charities and foundations	141,738	231,972
Donations	76,235	54,077
BC Housing	65,445	69,186
Federal Government	64,147	11,068
Community Gaming grant	51,501	51,515
Interest and sundry	38,448	33,859
Community Living BC	35,250	30,762
BC Association of Farmers Markets	26,113	24,210
School District No.8 (Kootenay Lake)	22,670	21,660
Client contributions	20,628	19,601
Amortization of deferred capital contributions	20,009	9,875
Municipal Government	9,549	8,338
	<u>1,502,163</u>	<u>1,537,685</u>
<b>Expenses</b>		
Advertising	881	1,075
Amortization of tangible capital assets	33,792	24,560
Bank charges	339	351
Computer expense	4,244	5,564
IT support	19,077	33,197
Insurance and memberships	24,445	23,619
Management fees	30	105
Office supplies	4,109	4,293
Professional fees	11,667	9,140
Program expenses	197,551	245,438
Rent	29,228	24,466
Repairs and maintenance	13,932	15,442
Salaries and employee benefits	1,055,103	1,098,272
Strategic planning	5,253	-
Telephone	3,796	3,698
Utilities	6,308	8,455
	<u>1,409,755</u>	<u>1,497,675</u>
Excess of revenue over expenses before other item	92,408	40,010
Other item		
Gain (loss) on sale of tangible capital assets	<u>4,481</u>	<u>(1,606)</u>
Excess of revenue over expenses	<u>\$ 96,889</u>	<u>\$ 38,404</u>

See accompanying notes to the financial statements.

## Kaslo Community Services Society Statement of Changes in Net Assets

Year ended March 31

		Internally restricted net assets (Note 8)	Unrestricted	Invested in tangible capital assets (Note 9)	Total 2025	Total 2024
Balance, beginning of year	\$	394,583	\$ 125,730	\$ 128,516	\$ 648,829	\$ 610,425
Excess of revenue over expenses		-	96,889	-	96,889	38,404
Tangible capital assets ("TCA") additions		-	(110,396)	110,396	-	-
Gain on disposal of TCA		-	(4,482)	4,482	-	-
Amortization of TCA		-	33,792	(33,792)	-	-
Capital contributions received		-	86,483	(86,483)	-	-
Amortization of deferred capital contributions		-	(20,009)	20,009	-	-
Proceeds on disposal of TCA		-	6,400	(6,400)	-	-
Transfers		<u>36,647</u>	<u>(36,647)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance, end of year	\$	<u>431,230</u>	\$ <u>177,760</u>	\$ <u>136,728</u>	\$ <u>745,718</u>	\$ <u>648,829</u>

See accompanying notes to the financial statements.

# Kaslo Community Services Society

## Statement of Cash Flows

Year ended March 31

2025

2024

Increase (decrease) in cash

### Operating

Excess of revenue over expenses	\$	96,889	\$	38,404
Items not affecting cash				
Amortization of tangible capital assets		33,792		24,560
Amortization of deferred capital contributions		(20,009)		(9,875)
(Gain) loss on sale of tangible capital assets		(4,482)		1,606
		<u>106,190</u>		<u>54,695</u>
Change in non-cash working capital items				
Accounts receivable		(42,626)		20,091
Prepaid expenses		(12,000)		(1,000)
Accounts payable and accrued liabilities		1,467		2,285
Government remittances		3,468		18,519
Wages payable		(725)		(4,177)
Deferred contributions		(81,432)		(121,217)
		<u>(25,658)</u>		<u>(30,804)</u>

### Investing

Purchase of tangible capital assets		(110,396)		(8,816)
Proceeds on disposal of tangible capital assets		6,400		-
Deferred capital contributions additions		86,483		6,500
Reinvestment in term deposits		588		(178,878)
		<u>(16,925)</u>		<u>(181,194)</u>

Decrease in cash

(42,583) (211,998)

Cash

Beginning of year		<u>133,705</u>		<u>345,703</u>
End of year	\$	<u>91,122</u>	\$	<u>133,705</u>

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# **Kaslo Community Services Society**

## **Notes to the Financial Statements**

March 31, 2025

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### **1. Nature of operations**

Kaslo Community Services Society (the "Society") is a non-profit, multi-service organization. The Society's mission is supporting community through inclusive and accessible programs and services. The population served will include seniors, adults, families, adolescents, and children living in North Kootenay Lake communities including Ainsworth, Mirror Lake, Kaslo, Lardeau, Cooper Creek, Meadow Creek, Howser, Argenta, Johnson's Landing, and their surrounding rural areas and the Crawford Bay, Riondel, and Gray Creek areas. Unique programs may be offered to residents of a wider geographic base encompassing areas where similar services are not available. The operations of the Society are to be chiefly carried on in the area known as Kaslo and District in the Province of British Columbia. Kaslo Community Services Society is incorporated under the Society Act of British Columbia and is a registered charity under the Income Tax Act.

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### **2. Significant accounting policies**

#### **Basis of presentation**

The following is a summary of the significant accounting policies of the Society.

