

F.P.S.S. FOSTER PARENT SUPPORT SERVICES

Financial Statements

For the Year Ended March 31, 2023

DRAFT 9.15.23



Baker Tilly Victoria Ltd
Chartered Professional
Accountants
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Unit 7
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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Directors of F.P.S.S. Foster Parent Support Services Society

We have reviewed the accompanying financial statements of F.P.S.S. Foster Parent Support Services Society that comprise the statement of financial position as at March 31, 2023 and the statements of revenues and expenditures, net assets, cash flows, and schedule 1 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.



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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT (continued)

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.

Report on Other Legal and Regulatory Requirements

As required by the British Columbia Societies Act, we report that, in our opinion, the Accounting Standards for Not-For-Profit Organizations have been applied on a consistent basis.

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 F.P.S.S. Foster Parent Support Services Society as at March 31, 2023, 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 .

Baker Tilly Victoria Ltd.

CHARTERED PROFESSIONAL ACCOUNTANTS

Victoria, B.C.

September 15, 2023

F.P.S.S. Foster Parent Support Services Society

Statement of Financial Position

As at March 31, 2023

| | 2023 | 2022 |
|---|----------------|---------|
| | \$ | \$ |
| Assets | | |
| Current Assets - | | |
| Cash and cash equivalents | 167,764 | 193,260 |
| Cash and cash equivalents - reserve fund (note 5) | 103,112 | 99,282 |
| Restricted cash - deferred contributions (note 4) | 45,671 | 43,950 |
| Cash held in trust (note 4) | 19,000 | - |
| Accounts receivable | 2,730 | - |
| Goods and services tax recoverable | 3,100 | 3,134 |
| Prepaid expenses | 13,730 | 5,206 |
| | 355,107 | 344,832 |
| Capital assets (note 3) | 5,938 | 3,917 |
| | 361,045 | 348,749 |
| Liabilities | | |
| Accounts payable and accrued liabilities | 43,679 | 48,595 |
| Employee deductions payable | 7,952 | 10,760 |
| Deferred contributions (note 4) | 64,671 | 43,950 |
| | 116,302 | 103,305 |

F.P.S.S. Foster Parent Support Services Society

Statement of Financial Position

As at March 31, 2023

| | 2023 | 2022 |
|--|---------|---------|
| | \$ | \$ |
| Net Assets | | |
| Invested in capital assets | 5,938 | 3,917 |
| Reserve fund (note 5) | 103,111 | 99,281 |
| Surplus efficiencies retention fund (note 6) | 75,067 | 88,642 |
| Unrestricted net assets | 60,627 | 53,604 |
| | 244,743 | 245,444 |
| | 361,045 | 348,749 |

Lease commitments (note 7)

Approved By The Directors

_____ Director

_____ Director

F.P.S.S. Foster Parent Support Services Society

Statement of Revenues and Expenditures

For the Year Ended March 31, 2023

| | 2023 | 2022 |
|--|----------------|----------------|
| | \$ | \$ |
| Revenue | | |
| Education and support program (Schedule 1) | 489,762 | 489,311 |
| Donations | 10,144 | 11,403 |
| Government Subsidy | - | 6,551 |
| Mutual Aid Grant | 780 | 892 |
| | 500,686 | 508,157 |
| Expenditures | | |
| Education and Support Program (Schedule 1) | 503,337 | 498,360 |
| Mutual Aid Grant | 780 | 892 |
| | 504,117 | 499,252 |
| Excess (Deficiency) of Revenues Over Expenditures From Operations | (3,431) | 8,905 |
| Reserve revenue (note 5) | 2,730 | 4,586 |
| Excess (Deficiency) of Revenues Over Expenditures | (701) | 13,491 |

