

Sunshine Coast Community Services Society
Financial Statements
For the year ended March 31, 2013

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Financial Statements
For the year ended March 31, 2013

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Independent Auditor's Report

To the Members of
Sunshine Coast Community Services Society

We have audited the accompanying financial statements of Sunshine Coast Community Services Society which comprise the Statements of Financial Position as at March 31, 2013, March 31, 2012 and April 1, 2011 and the Statements of Operations and Changes in Net Assets and Cash Flows for the years ended March 31, 2013 and March 31, 2012 and a summary of significant accounting policies, and other explanatory information.

Management's Responsibility for the Consolidated 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 audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Sunshine Coast Community Services Society as at March 31, 2013, March 31, 2012 and April 1, 2011 and the results of its operations and cash flows for the years ended March 31, 2013 and March 31, 2012 in accordance with Canadian accounting standards for not-for-profit organizations.



Chartered Accountants

Vancouver, British Columbia
June 20, 2013

Sunshine Coast Community Services Society Statement of Financial Position

	Operating Fund	Capital Asset Fund	Reserve Fund	March 31 2013	March 31 2012	April 1 2011
				(Schedule 1)	(Schedule 2)	
Assets						
Current						
Cash (Note 1)	\$ 397,371	\$ 41,558	\$ 515,450	\$ 954,379	\$ 1,085,009	\$ 815,397
Short-term investments (Note 1)	-	-	15,255	15,255	5,721	2,574
Accounts and grants receivable (Note 4)	87,307	-	-	87,307	98,609	162,850
GST/HST recoverable	60,286	-	-	60,286	27,026	38,312
Prepaid expenses	38,262	-	-	38,262	31,253	27,411
	<u>583,226</u>	<u>41,558</u>	<u>530,705</u>	<u>1,155,489</u>	<u>1,247,618</u>	<u>1,046,544</u>
Property and equipment (Note 5)	-	1,767,178	-	1,767,178	1,788,446	1,789,004
Property under capital lease (Note 5)	-	495,704	-	495,704	507,232	518,760
Investments (Note 3)	-	-	-	-	-	115,318
	<u>\$ 583,226</u>	<u>\$ 2,304,440</u>	<u>\$ 530,705</u>	<u>\$ 3,418,371</u>	<u>\$ 3,543,296</u>	<u>\$ 3,469,626</u>
Liabilities and Net Assets						
Liabilities						
Current						
Accounts payable and accrued liabilities	\$ 123,914	\$ 1,493	\$ -	\$ 125,407	\$ 164,956	\$ 89,358
Accrued payroll liabilities	264,997	-	-	264,997	312,618	315,967
Unearned revenue (Note 8)	100,207	-	-	100,207	133,027	176,177
Current portion of long-term debt (Note 6)	-	449,462	-	449,462	103,466	352,709
Current portion of capital lease payable (Note 7)	-	13,231	-	13,231	12,608	12,014
	<u>489,118</u>	<u>464,186</u>	<u>-</u>	<u>953,304</u>	<u>726,675</u>	<u>946,225</u>
Long-term debt (Note 6)	-	440,420	-	440,420	889,645	676,385
Capital lease payable (Note 7)	-	335,591	-	335,591	349,037	361,856
	<u>489,118</u>	<u>1,240,197</u>	<u>-</u>	<u>1,729,315</u>	<u>1,965,357</u>	<u>1,984,466</u>
Net Assets						
Externally restricted (Note 10)	-	-	97,447	97,447	69,540	69,413
Internally restricted (Note 10)	-	41,558	433,258	474,816	501,525	388,381
Invested in property & equipment	-	1,022,685	-	1,022,685	939,429	903,309
Unrestricted	94,108	-	-	94,108	67,445	124,057
	<u>94,108</u>	<u>1,064,243</u>	<u>530,705</u>	<u>1,689,056</u>	<u>1,577,939</u>	<u>1,485,160</u>
	<u>\$ 583,226</u>	<u>\$ 2,304,440</u>	<u>\$ 530,705</u>	<u>\$ 3,418,371</u>	<u>\$ 3,543,296</u>	<u>\$ 3,469,626</u>

