

ARBUTUS SHAUGHNESSY KERRISDALE FRIENDSHIP SOCIETY

Vancouver, British Columbia

Review Engagement Report

Financial Statements - March 31, 2025

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Arbutus Shaughnessy Kerrisdale Friendship Society:

We have reviewed the accompanying financial statements of Arbutus Shaughnessy Kerrisdale Friendship Society that comprise the statement of financial position as at March 31, 2025, and the statements of changes in net assets, receipts and disbursements, 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 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.

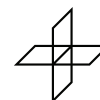
The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

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 Arbutus Shaughnessy Kerrisdale Friendship 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 not-for-profit organizations.

Vancouver, British Columbia
July 28, 2025

Walsh King LLP
Chartered Professional Accountants

ARBUTUS SHAUGHNESSY KERRISDALE FRIENDSHIP SOCIETY**Statement of Financial Position****March 31, 2025**

Unaudited

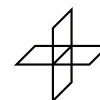
	2025	2024
ASSETS		
Current assets		
Cash	\$ 137,960	198,770
Accounts receivable	4,484	3,588
Prepaid expenses	4,999	4,115
Term deposits	577,489	553,101
	724,932	759,574
Long-term investments (Note 4)	681,195	635,676
Capital assets (Note 5)	45,118	43,453
	\$ 1,451,245	1,438,703
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liability	\$ 29,132	19,064
Deferred revenue (Note 6)	64,611	102,459
	93,743	121,523
Net assets		
Invested in capital assets	45,118	43,453
Restricted for endowment purposes	4,100	4,100
Unrestricted		
Internally restricted (Note 7)	670,848	597,648
Other	637,436	671,979
	1,357,502	1,317,180
	\$ 1,451,245	1,438,703

Economic dependence (Note 8)

On behalf of the Board:

Director

ARBUTUS SHAUGHNESSY KERRISDALE FRIENDSHIP SOCIETY

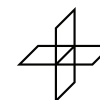


Statement of Changes in Net Assets

For the Year Ended March 31, 2025

Unaudited

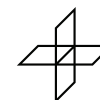
	Invested in Capital Assets	Restricted for Endowment Purposes	Internally Restricted (Note 7)	Unrestricted (Other)	Total 2025	Total 2024
Balance, beginning of year	\$ 43,453	4,100	597,648	671,979	1,317,180	1,221,767
(Deficiency) excess of receipts over disbursements	(9,663)	-	-	49,985	40,322	95,413
Investment in capital assets, net	11,328	-	-	(11,328)	-	-
Use of internally restricted funds	-	-	(1,800)	1,800	-	-
Internal fund transfer	-	-	75,000	(75,000)	-	-
Balance, end of year	\$ 45,118	4,100	670,848	637,436	1,357,502	1,317,180

ARBUTUS SHAUGHNESSY KERRISDALE FRIENDSHIP SOCIETY**Statement of Receipts and Disbursements****For the Year Ended March 31, 2025**

Unaudited

	<u>2025</u>	<u>2024</u>
Receipts		
Vancouver Coastal Health Authority	\$ 667,286	676,993
Grants	133,965	35,112
Daily fee	64,125	60,928
Donation revenue	62,571	37,417
Private clients and transportation	18,415	19,402
Bus rental	16,593	6,437
Meal program	2,984	390
Other	1,294	2,190
Sub-lease rental	-	37,800
	967,233	876,669
Disbursements		
Amortization	9,663	10,070
Automobile	19,436	12,203
Contracted services	145,331	23,918
Facility planning, and relocation	3,816	12,125
Financial review	5,074	5,007
Insurance	4,302	4,260
Janitorial	-	8,442
Lunches	3,582	13,892
Office and other	22,665	26,070
Participant transportation	13,851	12,500
Property charges	-	92,701
Recreation and education	38,170	8,312
Repairs and maintenance	2,222	4,059
Staff travel and development	8,256	6,787
Telephone and communication	4,227	3,506
Utilities	-	8,886
Wages and benefits	716,366	600,077
	996,961	852,815
(Deficiency) excess of receipts over disbursements before other items	(29,728)	23,854
Other items		
Unrealized gain on long-term investments	19,163	43,973
Realized gain on long-term investments	18,547	-
Investment income	38,172	33,056
Investment management fees	(5,832)	(5,470)
Net excess of receipts over disbursements	\$ 40,322	95,413

