

**KUU-US CRISIS LINE SOCIETY**

**FINANCIAL STATEMENTS**

**YEAR ENDED MARCH 31, 2021**

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**KUU-US CRISIS LINE SOCIETY**

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**YEAR ENDED MARCH 31, 2021  
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## INDEPENDENT AUDITORS' REPORT

To the Members of Kuu-us Crisis Line Society

### Qualified Opinion

We have audited the accompanying financial statements of Kuu-us Crisis Line Society, which comprise the statement of financial position as at March 31, 2021, and the statements of operations, 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 effect 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 Kuu-us Crisis Line Society as at March 31, 2021, 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.

### Basis for Qualified Opinion

In common with many charitable organizations, Kuu-us Crisis Line Society derives revenue from donations the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Society. Therefore, we were not able to determine whether any adjustments might be necessary to recorded donations, excess of revenues over expenses, cash flows from operations for the years ended March 31, 2021 and 2020, current assets as at March 31, 2021 and 2020, and net assets as at April 1 and March 31 for both 2021 and 2020 years. Our audit opinion on the financial statements for the year ended March 31, 2021 was modified accordingly because of the possible effects of this scope limitation.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Kuu-us Crisis Line Society in accordance with the 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.

### Report on Other Legal and Regulatory Requirements

As required by the British Columbia Society Act, we report that, in our opinion, these standards have been applied on a basis consistent with that of the preceding year.

### 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 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.

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.

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

## Auditors' 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 auditors' 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 auditors' 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 auditors' 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.

  
ROBYN MACDONALD  
CHARTERED PROFESSIONAL ACCOUNTANTS

Parksville, Canada  
August 30, 2021

**KUU-US CRISIS LINE SOCIETY**

**STATEMENT OF FINANCIAL POSITION  
AS AT MARCH 31, 2021**

	<b>ASSETS</b>	
	<b>2021</b>	<b>2020</b>
<b>CURRENT</b>		
Cash	\$ 99,933	\$ 139,128
GST receivable	9,711	3,070
Accounts receivable	181,121	59,431
Prepaid expenses	6,641	6,393
	297,406	208,022
<b>TANGIBLE CAPITAL ASSETS (note 3)</b>	<b>876,711</b>	<b>745,817</b>
	<b>\$ 1,174,117</b>	<b>\$ 953,839</b>
	<b>LIABILITIES</b>	
<b>CURRENT</b>		
Accounts payable and accrued liabilities (note 4)	\$ 44,152	\$ 23,425
Deferred revenue (note 5)	75,300	75,000
	119,452	98,425
	<b>NET ASSETS</b>	
Invested in tangible capital assets (note 6)	876,711	745,817
Unrestricted (note 7)	177,954	109,597
	1,054,665	855,414
	<b>\$ 1,174,117</b>	<b>\$ 953,839</b>

Commitments (note 8)  
Economic dependence (note 9)

**APPROVED ON BEHALF OF THE BOARD:**

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**KUU-US CRISIS LINE SOCIETY****STATEMENT OF OPERATIONS  
YEAR ENDED MARCH 31, 2021**

	2021	2020
<b>REVENUE</b>		
LU'MA	\$ 536,332	\$ 128,927
First Nations Health Authority	420,384	410,309
Homelessness Partnering Strategy	148,664	75,000
Gaming	75,000	75,000
Fundraising and donations	45,929	41,687
Rent	16,471	10,014
	1,242,780	740,937
<b>EXPENSES</b>		
Accounting and legal	45,512	18,559
Administration support	34,847	119
Advertising and promotion	3,569	14,949
Amortization	29,852	24,309
Bank charges	1,000	1,689
Equipment rental	478	1,810
Honoraria	-	10,548
Insurance	18,678	17,843
Licenses, dues and permits	11,652	12,723
Office	15,938	30,116
Program costs	71,268	20,232
Property taxes	5,726	5,158
Repairs and maintenance	63,664	246
Supplies	78,936	24,104
Telephone	18,375	15,152
Training and education	3,017	7,748
Travel	12,243	20,554
Utilities	17,025	20,359
Wages and benefits	611,749	429,193
	1,043,529	675,411
<b>EXCESS OF REVENUE</b>	\$ 199,251	\$ 65,526

