

**COMOX MILITARY FAMILY RESOURCE CENTRE  
FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2024**

**COMOX MILITARY FAMILY RESOURCE CENTRE  
INDEX TO FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2024**

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Comox Military Family Resource Centre

*Report on the Financial Statements*

*Qualified Opinion*

We have audited the financial statements of Comox Military Family Resource Centre (the Society), which comprise the statement of financial position as at March 31, 2024, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2024, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO)

*Basis for Qualified Opinion*

In common with many charitable organizations, the Society derives revenue from donations the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Society and we were not able to determine whether any adjustments might be necessary to contributions, excess of revenues over expenses, current assets and net assets. Our audit opinion on the financial statements for the year ended March 31, 2023 was modified accordingly because of the possible effects of this limitation of scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

*Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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.

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's Report to the Members of Comox Military Family Resource Centre *(continued)*

Those charged with governance are responsible for overseeing the Society's financial reporting process.

*Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Report on Other Legal and Regulatory Requirements*

As required by the British Columbia Societies Act, we report that, in our opinion, the accounting principles in Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

*Cloutier Mathews LLP*

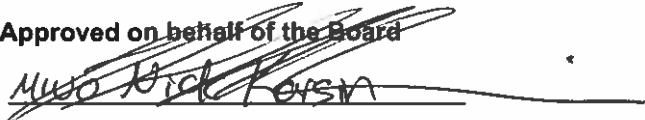
Courtenay, British Columbia  
September 11, 2024

CHARTERED PROFESSIONAL ACCOUNTANTS

**COMOX MILITARY FAMILY RESOURCE CENTRE  
STATEMENT OF FINANCIAL POSITION  
MARCH 31, 2024**

	2024	2023
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 260,784	\$ 477,308
Accounts receivable (Note 3)	69,507	38,747
Goods and services tax receivable	2,132	6,605
Prepaid expenses	-	20,353
Investments maturing within one year	120,000	120,000
	<b>452,423</b>	<b>663,013</b>
TANGIBLE CAPITAL ASSETS (Note 4)	<b>289,960</b>	<b>332,750</b>
LONG TERM INVESTMENTS	<b>675,024</b>	<b>775,024</b>
	<b>\$ 1,417,407</b>	<b>\$ 1,770,787</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 28,870	\$ 21,433
Wages payable	30,732	52,652
Due to government agencies	41,947	53,633
Deferred contributions (Note 5)	40,434	429,744
	<b>141,983</b>	<b>557,462</b>
DEFERRED INCOME (Note 5)	<b>144,329</b>	<b>163,981</b>
	<b>286,312</b>	<b>721,443</b>
<b>NET ASSETS</b>		
Invested in Tangible Capital Assets	125,978	149,116
Internally restricted (Note 6)	1,005,117	900,228
	<b>1,131,095</b>	<b>1,049,344</b>
	<b>\$ 1,417,407</b>	<b>\$ 1,770,787</b>

Approved on behalf of the Board

  
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**COMOX MILITARY FAMILY RESOURCE CENTRE  
STATEMENT OF REVENUES AND EXPENDITURES  
YEAR ENDED MARCH 31, 2024**

	2024	2023
<b>REVENUES</b>		
Child care centre fees	\$ 918,644	\$ 1,042,662
Federal government funding	999,296	962,964
Provincial government funding	249,661	278,938
Programs and other revenue	50,899	122,703
Interest	37,276	23,304
Donations	2,948	3,755
	<b>2,258,724</b>	<b>2,434,326</b>
<b>OPERATING EXPENSES</b>		
Advertising and promotion	1,196	8,010
Amortization	42,791	34,137
Insurance	12,600	12,741
Interest and bank charges	6,176	8,767
Office	47,513	33,514
Operating wages and benefits	1,807,639	2,033,223
Professional development	9,939	26,490
Professional fees	38,429	17,634
Program expenses	128,972	86,431
Repairs and maintenance	48,430	67,759
Supplies	9,903	73,205
Travel	23,385	24,841
	<b>2,176,973</b>	<b>2,426,752</b>
<b>EXCESS OF REVENUES OVER OPERATING EXPENSES</b>	<b>\$ 81,751</b>	<b>\$ 7,574</b>