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

#### **Revenue recognition**

The Kaslo Community Services Society follows the deferral method of accounting for contributions. Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

#### **Cost allocation**

Costs are allocated to programs based on management's estimate of the program's proportionate share of the actual expenditure.

#### **Tangible capital assets**

Tangible capital assets are recorded at cost. Contributed tangible capital assets are recorded at fair value at the date of contribution. Amortization is provided, on a straight-line basis, as follows:

Building	2%
Vehicles	7 years
Office equipment	10%
Leasehold improvements	20%
Computers	20%
Medic alert units	10%
Counselling library	10%

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# Kaslo Community Services Society

## Notes to the Financial Statements

March 31, 2025

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### 2. Significant accounting policies (continued)

#### Term deposits

The Society classifies non-redeemable term deposits that mature within 12 months and all redeemable term deposits as current assets.

#### Financial instruments

The Society considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The Society accounts for the following as financial instruments:

- cash and cash equivalents
- term deposits
- accounts receivable
- accounts payable and accrued liabilities
- wages payable

#### Financial instruments in arm's length transactions

##### *Initial measurement*

The Society initially measures financial assets and financial liabilities originating, acquired, issued or assumed in arm's length transactions at fair value.

##### *Subsequent measurement*

The Society subsequently measures these financial assets and financial liabilities at amortized cost, except for cash and term deposits which are measured at fair value. Changes in financial instruments measured at fair value are recognized in excess of revenue over expenses.

##### *Financing fees and transaction costs*

At initial recognition, the value of financial assets and financial liabilities in arm's length transactions that are subsequently measured at cost or amortized cost are adjusted for financing fees and transaction costs that are directly attributable to their origination, acquisition, issuance or assumption. The fees and costs are subsequently amortized into excess of revenues over expenses using the effective interest rate method. All other transaction costs are recognized in excess of revenues over expenses in the period incurred.

##### *Derecognition*

The Society removes financial liabilities, or a portion of, when the obligation is discharged, cancelled or expires.

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# **Kaslo Community Services Society**

## **Notes to the Financial Statements**

March 31, 2025

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### **2. Significant accounting policies (continued)**

#### **Financial instruments (continued)**

##### *Impairment*

Financial assets measured at cost or amortized cost are tested for impairment when indicators of impairment exist at the end of the reporting period. Previously recognized impairment losses are reversed to the extent of the improvement provided the financial asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in excess of revenues over expenses.

##### Financial instruments in related party transactions

##### *Initial measurement*

Financial assets and financial liabilities in related party transactions are initially measured at cost, with the exception of certain instruments which are initially measured at fair value. The Society does not have any financial assets or financial liabilities in related party transactions which are initially measured at fair value.

Gains or losses arising on initial measurement differences are generally recognized in net income when the transaction is in the normal course of operations, and in equity when the transaction is not in the normal course of operations, subject to certain exceptions.

##### *Subsequent measurement*

Financial assets and financial liabilities recognized in related party transactions are subsequently measured based on how the Society initially measured the instrument. Financial instruments initially measured at cost are subsequently measured at cost, less any impairment for financial assets. Financial instruments initially measured at fair value, of which the Society has none, would be subsequently measured at amortized cost or fair value based on certain conditions.

#### **Use of estimates**

In preparing the Society's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and reported amounts of revenue and expenses during the period. Actual results could differ from these estimates. The Society's most significant estimates include the useful lives of tangible capital assets for amortization.

#### **Contributed services and goods**

Contributed services, goods, and volunteer hours are not recognized in the Society's financial statements due to the difficulty in determining the fair value of contributions.

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## Kaslo Community Services Society

### Notes to the Financial Statements

March 31, 2025

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#### 3. Term deposits

The term deposits bear interest from 2.80% to 5.03% (2024 - 3.71% to 5.13%) and mature between September 11, 2025 and February 20, 2026.

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#### 4. Tangible capital assets

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2025 Net Book Value</u>	<u>2024 Net Book Value</u>
Land	\$ 6,375	\$ -	\$ 6,375	\$ 6,375
Building	162,739	73,184	89,555	92,809
Vehicles	58,032	5,527	52,505	704
Office equipment	160,634	94,537	66,097	69,383
Leasehold improvements	43,418	16,027	27,391	-
Computers	52,802	30,948	21,854	19,308
Medic alert units	9,536	7,890	1,646	2,158
Counselling library	971	971	-	-
	<u>\$ 494,507</u>	<u>\$ 229,084</u>	<u>\$ 265,423</u>	<u>\$ 190,737</u>

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# Kaslo Community Services Society