**KUU-US CRISIS LINE SOCIETY**

**STATEMENT OF CHANGES IN NET ASSETS  
YEAR ENDED MARCH 31, 2021**

	Invested in		Total	Total
	Tangible Capital	Unrestricted	2021	2020
	Assets			
<b>BALANCE AT BEGINNING OF YEAR</b>	\$ 745,817	\$ 109,597	\$ 855,414	\$ 789,888
Net increase in invested in tangible capital assets	160,746	(160,746)	-	-
Excess of revenue (expenses)	(29,852)	229,103	199,251	65,526
<b>BALANCE AT END OF YEAR</b>	\$ 876,711	\$ 177,954	\$ 1,054,665	\$ 855,414

**KUU-US CRISIS LINE SOCIETY****STATEMENT OF CASH FLOWS  
YEAR ENDED MARCH 31, 2021**

	<b>2021</b>	<b>2020</b>
<b>OPERATING ACTIVITIES</b>		
Excess of revenue	\$ 199,251	\$ 65,526
Adjust for amortization which does not affect cash	29,852	24,309
	<b>229,103</b>	<b>89,835</b>
Changes in non-cash working capital		
Decrease (increase) in:		
GST receivable	(6,641)	(688)
Accounts receivable	(121,690)	2,625
Prepaid expenses	(248)	(808)
Increase (decrease) in:		
Accounts payable and accrued liabilities	20,727	(3,482)
Deferred revenue	300	(200)
	<b>(107,552)</b>	<b>(2,553)</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>121,551</b>	<b>87,282</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of tangible capital assets	(160,746)	(2,000)
<b>INCREASE (DECREASE) IN CASH</b>	<b>(39,195)</b>	<b>85,282</b>
<b>CASH AT BEGINNING OF YEAR</b>	<b>139,128</b>	<b>53,846</b>
<b>CASH AT END OF YEAR</b>	<b>\$ 99,933</b>	<b>\$ 139,128</b>



**NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2021**

The Kuu-us Crisis Line Society was incorporated under the Society Act of British Columbia in 1993 and is considered a registered charity under the Income Tax Act. The Society was incorporated to provide 24 hour crisis phone services and other programs for people in crisis.

The Society is a registered charity and in accordance with the Income Tax Act is not required to pay income taxes provided certain requirements under the Income Tax Act are met. In the opinion of management, these requirements have been met.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO) and include the following significant accounting policies:

(a) Cash

The Society's policy is to disclose bank balances under cash.

(b) Tangible capital assets

Tangible capital assets are recorded at cost and are being amortized on the straight-line basis using the following annual rates:

Building	- 40 years
Vehicles	- 8 years
Furniture and equipment	- 5 years
Computer hardware	- 5 years

(c) Revenue recognition

The Society follows the deferral method of accounting for contributions. Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Contributions restricted for the purchase of tangible capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related tangible capital asset. Unrestricted contributions are recognized as revenue when received. Contributed materials and services are recognized at fair value when they are considered to be significant.

(d) Use of estimates

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 amounts of assets and liabilities, disclosure of contingent assets and liabilities and the reported amounts of revenue and expenses during the current period. Significant items subject to such estimates and assumptions include valuation of accounts receivable, prepaid expenses, the estimated useful lives of tangible capital assets and accrued liabilities. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known.

# KUU-US CRISIS LINE SOCIETY

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2021

### 2. FINANCIAL INSTRUMENTS

The Society initially measures its financial assets and financial liabilities at fair value.

The Society subsequently measures its financial assets and financial liabilities at amortized cost. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

#### *Risks and concentrations*

The Society is exposed to various risks through its financial instruments, without being exposed to concentrations of risk. The following analysis provides a measure of the Society's risk exposure at March 31, 2021:

#### *Credit risk*

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Society's main credit risk relates to its accounts receivable. The Society provides credit to its clients in the normal course of its operations.

Accounts receivable are from three funding agencies. The Society is subject to normal risk associated with accounts receivable.

#### *Liquidity risk*

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society's main liquidity risk relates to its accounts payable and accrued liabilities.