Approved on behalf of the board:

_____ Administrator _____ Director

Sunshine Coast Community Services Society Statement of Operations and Changes in Net Assets

For the year ended March 31	Operating Fund	Capital Asset Fund	Reserve Fund	2013	2012
Revenue					
Provincial grants	\$ 2,447,550	\$ -	\$ -	\$ 2,447,550	\$ 2,350,085
Federal grants	49,118	-	-	49,118	91,225
Donations	326,952	-	-	326,952	194,854
Fundraising for projects	5,944	-	-	5,944	46,031
Rental income	63,086	-	-	63,086	69,210
Federal and provincial housing grants (Note 9)	776,090	-	-	776,090	783,707
Local government	214,583	-	-	214,583	175,494
Other revenues	81,530	-	-	81,530	154,230
School District #46	68,795	-	-	68,795	70,855
Grants from other charities and societies	308,792	-	-	308,792	214,536
Interest earned	15,744	-	-	15,744	20,350
Sales	201,719	-	-	201,719	125,105
	4,559,903	-	-	4,559,903	4,295,682
Expenses					
Advertising and publicity	24,935	-	-	24,935	17,070
Amortization	-	72,796	-	72,796	62,338
Audit and legal	29,399	-	-	29,399	28,644
Bank charges and interest	3,550	-	-	3,550	2,526
Capital lease interest	-	16,666	-	16,666	16,550
Cost of goods sold	43,120	-	-	43,120	20,490
Fundraising	15,534	-	-	15,534	15,080
Honorarium and consulting	42,348	-	-	42,348	14,866
Insurance	42,445	-	-	42,445	39,554
Maintenance	60,622	-	-	60,622	106,953
Long-term debt interest	-	44,100	-	44,100	59,443
Office expense	70,270	-	-	70,270	62,763
Program expense	770,823	-	-	770,823	587,981
Property tax	16,067	-	-	16,067	12,947
Salaries and wages	2,924,836	-	-	2,924,836	2,866,376
Staff and board development	26,713	-	-	26,713	35,326
Telephone	73,196	-	-	73,196	66,612
Travel	93,201	-	-	93,201	103,468
Utilities and rent	78,165	-	-	78,165	83,916
	4,315,224	133,562	-	4,448,786	4,202,903
Excess (deficiency) of revenue over expenses	244,679	(133,562)	-	111,117	92,779
Fund transfers:					
Property & equipment acquired	(40,000)	40,000	-	-	-
Long-term debt	(147,329)	147,329	-	-	-
Capital lease payments	(29,489)	29,489	-	-	-
	27,861	83,256	-	111,117	92,779
Replacement reserve provision and deposits (Note 10)	(30,298)	-	30,298	-	-
Reserve receipts, net of withdrawals (Note 10)	29,100	-	(29,100)	-	-
Addition (reduction) in funds balance	26,663	83,256	1,198	111,117	92,779
Fund balances, beginning of year	67,445	980,987	529,507	1,577,939	1,485,160
Fund balances, end of year	\$ 94,108	\$ 1,064,243	\$ 530,705	\$ 1,689,056	\$ 1,577,939

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

Sunshine Coast Community Services Society
Statement of Cash Flows

For the year ended March 31 2013 2012

Cash provided by (used in)

Operating activities

Excess of revenue over expenses for the year	\$	111,117	\$	92,779
Item not involving cash				
Amortization of property and equipment		72,796		62,338
Changes in non-cash operating capital				
Accounts and grants receivable		11,302		64,241
GST/HST recoverable		(33,260)		11,286
Prepaid expenses		(7,009)		(3,842)
Accounts payable and accrued liabilities		(39,549)		75,598
Accrued payroll liabilities		(47,621)		(3,349)
Unearned revenue		(32,820)		(43,150)
		34,956		255,901