The accompanying notes are an integral part of these financial statements

**COMOX MILITARY FAMILY RESOURCE CENTRE  
STATEMENT OF CHANGES IN NET ASSETS  
YEAR ENDED MARCH 31, 2024**

	Invested in Tangible Capital Assets Fund	Internally Restricted Fund	2024	2023
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 149,116	\$ 900,228	\$ 1,049,344	\$ 1,041,770
Excess of revenues over operating expenses	(23,138)	104,889	81,751	7,574
<b>NET ASSETS - END OF YEAR</b>	\$ 125,978	\$ 1,005,117	\$ 1,131,095	\$ 1,049,344

The accompanying notes are an integral part of these financial statements

**COMOX MILITARY FAMILY RESOURCE CENTRE  
STATEMENT OF CASH FLOWS  
YEAR ENDED MARCH 31, 2024**

	2024	2023
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over operating expenses	\$ 81,751	\$ 7,574
Item not affecting cash:		
Amortization of tangible capital assets	42,791	34,137
	<b>124,542</b>	<b>41,711</b>
Changes in non-cash working capital:		
Accounts receivable	(30,760)	49,417
Accounts payable and accrued liabilities	7,434	(21,005)
Prepaid expenses	20,353	(930)
Goods and services tax receivable	4,473	(4,338)
Wages payable	(21,920)	4,152
Due to government agencies	(11,686)	(1,158)
Deferred contributions	(408,960)	260,283
	<b>(441,066)</b>	<b>286,421</b>
Cash flow from (used by) operating activities	<b>(316,524)</b>	<b>328,132</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of tangible capital assets	-	(179,301)
Disposal of long term investments	100,000	-
Purchase of long term investments	-	(707,324)
Cash flow from (used by) investing activities	<b>100,000</b>	<b>(886,625)</b>
<b>DECREASE IN CASH FLOW</b>	<b>(216,524)</b>	<b>(558,493)</b>
Cash - beginning of year	<b>477,308</b>	<b>1,035,801</b>
<b>CASH - END OF YEAR</b>	<b>\$ 260,784</b>	<b>\$ 477,308</b>
<b>CASH FLOWS SUPPLEMENTARY INFORMATION</b>		
Interest received	\$ 37,276	\$ 23,304
<b>CASH CONSISTS OF:</b>		
Cash	<b>\$ 260,784</b>	<b>\$ 477,308</b>

The accompanying notes are an integral part of these financial statements



**COMOX MILITARY FAMILY RESOURCE CENTRE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2024**

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**1. THE ORGANIZATION**

The Comox Military Family Resource Centre (the "Society") supports serving and retired military members and their families in the 19 Wing geographical area. The Society operates a child care centre, provides adult and youth programs, co-ordinates volunteer activities, provides information referrals for families and provides outreach programs and family counselling.

The Society is registered under the Societies Act of the Province of British Columbia and is a registered charity under the Income Tax Act. Accordingly, the Society is exempt from income taxes provided certain requirements of the Income Tax Act are met.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of presentation**

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPFO).

**(b) Revenue recognition**

The Society follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. 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.

Child care revenue consists of direct payments from parents and fees subsidized by the Government of British Columbia. Fee revenue is recognized in the period the child care services are provided.

Donation revenue is recorded when the funds are received, unless specified for a specific purpose at the time of donation in which case the revenue is deferred until spent for the specified purpose. Donated materials and services which are normally purchased by the organization are not recorded in the accounts.

Revenue related to tangible capital assets are recognized as revenue of the Invested in Tangible Capital Assets fund on the same basis as the related assets are depreciated.

Program and other revenue are recorded when the programs have occurred.

Interest income is accrued and recorded as earned.

**(c) Estimates**

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in the period in which they become known.

Estimates included in these financial statements consist of amortization rates for tangible capital assets and certain accrued liabilities.

*(continues)*

**COMOX MILITARY FAMILY RESOURCE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2024**

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

(d) Financial instruments

Financial instruments are recorded at fair value on initial recognition, and are subsequently measured at their amortized cost.

Financial instruments consists of cash, investments, accounts receivable, accounts payable, and wages payable.