F.P.S.S. Foster Parent Support Services Society

Statement of Changes in Net Assets

For the Year Ended March 31, 2023

| | Capital assets | Reserve fund (note 5) | Surplus efficiencies retention fund (note 6) | Unrestricted net assets | 2023 |
|---|----------------|--------------------------|---|----------------------------|----------------|
| | | | | | \$ |
| Net Assets - beginning of year | 3,917 | 99,281 | 88,642 | 53,604 | 245,444 |
| Deficiency of revenues over expenditures | - | 730 | - | (1,431) | (701) |
| Allocation from unrestricted net assets | - | 3,100 | - | (3,100) | - |
| Amortization of capital assets | (2,363) | - | - | 2,363 | - |
| Purchase of capital assets | 4,384 | - | - | (4,384) | - |
| Net transfer to surplus efficiencies retention fund | - | - | (13,575) | 13,575 | - |
| Net assets- end of year | 5,938 | 103,111 | 75,067 | 60,627 | 244,743 |
| | Capital assets | Reserve fund | Surplus efficiencies retention fund | Unrestricted net assets | 2022 |
| | | | | | \$ |
| Net Assets - beginning of year | 2,959 | 91,561 | 97,691 | 39,742 | 231,953 |
| Excess of revenues over expenditures | - | 4,586 | - | 8,905 | 13,491 |
| Allocation from unrestricted net assets | - | 3,134 | - | (3,134) | - |
| Amortization of capital assets | (2,037) | - | - | 2,037 | - |
| Purchase of capital assets | 2,995 | - | - | (2,995) | - |
| Net transfer to surplus efficiencies retention fund | - | - | (9,049) | 9,049 | - |
| Net assets- end of year | 3,917 | 99,281 | 88,642 | 53,604 | 245,444 |

F.P.S.S. Foster Parent Support Services Society

Statement of Cash Flows

For the Year Ended March 31, 2023

| | 2023 | 2022 |
|---|----------------|----------------|
| | \$ | \$ |
| Cash Flows From Operating Activities | | |
| Cash receipts from the province | 511,263 | 498,362 |
| Cash received from other contributors | 10,144 | 11,403 |
| Cash paid for salaries and benefits | (349,348) | (342,309) |
| Cash paid for materials and services | (168,620) | (153,929) |
| Cash received on the reserve fund | - | 4,586 |
| | 3,439 | 18,113 |
| Cash Flows From Investing Activities | | |
| Purchase of capital assets | (4,384) | (2,995) |
| | (945) | 15,118 |
| Net Increase (Decrease) in Cash | | |
| Cash - Beginning of Year | 336,492 | 321,374 |
| Cash - End of Year | 335,547 | 336,492 |
| Cash Consists Of: | | |
| Cash and cash equivalents | 167,764 | 193,260 |
| Restricted cash - reserve fund | 103,112 | 99,282 |
| Restricted cash - deferred contributions | 45,671 | 43,950 |
| Cash held in trust | 19,000 | - |
| | 335,547 | 336,492 |

F.P.S.S. Foster Parent Support Services Society

Notes to Financial Statements

For the Year Ended March 31, 2023

1 Description of Operations

F.P.S.S. Foster Parent Support Services Society (the 'society') is incorporated under the British Columbia Society Act. The society provides education and support to foster parents within the Vancouver Island region and has offices in Victoria and Campbell River. The society's operations are funded by the provincial government.

2 Summary of Significant Accounting Policies

Basis of presentation

These financial statements have been prepared in accordance with the Canadian accounting standards for not-for-profit organizations (GAAP).

Cash and cash equivalent

Cash includes cash and cash equivalents. Cash equivalents are investments in treasury bills and are valued at cost plus accrued interest. The carrying amounts approximate fair value because they are highly liquid investments with maturities of one year or less at date of purchase.

Property, Plant and Equipment

Property, plant and equipment are stated at cost or deemed cost less accumulated amortization. Property, Plant and Equipment are amortized over their estimated useful lives at the following rates and methods:

| | | |
|------------------------|---------|----------------------|
| Computer equipment | 3 years | straight-line method |
| Computer software | 3 years | straight-line method |
| Furniture and fixtures | 5 years | straight-line method |

Reserve fund

GST refunds, interest on term deposit and other non-operating monies received by the society, with no restrictions attached, are credited to the reserve fund. Expenditures for the benefit of the society are approved by the board of directors and charged against the reserve fund.

F.P.S.S. Foster Parent Support Services Society

Notes to Financial Statements

For the Year Ended March 31, 2023

2 Significant Accounting Policies (continued)

Revenue recognition

F.P.S.S. Foster Parent Support Services Society follows the deferral method of accounting for contributions.

Restricted contributions are recognized as deferred contributions in the year they are received and 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.

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.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

F.P.S.S. Foster Parent Support Services Society

Notes to Financial Statements

For the Year Ended March 31, 2023

3 Capital Assets

| | Cost \$ | Accumulated amortization \$ | 2023 Net \$ | 2022 Net \$ |
|------------------------|------------|-----------------------------------|-------------------|-------------------|
| Computer equipment | 38,620 | 34,703 | 3,917 | 2,530 |
| Furniture and fixtures | 65,345 | 63,324 | 2,021 | 1,387 |
| | 103,965 | 98,027 | 5,938 | 3,917 |

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F.P.S.S. Foster Parent Support Services Society