Financing and investing activities

Principal payments on long-term debt	(103,229)		(34,901)
Principal payments on capital lease payable	(12,823)		(13,308)
Purchase of property and equipment	(40,000)		(50,251)
Investments sold	-		115,318
	(156,052)		16,858

Increase (decrease) in cash and cash equivalents during the year

(121,096) 272,759

Cash and cash equivalents, beginning of year

1,090,730 817,971

Cash and cash equivalents, end of year

\$ 969,634 \$ 1,090,730

Cash and cash equivalents is comprised of:

Cash	\$	954,379	\$	1,085,009
Short-term investments		15,255		5,721
		\$ 969,634		\$ 1,090,730

Sunshine Coast Community Services Society

Notes to the Financial Statements

March 31, 2013

1. Significant Accounting Policies

(a) Nature and Purpose of Organization

Sunshine Coast Community Services Society (the "Society") is a society that delivers community based programs under contract with the Federal, Provincial and Municipal governments. The Society is incorporated under the Canada Corporations Act as a not-for-profit organization and is a registered charity under the Income Tax Act.

(b) Fund Accounting

The Society maintains its accounts in accordance with the principles of fund accounting. The Society follows the restricted fund method of accounting in which restricted contributions made to funds other than the Operating Fund are recognized when collectibility is assured. Restricted contributions to the Operating Fund are deferred and recognized when related expenditures are made.

Resources are classified for accounting and reporting purposes into funds according to the activity or objective specified.

- (i) The Operating Fund reflects assets, liabilities, revenues and expenditures relating to the general operations of the Society. Included are contributions to the capital fund to purchase property and equipment and to make lease and long-term debt payments.
- (ii) The Capital Assets Fund reports the assets, liabilities, revenues and expenses related to the society's property and equipment and building expenditures. The property and equipment are recorded at cost.
- (iii) The Reserve Fund reports unrestricted resources and restricted operating grants.

(c) Revenue Recognition

Revenues are recognized as it is earned in accordance with the following:

- Restricted contributions such as provincial grants, federal grants, federal and provincial housing grants, and grants from other charities and societies are deferred and recognized as revenue in the year in which the related expenses occur.
- Unrestricted contributions such as donations and fundraising for projects are recognized as revenue when cash is received.
- Sales, rental income and other revenues are recognized as revenue in the year earned.
- Local government and School District #46 and interest revenue are recognized on an accrual basis.

Sunshine Coast Community Services Society
Notes to the Financial Statements

March 31, 2013

1. Significant Accounting Policies (Continued)

(d) Contributed Goods and Services

The Society receives contributed goods and voluntary services and services in kind. Where the value of the good or service cannot be readily determined, it is not recognized in the financial statements.

(e) Property and Equipment

Purchased property and equipment are recorded at cost. Contributed property and equipment are recorded at fair market value at the date of contribution when such value can be reliably estimated. Amortization of property and equipment is recorded on a declining balance basis at the following rates:

Buildings	4%
Equipment	20%
Furniture and fixtures	20%
Portable Buildings	20%
Software	100%
Vehicles	30%
Leasehold improvements	straight-line over life of the lease up to 10 years

Amortization expense is reported in the Capital Asset Fund.

(f) Assets Under Capital Lease

Assets under capital lease are recorded at the present value of the minimum lease payments at the inception of the lease.

(g) Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any unrealized gains and losses reported in operations. In addition, all bonds and guaranteed investment certificates have been designated to be in the fair value category, with gains and losses reported in operations. All other financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each statement of financial position date and charged to the financial instrument for those measured at amortized cost.

