

GALIANO ISLAND RECYCLING RESOURCES SOCIETY

Financial Statements

Year Ended December 31, 2023

GALIANO ISLAND RECYCLING RESOURCES SOCIETY

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Year Ended December 31, 2023

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Galiano Island Recycling Resources Society

We have reviewed the accompanying financial statements of Galiano Island Recycling Resources Society (the Society) that comprise the statement of financial position as at December 31, 2023, and the statements of revenues and expenditures and 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 not-for-profit organizations (ASNPO), 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 Galiano Island Recycling Resources Society as at December 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

Sidney, British Columbia
April 23, 2024

Ascentia CPA
Chartered Professional Accountants

GALIANO ISLAND RECYCLING RESOURCES SOCIETY

Statement of Financial Position

December 31, 2023

	Operating Fund 2023	Gaming Fund 2023	Total 2023	Total 2022
ASSETS				
CURRENT				
Cash	\$ 327,379	\$ -	\$ 327,379	\$ 351,874
Accounts receivable	67,647	-	67,647	8,218
Prepaid insurance	10,709	-	10,709	703
GST receivable	9,020	-	9,020	446
	414,755	-	414,755	361,241
PROPERTY, PLANT AND EQUIPMENT (Net of accumulated amortization) (Note 3)				
	646,637	-	646,637	276,915
	\$ 1,061,392	\$ -	\$ 1,061,392	\$ 638,156
LIABILITIES AND NET ASSETS				
CURRENT				
Accounts payable and accrued liabilities	\$ 4,424	\$ -	\$ 4,424	\$ 4,646
Deferred income	10,038	-	10,038	-
CEBA loan	40,000	-	40,000	40,000
	54,462	-	54,462	44,646
NET ASSETS	1,006,930	-	1,006,930	593,510
	\$ 1,061,392	\$ -	\$ 1,061,392	\$ 638,156

See notes to financial statements

GALIANO ISLAND RECYCLING RESOURCES SOCIETY
Statement of Revenues and Expenditures and Changes in Net Assets
Year Ended December 31, 2023

	Budget 2023	Operating Fund 2023	Gaming Fund 2023	Total 2023	Total 2022
REVENUES					
CRD capital grant	\$ -	\$ 353,099	\$ -	\$ 353,099	\$ -
CRD operating grant	104,356	104,356	-	104,356	102,813
Donations	7,000	11,652	-	11,652	7,285
Foundation grants	-	41,962	-	41,962	-
Interest and miscellaneous	2,250	4,297	-	4,297	6,067
Membership fees	6,000	5,935	-	5,935	5,415
Multi Materials BC revenue	20,500	22,610	-	22,610	20,310
Non-stewardship revenue	5,000	4,494	-	4,494	4,895
Program grants	4,000	-	-	-	-
Redirectory donations	10,000	14,207	-	14,207	11,125
Refundable donations	38,000	43,659	-	43,659	37,338
Stewardship revenue	5,000	4,546	-	4,546	5,763
	202,106	610,817	-	610,817	201,011
SITE EXPENDITURES					
Repairs and maintenance	5,000	2,443	-	2,443	3,830
Site and truck insurance	5,500	7,381	-	7,381	4,792
Site repairs and maintenance	14,600	4,112	-	4,112	6,938
Site supplies	7,650	3,422	-	3,422	4,437
Travel	5,200	5,047	-	5,047	4,512
Utilities	3,200	3,023	-	3,023	2,967
Wages and benefits	141,870	140,807	-	140,807	117,962
	183,020	166,235	-	166,235	145,438
	19,086	444,582	-	444,582	55,573
GENERAL EXPENDITURES					
Accounting	8,000	7,568	-	7,568	7,288
Amortization of capital assets	-	16,403	-	16,403	3,964
Education and advertising	1,000	1,546	-	1,546	1,572
Licence and registration	850	68	-	68	737
Meetings and volunteer expense	2,000	2,154	-	2,154	1,242
Office expenses	3,700	3,043	-	3,043	2,040
	15,550	30,782	-	30,782	16,843

See notes to financial statements

GALIANO ISLAND RECYCLING RESOURCES SOCIETY
Statement of Revenues and Expenditures and Changes in Net Assets *(continued)*
Year Ended December 31, 2023