Notes to Financial Statements

For the Year Ended March 31, 2023

4 Deferred Contributions

| | Balances March 31, 2022 | Amounts | Amounts | Balances March 31, 2023 |
|--|----------------------------|---------|---------|----------------------------|
| | \$ | | | \$ |
| (a) Children and Youth with Complex Complex | 18,323 | - | - | 18,323 |
| (b) Caregiver Support Services | 5,047 | - | - | 5,047 |
| (c) Residential Review Project | 6,631 | - | - | 6,631 |
| (d) Mutual Aid Grant | 7,829 | 2,500 | 779 | 9,550 |
| (e) Partnership Training | 3,560 | - | - | 3,560 |
| (f) Practice Guidelines Grant | 2,560 | - | - | 2,560 |
| (g) Adoption and Permanency | - | 19,000 | - | 19,000 |
| | 43,950 | 21,500 | 779 | 64,671 |

a) The society received a \$60,000 grant from the Provincial Health Services Authority. These funds are to be used for a literature review of best practices for Children and Youth with Complex and Challenging Behaviour support.

b) The society received a \$8,547 grant from the British Columbia Federation of Foster Parent Associations during 2011, in lieu of recruitment materials purchased for their Caregiver Support Services Framework Project. These funds are to be used for the purposes of providing on-going training for foster parents in South (60%) and Central (40%) Vancouver Island.

c) The society received a \$33,333 grant from the Ministry of Children and Family Development (MCFD) during 2007, to support the tasks of the Caregiver Education Framework Advisory Table and working groups to review and re-design the MCFD Education Program for caregivers. The funds will be used to support the MCFD - Residential Review Project.

d) The society received a \$7,500 grant from the MCFD for Mutual Aid. These funds are to be used to provide opportunities for foster parent networking in the Comox Valley Regional District. An additional \$2,500 was received in the current fiscal period.

e) The society received a \$12,000 grant from the MCFD for Partnership Training. These funds are to be used in the Nanaimo (\$7,500) and Duncan (\$4,500) areas for training to impart knowledge, improve skills and build awareness of resources for foster parents.

F.P.S.S. Foster Parent Support Services Society

Notes to Financial Statements

For the Year Ended March 31, 2023

4 Deferred Contributions (continued)

f) The society received \$78,000 grant from the Provincial Health Services Authority. These funds will be used toward the development and dissemination of practice guidelines for MCFD practitioners from across all program areas who are working with children and youth with complex needs and their families/caregivers.

g) Victoria Foundation approved \$19,000 of Adoption and Permanency grant to be used for the Trauma-informed Transition Training program created in partnership with Royal Roads University. The funding is currently being held at Royal Roads University and funds are released to the society upon receipt of invoices showing the work the society has performed. Invoices are billed quarterly and the society expects to receive the full grant from Royal Roads University.

5 Reserve Fund

| | North Island | Campbell River | Regional Office | 2023 | 2022 |
|---|--------------|----------------|-----------------|----------------|--------|
| | | | | \$ | \$ |
| Reserve fund - beginning of year | 238 | 5,345 | 93,698 | 99,281 | 91,561 |
| Revenue | - | - | 730 | 730 | 4,586 |
| Allocation from unrestricted net assets | - | - | 3,100 | 3,100 | 3,134 |
| Reserve fund - end of year | 238 | 5,345 | 97,528 | 103,111 | 99,281 |

F.P.S.S. Foster Parent Support Services Society

Notes to Financial Statements

For the Year Ended March 31, 2023

6 Surplus Efficiencies Retention Fund

| | 2023 | 2022 |
|---|---------------|---------------|
| | \$ | \$ |
| Surplus efficiencies retention fund - beginning of year | 88,642 | 97,691 |
| Allocation of net assets | (13,575) | (9,049) |
| Surplus efficiency retention fund - end of year | 75,067 | 88,642 |

If the society's funding exceeds its expenditures related to the delivery of services, the society may retain up to a cumulative of 5% of the annual contract value to a maximum of \$23,339 as allowable surplus. This allowable surplus should only be utilized for capital and operating expenditures for delivery of services in British Columbia. Any expenditures out of this fund must be approved by the Board of Directors.

7 Lease Commitments

The society has a long term lease with respect to its Victoria premises. Future minimum lease payments including Goods and Services Tax as at March 31, 2023 are as follows:

| | | |
|------|----|--------|
| 2024 | \$ | 35,280 |
| 2025 | \$ | 35,280 |
| 2026 | \$ | 35,280 |
| 2027 | \$ | 35,280 |
| 2028 | \$ | 14,700 |

8 Allocation of Common Costs

The operating expenditures of the Education and Support program, unless specifically related to a geographical region, are allocated 50% to the South Island area, 35% to the Central Island area and 15% to the Upper Island area.