Sunshine Coast Community Services Society

Notes to the Financial Statements

March 31, 2013

1. Significant Accounting Policies (Continued)

(h) Use of Estimates

The preparation of the 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, particularly useful lives of property and equipment for calculating amortization and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

2. First-time adoption

Effective April 1, 2012, 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 organization'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 mandatory exceptions. The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended March 31, 2013, the comparative information presented in these financial statements for the year ended March 31, 2012 and in the preparation of an opening ASNPO statement of financial position at the date of transition of April 1, 2011.

The Society issued financial statements for the year ended March 31, 2012 using Canadian generally accepted accounting principles prescribed by the CICA Handbook - Accounting Part V - Pre-changeover Accounting Standards. The adoption of ASNPO resulted in no adjustments to the previously reported assets, liabilities, equity, excess of revenue over expenses and cash flows of the organization.

3. Cash and Investments

				March 31 2013	March 31 2012	April 1 2011
	Operating Fund	Capital Asset Fund	Reserve Fund	Total	Total	Total
	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value
Cash and short-term investments	\$ 397,371	\$ 41,558	\$ 530,705	\$ 969,634	\$ 1,090,730	\$ 817,971
Term deposit	-	-	-	-	-	115,318
	\$ 397,371	\$ 41,558	\$ 530,705	\$ 969,634	\$ 1,090,730	\$ 933,289

Sunshine Coast Community Services Society
Notes to the Financial Statements

March 31, 2013

4. Accounts and Grants Receivable

	March 31 2013	March 31 2012	April 1 2011
Municipal and other sources	\$ 87,307	\$ 78,712	\$ 75,977
Government grants	-	17,762	85,873
Employee advances	-	2,135	1,000
	\$ 87,307	\$ 98,609	\$ 162,850

5. Property and Equipment

	March 31 2013		
	Cost	Accumulated Amortization	Net Book Value
Land	\$ 792,921	\$ -	\$ 792,921
Buildings	1,333,047	440,819	892,228
Equipment	189,080	166,434	22,646
Furniture and fixtures	74,031	69,733	4,298
Leasehold improvements	60,658	35,037	25,621
Portable buildings	45,938	18,259	27,679
Software	10,172	10,172	-
Vehicle	3,000	1,215	1,785
	\$ 2,508,847	\$ 741,669	\$ 1,767,178
Property under capital lease	\$ 691,680	\$ 195,976	\$ 495,704

Sunshine Coast Community Services Society
Notes to the Financial Statements

March 31, 2013

5. Property and Equipment (Continued)

	March 31 2012		
	Cost	Accumulated Amortization	Net Book Value
Land	\$ 792,921	\$ -	\$ 792,921
Buildings	1,298,092	404,599	893,493
Equipment	189,080	160,773	28,307
Furniture and fixtures	74,031	68,659	5,372
Leasehold improvements	55,718	18,745	36,973
Portable buildings	45,938	17,108	28,830
Software	10,172	10,172	-
Vehicle	3,000	450	2,550
	\$ 2,468,952	\$ 680,506	\$ 1,788,446

Property under capital lease	\$ 691,680	\$ 184,448	\$ 507,232
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	April 1 2011		
	Cost	Accumulated Amortization	Net Book Value
Land	\$ 792,921	\$ -	\$ 792,921
Buildings	1,254,841	368,268	886,573
Equipment	185,080	154,196	30,884
Furniture and fixtures	74,031	67,316	6,715
Leasehold improvements	55,718	13,835	41,883
Portable buildings	45,938	15,910	30,028
Software	10,172	10,172	-
Vehicle	-	-	-
	\$ 2,418,701	\$ 629,697	\$ 1,789,004

Property under capital lease	\$ 691,680	\$ 172,920	\$ 518,760
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Sunshine Coast Community Services Society
Notes to the Financial Statements