	Budget 2023	Operating Fund 2023	Gaming Fund 2023	Total 2023	Total 2022
NET EXCESS OF REVENUES OVER GENERAL EXPENDITURES	3,536	413,800	-	413,800	38,730
NET ASSETS - BEGINNING OF YEAR	-	593,130	380	593,510	554,780
	3,536	1,006,930	380	1,007,310	593,510
Repaid back to Gaming	-	-	(380)	(380)	-
NET ASSETS - END OF YEAR	\$ 3,536	\$ 1,006,930	\$ -	\$ 1,006,930	\$ 593,510

See notes to financial statements

GALIANO ISLAND RECYCLING RESOURCES SOCIETY**Statement of Cash Flows
Year Ended December 31, 2023**

	2023	2022
OPERATING ACTIVITIES		
Excess of revenues over general expenditures	\$ 413,800	\$ 38,730
Item not affecting cash:		
Amortization of tangible capital assets	16,403	3,964
	<u>430,203</u>	<u>42,694</u>
Changes in non-cash working capital:		
Accounts receivable	(59,429)	11,676
Accounts payable and accrued liabilities	(222)	(1,354)
Prepaid insurance	(10,006)	3,271
GST receivable	(8,574)	480
Deferred income	10,038	-
	<u>(68,193)</u>	<u>14,073</u>
Cash flow from operating activities	<u>362,010</u>	<u>56,767</u>
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(386,125)	(1,305)
Repayment of gaming funds	(380)	-
Cash flow used by investing activities	<u>(386,505)</u>	<u>(1,305)</u>
INCREASE (DECREASE) IN CASH FLOW	(24,495)	55,462
Cash - beginning of year	<u>351,874</u>	<u>296,412</u>
CASH - END OF YEAR	<u>\$ 327,379</u>	<u>\$ 351,874</u>

See notes to financial statements

GALIANO ISLAND RECYCLING RESOURCES SOCIETY

Notes to Financial Statements

Year Ended December 31, 2023

1. PURPOSE OF THE SOCIETY

Galiano Island Recycling Resources Society (the "Society") is a not-for-profit society, incorporated on July 22, 1992 under the Society Act of Canada in the province of British Columbia. The society's principal activity is the operating of a recycling facility. The society is a registered Charity with the Canada Revenue Agency and is exempt under the Canadian Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO). Canadian accounting standards for not-for-profit organizations are part of Canadian GAAP.

Fund accounting

Galiano Island Recycling Resources Society follows the restricted fund method of accounting for contributions.

The Operating Fund accounts for the society's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

The Gaming Fund reports the capital, revenues and expenditures relating to the gaming account activities. At year end, a transfer between the operating and gaming fund is recorded to reflect the capital assets purchased with gaming funds but maintained in the operating fund.

Tangible capital assets

Tangible Capital Assets are stated at cost or deemed cost less accumulated amortization. Tangible Capital Assets are amortized over their estimated useful lives on a declining balance basis at the following rates, with one-half of amortization recorded in the year of acquisition:

Building and improvements	4%
Computer equipment	30%-55%
Equipment	20%
Vehicles	30%

Measurement uncertainty

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Revenue recognition

Galiano Island Recycling Resources Society follows the restricted fund method of accounting for contributions.

Restricted contributions related to general operations are recognized as revenue of the Operating Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the Operating Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

GALIANO ISLAND RECYCLING RESOURCES SOCIETY

Notes to Financial Statements

Year Ended December 31, 2023

3. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Land	\$ 184,000	\$ -	\$ 184,000	\$ 184,000
Building and improvements	478,275	55,019	423,256	86,038
Computer equipment	2,332	2,331	1	3
Equipment	76,130	48,748	27,382	5,589
Vehicles	50,508	38,510	11,998	1,284
	<hr/> \$ 791,245	<hr/> \$ 144,608	<hr/> \$ 646,637	<hr/> \$ 276,914

4. RECYCLING SERVICE AGREEMENT

The society and the CRD Parks & Environmental Services entered into a service agreement effective May 1, 2019 for the provision of depot collection services for blue box type recyclables on Galiano Island.

The society has also entered into agreements with various agencies for material collection under the ordinary operations of the society.