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

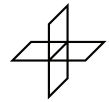
ARBUTUS SHAUGHNESSY KERRISDALE FRIENDSHIP SOCIETY**Statement of Cash Flows
For the Year Ended March 31, 2025**

Unaudited

	<u>2025</u>	<u>2024</u>
Operating activities		
Net excess of receipts over disbursements	\$ 40,322	95,413
Adjustments for:		
Amortization	9,663	10,070
Unrealized gain on long-term investments	(19,163)	(43,973)
Realized gain on long-term investments	(18,547)	-
Changes in non-cash working capital:		
Accounts receivable	(896)	2,012
Prepaid expenses	(884)	(456)
Accounts payable and accrued liability	10,068	8,909
Deferred revenue	(37,848)	55,920
Long-term investments	(7,809)	(10,800)
	<u>(25,094)</u>	117,095
Investing activities		
Purchase of capital assets	(11,328)	(16,335)
(Decrease) increase in cash and cash equivalents	(36,422)	100,760
Cash and cash equivalents, beginning of year	751,871	651,111
Cash and cash equivalents, end of year	<u>\$ 715,449</u>	<u>751,871</u>
Cash and cash equivalents consists of:		
Cash	\$ 137,960	198,770
Term deposits	577,489	553,101
	<u>\$ 715,449</u>	<u>751,871</u>

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

ARBUTUS SHAUGHNESSY KERRISDALE FRIENDSHIP SOCIETY



Notes to Financial Statements

March 31, 2025

Unaudited

1. Nature of operations

The Arbutus Shaughnessy Kerrisdale Friendship Society (the "Society") operates a day program for senior citizens. It is registered under The Society Act of British Columbia as a not-for-profit organization and is classified as a charitable organization for the purposes of the Income Tax Act.

2. Significant accounting policies

The Society's financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations ("ASNPO"), Part III of the CPA Canada Handbook, and reflect the following significant accounting policies:

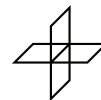
a) Financial instruments

The Society's financial instruments are comprised of cash, accounts receivable, term deposits, long-term investments (Note 4), and accounts payable. Cash and long-term investments (Note 4) are measured at fair value. Accounts receivable, term deposits and accounts payable are initially recorded at fair value, then subsequently measured at amortized cost.

Transaction costs related to financial instruments that are subsequently measured at amortized cost are included in the original cost of the financial instrument. These transaction costs are amortized into net receipts over disbursements on a straight-line basis over the life of the financial instrument.

The Society tests financial assets measured at amortized cost for impairment if there are indicators of possible impairment. When the Society determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in net receipts over disbursements. If events and circumstances reverse in a future period, the previously recorded impairment loss will be reversed to the extent of the improvement.

ARBUTUS SHAUGHNESSY KERRISDALE FRIENDSHIP SOCIETY



Notes to Financial Statements

March 31, 2025

Unaudited

2. Significant accounting policies (continued)

b) Net assets

The Society segregates its net assets into:

- i) Net capital assets, which consists of the net book value of the Society's capital assets;
- ii) Endowment fund, which consists of externally restricted contributions received by the Society where the endowment principal is required to be maintained intact;
- iii) Internally restricted net assets, which consists of unrestricted contributions received by the Society where the Board of Directors has restricted the funds for certain purposes at the request of the donors; and
- iv) The remaining net assets, which are referred to as unrestricted net assets.

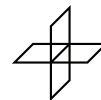
c) Capital assets and amortization

Capital assets are recorded at cost and are amortized over their estimated useful lives at the following annual rates:

Automobiles	30%	declining balance
Computer hardware	55%	declining balance
Furniture and fixtures	20% - 30%	declining balance

d) Impairment of long-lived assets

The Society tests long-lived assets for impairment whenever events or circumstances indicate that the carrying value of an asset or group of assets may not be recoverable. If the carrying value of an asset or group of assets exceeds the undiscounted estimated future cash flows related to the asset or group of assets, an impairment loss is recognized in the period it is determined to the extent that the carrying value exceeds the fair value of the asset or group of assets. An impairment loss is not reversed if the fair value of the related asset or group of assets subsequently increases.