March 31, 2013

6. Long-Term Debt

	<u>March 31 2013</u>	<u>March 31 2012</u>	<u>April 1 2011</u>
Sunshine Coast Credit Union - Inlet Avenue Mortgage Mortgage payable at \$510 bi-weekly with principal and interest at 6.25%. Collateralized by first mortgage on Inlet Avenue and assignment of rents. Mortgage has been fully repaid in 2013.	\$ -	\$ 67,188	\$ 76,037
Sunshine Coast Credit Union - Trail Avenue Mortgage payable at \$927 bi-weekly with principal and interest at 4.50%. Collateralized by first mortgage on Trail Avenue and assignment of rents. Next mortgage renewal is October 20, 2014.	235,101	248,460	256,094
Sunshine Coast Credit Union- Farnham Road Mortgage payable at \$895 bi-weekly with principal and interest at 4.5%. Collateralized by first mortgage on Inlet, Lamprey Lane and assignment of rents. Next mortgage renewal is April 14, 2015.	233,198	245,656	255,105
Sunshine Coast Credit Union - North Road Mortgage payable at \$1,225 bi-weekly with principal and interest at 5.15%. Collateralized by first mortgage on North Road and assignment of rents. Next mortgage renewal is April 30, 2013.	<u>421,583</u>	<u>431,807</u>	<u>441,858</u>
	889,882	993,111	1,029,094
Less: current portion	<u>(449,462)</u>	<u>(103,466)</u>	<u>(352,709)</u>
	<u>\$440,420</u>	<u>\$ 889,645</u>	<u>\$ 676,385</u>

Annual principal repayments for the next five years are as follows:

2014	\$	449,462
2015		<u>440,420</u>
	\$	<u>889,882</u>

Sunshine Coast Community Services Society
Notes to the Financial Statements

March 31, 2013

7. Capital Lease

The Society has entered into a 60 year lease held by BC Housing Management Corporation ("BCHMC") for the Thyme Housing Program. The lease has an interest rate of 4.84% per annum, compounded monthly with a maturity date of May 1, 2015, renewable every 10 years. The leased asset is amortized over its useful life of 60 years.

	March 31 2013	March 31 2012	April 1 2011
Obligations under capital lease	\$ 348,822	\$ 361,645	\$ 373,870
Less: amounts due within one year included in current liabilities	(13,231)	(12,608)	(12,014)
	\$ 335,591	\$ 349,037	\$ 361,856

The future minimum lease payments for the next five years and thereafter are as follows:

2014	\$ 29,856
2015	29,856
2016	325,333
	385,045
Less imputed interest at 4.84%	(36,223)
	\$ 348,822

During the year, the interest expense on capital leases totaled \$16,666 (2012 - \$16,550).

The Society has entered into an operating agreement with BCHMC with a renewable term of one year, that will provide a non-repayable subsidy to cover the building operating costs under the Thyme Housing Program.

Sunshine Coast Community Services Society
Notes to the Financial Statements

March 31, 2013

8. Unearned Revenue

	March 31 2013	March 31 2012	April 1 2011
Grants received in advance	\$ 97,867	\$ 130,687	\$ 173,009
Rent received in advance	2,340	2,340	3,168
	\$ 100,207	\$ 133,027	\$ 176,177

9. Subsidy Adjustment

BCHMC conducts an annual review of the financial statements for specific rental projects and may adjust an operating surplus or deficit. Prior years' funding adjustments are recognized in the fiscal year in which they are determined.

10. Restricted Funds

Under the terms of the agreements with BCHMC, the Replacement Reserve accounts for Transition House, Thyme 2nd Stage and Legacy Housing are to be credited in the amount determined by the budget provision per annum plus interest earned. These funds along with the accumulated interest must be held in a separate bank account and invested only in accounts or instruments covered under specific insurance.