F.P.S.S. Foster Parent Support Services Society

Notes to Financial Statements

For the Year Ended March 31, 2023

9 Employee Remuneration

The British Columbia Societies Act requires the disclosure of remuneration paid to all directors, the ten highest paid employees and all contractors who are paid over \$75,000 annually. During the year ended March 31, 2023, no employees and contractors were paid over \$75,000, and no remuneration payments were made to the directors of the society.

10 Financial Instruments

The society is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the society's risk exposure and concentration as of March 31, 2023.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The society is exposed to credit risk from funders. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The society has a significant number of funders which minimizes concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The society is exposed to this risk mainly in respect of its receipt of funds from its funders and other related sources, and accounts payable.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The society is mainly exposed to interest rate risk.

F.P.S.S. Foster Parent Support Services Society

Notes to Financial Statements

For the Year Ended March 31, 2023

10 Financial Instruments (continued)

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the society manages exposure through its normal operating and financing activities. The society is exposed to interest rate risk primarily through its fixed rate cash equivalents.

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F.P.S.S. Foster Parent Support Services Society

Schedule of Education and Support Program

(Schedule 1)

For the Year Ended March 31, 2023

| | South | Central | Upper Island | 2023 | 2022 |
|---|----------------|----------------|---------------|----------------|----------------|
| | | | | \$ | \$ |
| Revenue | | | | | |
| Ministry of Children and Family Development | 233,390 | 163,373 | 70,017 | 466,780 | 458,831 |
| MCFD one time funding | 11,491 | 8,044 | 3,447 | 22,982 | 30,480 |
| | 244,881 | 171,417 | 73,464 | 489,762 | 489,311 |
| Expenditures | | | | | |
| Operational | | | | | |
| Salaries and benefits | 172,646 | 120,851 | 51,794 | 345,291 | 337,826 |
| Office supplies | 14,025 | 9,818 | 4,208 | 28,051 | 24,370 |
| Foster Parent recruitment | 8,174 | 5,722 | 2,452 | 16,348 | 25,458 |
| Contractors | 5,475 | 3,833 | 1,643 | 10,951 | - |
| Training and workshops | 4,795 | 3,357 | 1,439 | 9,591 | 24,304 |
| Peer support | 4,233 | 2,964 | 1,269 | 8,466 | 5,548 |
| Telephone | 3,106 | 2,174 | 932 | 6,212 | 6,260 |
| Transportation | 2,042 | 1,429 | 612 | 4,083 | 1,961 |
| FCSS of BC meeting | 1,830 | 1,281 | 549 | 3,660 | 26 |
| Regional newsletter | 1,233 | 863 | 370 | 2,466 | 1,685 |
| Amortization of equipment | 1,181 | 827 | 355 | 2,363 | 2,038 |
| Protocol support | 939 | 657 | 282 | 1,878 | 492 |
| Foster Parent appreciation | 861 | 603 | 258 | 1,722 | 3,337 |
| Website development | 431 | 302 | 129 | 862 | 8,595 |
| Memberships | 378 | 265 | 114 | 757 | 1,198 |
| Postage | 245 | 171 | 73 | 489 | 1,389 |
| Facilities | | | | | |
| Rent | 17,220 | 12,054 | 5,166 | 34,440 | 34,440 |
| Insurance | 1,660 | 1,162 | 498 | 3,320 | 2,900 |
| Repair and maintenance | 1,111 | 778 | 333 | 2,222 | - |
| Hydro and gas | 1,085 | 760 | 326 | 2,171 | 2,043 |
| Security | 221 | 155 | 66 | 442 | 442 |

F.P.S.S. Foster Parent Support Services Society

Schedule of Education and Support Program

(Schedule 1)

For the Year Ended March 31, 2023

| | South | Central | Upper Island | 2023 | 2022 |
|---------------------------------------|---------|---------|--------------|----------|---------|
| | | | | \$ | \$ |
| Administrative | | | | | |
| Legal and professional fees | 5,327 | 3,729 | 1,598 | 10,654 | 9,718 |
| Board development | 2,484 | 1,739 | 745 | 4,968 | 2,736 |
| Interst and bank charges | 529 | 370 | 159 | 1,058 | 888 |
| Courier | 436 | 305 | 131 | 872 | 706 |
| | 251,667 | 176,169 | 75,501 | 503,337 | 498,360 |
| Revenue Less Than Expenditures | | | | | |
| | (6,786) | (4,752) | (2,037) | (13,575) | (9,049) |

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