2. Significant accounting policies (continued)

e) Revenue recognition

The Society follows the deferral method of accounting for contributions whereby:

- i) Restricted contributions are recognized as revenue in the year in which the related expenses are incurred; and
- ii) 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.

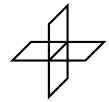
Contributions of gifts-in-kind are recorded at their fair market value.

f) Contributed services

The work of the Society is dependent on the services of many volunteers. As these services are not normally purchased by the Society, it is difficult to determine their fair market value. Therefore, contributed services are not recognized in these financial statements.

g) Use of estimates

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported amounts of receipts and disbursements during the reporting period. A significant area requiring the use of management estimates is the useful lives of capital assets. Actual results may differ from these estimates. These estimates are reviewed periodically and appropriate adjustments are made whenever estimates and assumptions change.



3. Financial instruments

The carrying values of cash, accounts receivable, term deposits, long-term investments (Note 4), and accounts payable approximated their estimated fair values as at March 31, 2025. This is due to the relatively short periods to maturity of these instruments, or because they are due or receivable on demand, or because interest rates fluctuate based on current market conditions.

The significant financial risks to which the Society is exposed are:

a) Interest rate risk

Interest rate risk is the risk that the fair value and/or future cash flows of a financial instrument will fluctuate because of changes in interest rates. The term deposit investments have fixed interest rates. Therefore, the Society is not exposed to significant interest rate risk.

b) Credit risk

Credit risk is the risk of financial loss to the Society if a customer fails to meet its financial obligations. The Society receives the majority of its funding from the Vancouver Coastal Health Authority (Note 8). These amounts are generally received one month in advance. Therefore, the Society is not exposed to significant credit risk.

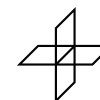
c) Currency risk

Currency risk is the risk that the fair value and/or cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Society does not enter into any foreign currency transactions and therefore is not exposed to foreign exchange risk.

d) Market risk

Market risk is the risk that the fair value and/or cash flows of a financial instrument will fluctuate because of changes in market prices. The Society's short-term and long-term investments expose the Society to market risk as such investments are subject to price changes in the open market. The Society does not use derivative financial instruments to alter the effects of this risk.

ARBUTUS SHAUGHNESSY KERRISDALE FRIENDSHIP SOCIETY



Notes to Financial Statements

March 31, 2025

Unaudited

3. Financial instruments (continued)

e) Liquidity risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting obligations associated with financial liabilities. The Society's principal sources of capital are its receipts. This capital is used to fund its disbursements, liabilities and other cash requirements. The Society is not exposed to significant liquidity risk.

4. Long-term investments

	Market Value		Cost of Securities	
	2025	2024	2025	2024
Marketable Securities	\$ 681,195	635,676	594,055	567,856

The foregoing market values are as reported by Vancity Investment Management.

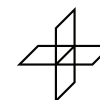
5. Capital assets

	Cost	Accumulated Amortization	Net Book Value	
			2025	2024
Automobiles	\$ 206,168	204,882	1,286	1,837
Computer hardware	9,541	8,828	713	1,585
Furniture and fixtures	163,194	120,075	43,119	40,031
	\$ 378,903	333,785	45,118	43,453

6. Deferred revenue

	2025	2024
Vancouver Coastal Health Authority	\$ 64,611	53,749
Canadian Red Cross	-	26,982
New Horizons for seniors program	-	21,728
	\$ 64,611	102,459

ARBUTUS SHAUGHNESSY KERRISDALE FRIENDSHIP SOCIETY



Notes to Financial Statements

March 31, 2025

Unaudited

7. Internally restricted net assets

A portion of the Society's unrestricted net assets are internally restricted for the following uses:

	<u>2025</u>	<u>2024</u>
Arbutus Centre capital equipment	\$ 250,000	250,000
Arbutus Centre start-up	200,000	200,000
Contingency purposes	50,000	50,000
Staff wellness	20,848	22,648
Vehicle replacement	150,000	75,000
	<u>\$ 670,848</u>	<u>597,648</u>

During fiscal 2025 the Society re-allocated certain internally restricted amounts to better represent the intended use of the assets.

8. Economic dependence

The Society is dependent on the Vancouver Coastal Health Authority for continued operations as a significant portion of its receipts are derived from this source.

9. Comparative amounts

The comparative amounts have been restated where necessary to conform to the current year's presentation.