	March 31 2012	Replacement Reserve	Receipts	Interest Earned	Withdrawal	March 31 2013 Balance
Externally Restricted						
Transition house	\$ 25,441	\$ 2,000	\$ -	\$ -	\$ -	\$ 27,441
Thyme 2nd stage	31,816	19,128	-	-	(2,391)	48,553
Legacy housing	12,283	9,170	-	-	-	21,453
	69,540	30,298	-	-	(2,391)	97,447
Internally Restricted						
Inlet Avenue	17,576	-	11,916	-	-	29,492
Operating	343,291	-	21,679	-	(66,837)	298,133
Designated	34,416	-	33,944	-	(36,291)	32,069
Food Bank	64,684	-	7,739	-	-	72,423
Innovation	-	-	1,141	-	-	1,141
Unspent debt	41,558	-	-	-	-	41,558
	501,525	-	76,419	-	(103,128)	474,816
	\$ 571,065	\$ 30,298	\$ 76,419	\$ -	\$ (105,519)	\$ 572,263

Sunshine Coast Community Services Society
Notes to the Financial Statements

March 31, 2013

10. Restricted Funds (Continued)

	April 1 2011 Balance	Replacement Reserve	Receipts	Interest Earned	Withdrawal	March 31 2012 Balance
Externally Restricted						
Transition house	\$ 35,100	\$ 2,000	\$ -	\$ 4	\$ (11,663)	\$ 25,441
Thyme 2nd stage	30,700	19,128	-	121	(18,133)	31,816
Legacy housing	3,613	8,670	-	-	-	12,283
	<u>69,413</u>	<u>29,798</u>	<u>-</u>	<u>125</u>	<u>(29,796)</u>	<u>69,540</u>
Internally Restricted						
Inlet Avenue	26,016	-	11,000	-	(19,440)	17,576
Operating	239,320	-	103,971	-	-	343,291
Designated	36,105	-	786	-	(2,475)	34,416
Food Bank	45,382	-	19,302	-	-	64,684
Unspent debt	41,558	-	-	-	-	41,558
	<u>388,381</u>	<u>-</u>	<u>135,059</u>	<u>-</u>	<u>(21,915)</u>	<u>501,525</u>
	<u>\$ 457,794</u>	<u>\$ 29,798</u>	<u>\$ 135,059</u>	<u>\$ 125</u>	<u>\$ (51,711)</u>	<u>\$ 571,065</u>

11. Pension Plan

During fiscal 2012, the Society and its employees began to contribute to the Municipal Pension Plan (the "Plan"), a jointly-trusted pension plan. The Plan's Board of Trustees, representing Plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of the benefits. The pension plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The plan has about 173,000 active members and approximately 63,000 retired members. Active members include approximately 35,000 contributors from local government.

Every three years an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of Plan funding. The most recent valuation as at December 31, 2009 indicates an unfunded liability of \$1,024 million for basic pension benefits. The next valuation will be as at December 31, 2012 with results available in 2013. The actuary does not attribute portions of the unfunded liability to individual employers. The Society and its employees contributed \$277,236 towards the plan in the year ended March 31, 2013 (2012 - \$260,746).

Sunshine Coast Community Services Society
Notes to the Financial Statements

March 31, 2013

12. Financial Instrument Risks

The Society, through its financial assets and liabilities, is exposed to various risks. The following provides a description of those risks at March 31, 2013:

(a) 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. Financial instruments that potentially subject the Society to significant concentrations of credit risk consist primarily of cash and cash equivalents and accounts receivable.

(b) 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. Investments held by the Society mainly bear interest at fixed rates thus exposing it to the risk of changes in fair value arising from interest rate fluctuations.

(d) Liquidity Risk

Liquidity risk is the risk that the Society encounters difficulty in meeting its obligations associated with financial liabilities. The Society maintains adequate levels of working capital to ensure all its obligations can be met when they fall due.

(e) Market Risk

Market risk is the risk that the value of an investment will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual investment, or factors affecting all securities traded in the market. The Society has an investment policy that restricts the types and amounts of eligible investments and requires dealing with highly-rated counterparties. The Society did not hold any asset-backed commercial paper during the year.