It is management's opinion that the Society is not exposed to significant currency or credit risks.

(e) Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives on a straight-line basis at the following rates:

Computer equipment	5 years
Equipment and furniture	10 years
Leasehold improvements	15 years
Playground equipment	15 years

Contributed tangible capital assets are recorded at fair market value at the date of contribution.

The society regularly reviews its tangible capital assets to eliminate obsolete items.

(f) Contributed services

Volunteers contribute to the Society in carrying out its service delivery activities. Volunteers contributed 280 hours for the current year (2023 - 375). Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

**3. ACCOUNTS RECEIVABLE**

	2024	2023
Subsidies receivable	\$ 5,434	\$ 16,884
Trade receivable	35,753	6,240
Interest receivable	28,320	15,623
	<b>\$ 69,507</b>	<b>\$ 38,747</b>

**4. TANGIBLE CAPITAL ASSETS**

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Computer equipment	\$ 6,453	\$ 4,865	\$ 1,588	\$ 2,398
Equipment and furniture	234,638	59,829	174,809	197,911
Leasehold improvements	209,522	123,157	86,365	100,230
Playground equipment	96,678	69,480	27,198	32,211
	<b>\$ 547,291</b>	<b>\$ 257,331</b>	<b>\$ 289,960</b>	<b>\$ 332,750</b>

**COMOX MILITARY FAMILY RESOURCE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2024**

**5. DEFERRED CONTRIBUTIONS**

	2024	2023
Balance at the beginning of the year	\$ 593,725	\$ 333,444
Less amount recognized as revenue in the year	(408,962)	(310,603)
Plus contributions received but related to the following year	-	570,884
	<b>184,763</b>	<b>593,725</b>
Current portion of deferred income	<b>(40,434)</b>	<b>(429,744)</b>
	<b>\$ 144,329</b>	<b>\$ 163,981</b>

The composition of the deferred contributions balance is as follows:

	2024	2023
Deferred contributions for capital assets	\$ 163,981	\$ 183,633
Care package funds	10,085	14,286
CCPO funding	10,000	-
Board of Directors fundraising	697	697
DMFS funding	-	308,433
Youth program revenue	-	4,325
Grant revenue	-	14,592
KCC funding advances	-	67,759
	<b>184,763</b>	<b>593,725</b>
Current portion of deferred income	<b>(40,434)</b>	<b>(429,744)</b>
	<b>\$ 144,329</b>	<b>\$ 163,981</b>

Contributions received for capital assets are deferred and amortized to income on the same basis as the related assets are depreciated.

**6. INTERNALLY RESTRICTED NET ASSETS**

Internal restrictions have been placed on the Society's accumulated operating surpluses as follows:

	2024	2023
Restricted as Resource Centre reserve	\$ 869,997	\$ 840,401
Restricted as Kinnikinnik reserve	131,520	56,227
Bursary fund	3,600	3,600
	<b>\$ 1,005,117</b>	<b>\$ 900,228</b>

**COMOX MILITARY FAMILY RESOURCE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2024**

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**7. FINANCIAL INSTRUMENTS**

The Society is exposed to risks through its financial instruments. The following analysis provides information about the Society's risk exposure and concentration as of March 31, 2024.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate by changes in the market interest rates. The Society is exposed to interest rate risk primarily through its term deposits. The Society mitigates this risk by entering into fixed interest rates for the life of the term.

**8. REMUNERATION OF DIRECTORS, EMPLOYEES, AND CONTRACTORS**

In order to comply with BC Societies Act requirements, the Society must disclose the amount of remuneration paid to directors and the amount paid to individual employees and contractors whose remuneration exceeds \$75,000.

During the fiscal year ended March 31, 2024, two employees were paid gross wages of \$78,749 and \$103,154. No remuneration was paid to any director and no contractor was paid \$75,000 or more.

**9. ECONOMIC DEPENDENCE**

A significant amount of the Society's expenses are funded by Military Family Services. The continued operations of the Society are dependent on the continued funding by Military Family Services.

**10. INTERFUND BILLINGS**

During the year, the Resource Centre billed \$43,387 (2023 - \$0) to the Kinnikinnik Child Care Centre for accounting and human resource wages.