

GALIANO ISLAND RECYCLING RESOURCES SOCIETY

Financial Statements

Year Ended December 31, 2024

GALIANO ISLAND RECYCLING RESOURCES SOCIETY

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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, 2024, 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, 2024, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

Sidney, British Columbia
May 23, 2025

Ascentia CPA
CHARTERED PROFESSIONAL ACCOUNTANTS

GALIANO ISLAND RECYCLING RESOURCES SOCIETY

Statement of Financial Position

December 31, 2024

	Total 2024	Total 2023
ASSETS		
CURRENT		
Cash	\$ 490,400	\$ 327,379
Accounts receivable	21,209	67,647
Prepaid insurance	11,015	10,709
GST receivable	776	9,020
	<u>523,400</u>	414,755
TANGIBLE CAPITAL ASSETS <i>(Note 3)</i>	<u>624,178</u>	646,637
	<u>\$ 1,147,578</u>	<u>\$ 1,061,392</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 7,666	\$ 4,424
Deferred income <i>(Note 4)</i>	94,613	10,038
CEBA loan	-	40,000
	<u>102,279</u>	54,462
NET ASSETS	<u>1,045,299</u>	1,006,930
	<u>\$ 1,147,578</u>	<u>\$ 1,061,392</u>

See notes to financial statements

GALIANO ISLAND RECYCLING RESOURCES SOCIETY
Statement of Revenues and Expenditures and Changes in Net Assets
Year Ended December 31, 2024

	Budget 2024	Total 2024	Total 2023
REVENUES			
Government grant	\$ 92,905	\$ 11,520	\$ 353,099
CRD operating grant	149,229	149,229	104,356
Donations	7,000	13,934	11,652
Foundation grants	23,438	16,729	41,962
GFL Environmental Inc. revenue	21,000	21,420	22,610
Interest and miscellaneous	27,100	5,623	4,297
Membership fees	6,000	5,645	5,935
Non-stewardship revenue	5,000	5,976	4,494
Program grants	-	1,000	-
Redirectory donations	11,000	16,005	14,207
Refundable donations	40,000	36,750	43,659
Stewardship revenue	4,500	5,241	4,546
	<u>387,172</u>	<u>289,072</u>	<u>610,817</u>
SITE EXPENDITURES			
Project costs	-	744	-
Repairs and maintenance	4,895	6,504	2,443
Site and truck insurance	12,000	11,599	7,381
Site repairs and maintenance	108,605	6,299	2,773
Site supplies	6,800	6,909	3,422
Travel	5,670	6,479	5,047
Utilities	3,500	3,302	3,023
Wages and benefits	195,739	161,933	140,807
	<u>337,209</u>	<u>203,769</u>	<u>164,896</u>
	<u>49,963</u>	<u>85,303</u>	<u>445,921</u>
GENERAL EXPENDITURES			
Accounting	9,000	8,563	7,568
Amortization of capital assets	-	26,401	16,403
Education and advertising	3,300	1,721	1,546
Fees for recycle material	2,000	4,545	1,339
Licence and registration	850	253	68
Meetings and volunteer expense	2,500	1,851	2,154
Office expenses	14,371	3,600	3,043
	<u>32,021</u>	<u>46,934</u>	<u>32,121</u>
NET EXCESS OF REVENUES OVER GENERAL EXPENDITURES	<u>17,942</u>	<u>38,369</u>	<u>413,800</u>
NET ASSETS - BEGINNING OF YEAR	<u>-</u>	<u>1,006,930</u>	<u>593,510</u>
	<u>17,942</u>	<u>1,045,299</u>	<u>1,007,310</u>
Repaid back to Gaming	-	-	(380)
NET ASSETS - END OF YEAR	<u>\$ 17,942</u>	<u>\$ 1,045,299</u>	<u>\$ 1,006,930</u>

See notes to financial statements

GALIANO ISLAND RECYCLING RESOURCES SOCIETY**Statement of Cash Flows****Year Ended December 31, 2024**

	2024	2023
OPERATING ACTIVITIES		
Excess of revenues over general expenditures	\$ 38,369	\$ 413,800
Item not affecting cash:		
Amortization of tangible capital assets	26,401	16,403
	<u>64,770</u>	<u>430,203</u>
Changes in non-cash working capital:		
Accounts receivable	46,438	(59,429)
Accounts payable and accrued liabilities	3,242	(222)
Prepaid insurance	(306)	(10,006)
GST receivable	8,244	(8,574)
Deferred income	84,575	10,038
CEBA loan	(40,000)	-
	<u>102,193</u>	<u>(68,193)</u>
Cash flow from operating activities	<u>166,963</u>	<u>362,010</u>
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(3,942)	(386,125)
Repayment of gaming funds	-	(380)
Cash flow used by investing activities	<u>(3,942)</u>	<u>(386,505)</u>
INCREASE (DECREASE) IN CASH FLOW	163,021	(24,495)
Cash - beginning of year	<u>327,379</u>	<u>351,874</u>
CASH - END OF YEAR	\$ 490,400	\$ 327,379

See notes to financial statements

GALIANO ISLAND RECYCLING RESOURCES SOCIETY

Notes to Financial Statements

Year Ended December 31, 2024

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, 2024

3. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Land	\$ 184,000	\$ -	\$ 184,000	\$ 184,000
Building and improvements	478,275	71,948	406,327	423,256
Computer equipment	2,332	2,332	-	1
Equipment	80,072	54,619	25,453	27,382
Vehicles	50,508	42,110	8,398	11,998
	\$ 795,187	\$ 171,009	\$ 624,178	\$ 646,637

4. DEFERRED INCOME

Deferred income represent restricted contributions that are not yet recognized as revenue as the related expenses have not yet been incurred. Current year includes \$82,213 from the Alacrity Foundation - Phoenix grant for Clean BC Plastics Action Fund.

5. 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.