Sunshine Coast Community Services Society
Schedule 1 - Statement of Financial Position - March 31, 2012

	Operating Fund	Capital Asset Fund	Reserve Fund	Total
Assets				
Current				
Cash (Note 1)	\$ 519,665	\$ 41,558	\$ 523,786	\$ 1,085,009
Short-term investments (Note 1)	-	-	5,721	5,721
Accounts and grants receivable (Note 4)	98,609	-	-	98,609
GST/HST recoverable	27,026	-	-	27,026
Prepaid expenses	31,253	-	-	31,253
	676,553	41,558	529,507	1,247,618
Property and equipment (Note 5)	-	1,788,446	-	1,788,446
Property under capital lease (Note 5)	-	507,232	-	507,232
Investments (Note 3)	-	-	-	-
	\$ 676,553	\$ 2,337,236	\$ 529,507	\$ 3,543,296
Liabilities and Net Assets				
Liabilities				
Current				
Accounts payable and accrued liabilities	\$ 163,463	\$ 1,493	\$ -	\$ 164,956
Accrued payroll liabilities	312,618	-	-	312,618
Unearned revenue (Note 8)	133,027	-	-	133,027
Current portion of long-term debt (Note 6)	-	103,466	-	103,466
Current portion of capital lease payable (Note 7)	-	12,608	-	12,608
	609,108	117,567	-	726,675
Long-term debt (Note 6)	-	889,645	-	889,645
Capital lease payable (Note 7)	-	349,037	-	349,037
	609,108	1,356,249	-	1,965,357
Net Assets				
Externally restricted (Note 10)	-	-	69,540	69,540
Internally restricted (Note 10)	-	41,558	459,967	501,525
Invested in property & equipment	-	939,429	-	939,429
Unrestricted	67,445	-	-	67,445
	67,445	980,987	529,507	1,577,939
	\$ 676,553	\$ 2,337,236	\$ 529,507	\$ 3,543,296

Sunshine Coast Community Services Society
Schedule 2 - Statement of Financial Position - April 1, 2011

	Operating Fund	Capital Asset Fund	Reserve Fund	Total
Assets				
Current				
Cash (Note 1)	\$ 360,177	\$ 41,558	\$ 413,662	\$ 815,397
Short-term investments (Note 1)	-	-	2,574	2,574
Accounts and grants receivable (Note 4)	162,850	-	-	162,850
GST/HST recoverable	38,312	-	-	38,312
Prepaid expenses	27,411	-	-	27,411
	588,750	41,558	416,236	1,046,544
Property and equipment (Note 5)	-	1,789,004	-	1,789,004
Property under capital lease (Note 5)	-	518,760	-	518,760
Investments (Note 3)	115,318	-	-	115,318
	\$ 704,068	\$ 2,349,322	\$ 416,236	\$ 3,469,626
Liabilities and Net Assets				
Liabilities				
Current				
Accounts payable and accrued liabilities	\$ 87,867	\$ 1,491	\$ -	\$ 89,358
Accrued payroll liabilities	315,967	-	-	315,967
Unearned revenue (Note 8)	176,177	-	-	176,177
Current portion of long-term debt (Note 6)	-	352,709	-	352,709
Current portion of capital lease payable (Note 7)	-	12,014	-	12,014
	580,011	366,214	-	946,225
Long-term debt (Note 6)	-	676,385	-	676,385
Capital lease payable (Note 7)	-	361,856	-	361,856
	580,011	1,404,455	-	1,984,466
Net Assets				
Externally restricted (Note 10)	-	-	69,413	69,413
Internally restricted (Note 10)	-	41,558	346,823	388,381
Invested in property & equipment	-	903,309	-	903,309
Unrestricted	124,057	-	-	124,057
	124,057	944,867	416,236	1,485,160
	\$ 704,068	\$ 2,349,322	\$ 416,236	\$ 3,469,626