## Notes to the Financial Statements

March 31, 2025

### 5. Deferred contributions

	Balance, beginning of year	Additions	Reductions	Balance, end of year
Ministry of Children and Family Development	\$ 49,446	\$ 199,492	\$ (174,725)	\$ 74,213
Interior Health Authority	85,102	177,144	(186,730)	75,516
Ministry of Public and Solicitor General	11,283	198,715	(191,897)	18,101
Donations - Food Cupboard	69,861	50,247	(39,624)	80,484
Food Hub	20,230	3,472	(6,591)	17,111
Community Living BC	14,279	30,535	(35,250)	9,564
Columbia Basin Trust	154,749	50,696	(181,917)	23,528
BC Housing	3,058	85,726	(65,445)	23,339
Family Resource Centre - Bequest	5,498	-	-	5,498
School District 8	6,506	20,070	(22,670)	3,906
Community Gaming Grant	51,519	51,520	(51,501)	51,538
Regional District of Central Kootenay	4,276	3,800	(4,781)	3,295
Food Banks BC	36,130	20,102	(18,242)	37,990
Food Banks Canada	9,693	23,500	(18,155)	15,038
Community Fund of North Kootenay Lake Society	100	3,000	(3,100)	-
Other small grants	69,274	211,268	(205,791)	74,751
United Way	7,300	190,851	(195,151)	3,000
	<u>\$ 598,304</u>	<u>\$ 1,320,138</u>	<u>\$ (1,401,570)</u>	<u>\$ 516,872</u>

### 6. Deferred capital contributions

	2025	2024
Balance, beginning of year	\$ 62,221	\$ 65,596
Additional contributions received	86,483	6,500
Less: Amounts amortized to revenue	(20,009)	(9,875)
	<u>\$ 128,695</u>	<u>\$ 62,221</u>

### 7. Commitment

On February 3, 2025 the Society entered into an agreement whereby the Society has committed to pay \$525,000 for the purchase of property at 330 B Avenue in Kaslo BC.

The Society has paid \$10,000 towards this property and has committed to pay \$515,000 by January 30, 2026.

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# Kaslo Community Services Society

## Notes to the Financial Statements

March 31, 2025

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### 8. Internally restricted net assets

During the year, the Board of Directors internally restricted a net amount of \$36,647 (2024 - \$27,846) of unrestricted net assets. The total internal restrictions of net assets at the end of the year are as follows:

	<u>2025</u>	<u>2024</u>
Building Maintenance	\$ 9,796	\$ 8,596
Office Equipment Replacement	19,784	16,317
Professional Development	19,664	17,694
Baby-Needs Cupboard	1,419	1,505
Contingency Fund	94,609	90,577
Building Expansion Fund	199,919	182,775
Youth Fund	8,030	1,510
Staff Emergency Overnight Fund	1,000	1,000
Legal Contingency Fund	17,809	15,409
Co-Leadership Project	59,200	59,200
	<u>\$ 431,230</u>	<u>\$ 394,583</u>

These internally restricted amounts are not available for other purposes without approval of the Board of Directors.

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## Kaslo Community Services Society

### Notes to the Financial Statements

March 31, 2025

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#### 9. Invested in tangible capital assets

The investment in tangible capital assets is calculated as follows:

	<u>2025</u>	<u>2024</u>
Tangible capital assets	\$ 265,422	\$ 190,737
Less: Amounts financed by deferred capital contributions	<u>(128,695)</u>	<u>(62,221)</u>
Balance, end of the year	<u>\$ 136,727</u>	<u>\$ 128,516</u>

Changes in net assets invested in tangible capital assets are calculated as follows:

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ 128,516	\$ 142,491
Purchase of tangible capital assets	110,396	8,816
Amounts funded by deferred capital contributions	(86,483)	(6,500)
Amortization of tangible capital assets	(33,792)	(24,560)
Amortization of deferred capital contributions	20,009	9,875
Disposal through deferred capital contributions	-	-
Disposal of tangible capital assets	4,481	(1,606)
Proceeds on disposal of tangible capital assets	<u>(6,400)</u>	<u>-</u>
	<u>\$ 136,727</u>	<u>\$ 128,516</u>

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#### 10. Financial instruments

The following represents the Society's exposure to risks through its financial instruments.

##### Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment. The Society is exposed to credit risk in the event of non-performance by counterparties in connection with its accounts receivable. The Society does not obtain collateral or other security to support the accounts receivable subject to credit risk but mitigates this risk by dealing only with what management believes to be financially sound counterparties and, accordingly, does not anticipate significant loss for non-performance.

##### Liquidity Risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to liquidity risk arising primarily from the accounts payable. The Society's ability to meet obligations depends on the receipt of funds from its operations and other related sources, whether in the form of revenue or grants. The risk is mitigated through comprehensive budgeting and that most funds from grants are received in advance of associated expenses being incurred.

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# **Kaslo Community Services Society**

## **Notes to the Financial Statements**

March 31, 2025

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### **11. Remuneration of directors, employees, and contractors**

The Societies Act of British Columbia requires the Society to disclose the remuneration paid to directors during the year and the remuneration paid to all employees and contractors whose remuneration during the year was at least \$75,000. The Society had 2 employees meeting this criteria. No remuneration was paid to directors during the year.

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### **12. Comparative figures**

Comparative figures have been adjusted to conform to changes in the current year presentation.

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