### 3. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2021	Net 2020
Land	\$ 379,700	\$ -	\$ 379,700	\$ 379,700
Artwork	6,617	-	6,617	6,617
Buildings	435,645	55,723	379,922	327,611
Vehicles	28,790	14,170	14,620	17,619
Furniture and equipment	34,850	28,299	6,551	7,160
Computer hardware	41,959	30,164	11,795	7,110
Work-in-progress	77,506	-	77,506	-
	<b>\$ 1,005,067</b>	<b>\$ 128,356</b>	<b>\$ 876,711</b>	<b>\$ 745,817</b>

# KUU-US CRISIS LINE SOCIETY

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2021

### 4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2021	2020
Trades payable and accrued liabilities	\$ 4,799	\$ 5,750
Wages payable	22,142	6,962
Source deductions payable	15,194	9,809
WorkSafeBC	2,017	904
	\$ 44,152	\$ 23,425

### 5. DEFERRED REVENUE

	2021	2020
Gaming	\$ 75,000	\$ 75,000
Damage deposit	300	-
	\$ 75,300	\$ 75,000

### 6. INVESTED IN TANGIBLE CAPITAL ASSETS

Invested in tangible capital assets consists of tangible capital assets net of liabilities related to the acquisition of tangible capital assets.

### 7. UNRESTRICTED NET ASSETS

Unrestricted net assets represent the operating equity of the Society.

### 8. COMMITMENTS

The Society is committed to provide a fully furnished permanent supportive housing unit under the Surplus Federal Real Property for Homelessness Initiative program and to maintain this unit until March 31, 2031.

The Society is committed to leasing voicemail equipment under the LU'MA Native BCH Housing Society funding agreement. Other commitments with regards to this lease include internet and server hosting services. The amount of \$17,833 (2020: \$20,743) is included in the Society's expenses for 2021 with regards to these commitments. The funding agreement is in place until March 31, 2022.

### 9. ECONOMIC DEPENDENCE

Operations of the Society are dependant on continued funding from BC Ministry of Municipal Affairs Gaming Grants, First Nations Health Authority, LU'MA Native BCH Housing Society and Prince George Nechako Aboriginal Employment & Training Association with which there are agreements in place until March 31, 2022. Cessation of funding from these organizations would seriously affect the Society's ability to carry out its stated objectives.

**NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2021**

**10. EMPLOYEE, CONTRACTOR AND DIRECTOR REMUNERATION**

The Society did not pay any employee, contractor or director total annual remuneration greater than \$75,000 for the year ended March 31, 2021.

**11. FINANCIAL IMPACTS OF COVID-19**

In March 2020, the World Health Organization declared a global pandemic due to the novel coronavirus (COVID-19). It is not possible to reliably estimate the impact that the severity and length of the pandemic will have on the financial results of the Society in future periods.

**KUU-US CRISIS LINE SOCIETY**

**SCHEDULE OF GENERAL OPERATIONS  
YEAR ENDED MARCH 31, 2021**

	2021	2020
<b>REVENUE</b>		
Rent	\$ 85,414	\$ 45,362
Fundraising	25,270	32,100
Donations	20,059	9,588
Donation in kind	600	-
	131,343	87,050
<b>EXPENSES</b>		
Accounting and legal	1,784	1,179
Advertising and promotion	102	88
Amortization	29,852	24,309
Bank charges	103	278
Honorarium	-	10,548
Insurance	5,019	786
Licences, dues and permits	148	174
Office	7,348	281
Property taxes	928	5,158
Repairs and maintenance	1,207	246
Supplies	5,835	3,042
Telephone	203	298
Training and education	210	4,381
Travel	2,930	350
Utilities	4,251	3,425
Wages and benefits	9,915	150
	69,835	54,693
<b>EXCESS OF REVENUE</b>	61,508	32,357
Transfer for purchase of tangible capital assets	(19,744)	(800)
<b>EXCESS OF REVENUE AFTER TRANSFER</b>	\$ 41,764	\$ 31,557

**KUU-US CRISIS LINE SOCIETY****SCHEDULE OF GAMING OPERATIONS  
YEAR ENDED MARCH 31, 2021**

	2021	2020
<b>REVENUE</b>		
Gaming	\$ 75,000	\$ 75,000
<b>EXPENSES</b>		
Accounting and legal	1,523	1,303
Bank charges and interest	351	446
Insurance	-	229
Office	1,090	851
Property taxes	-	7,200
Supplies	1,142	473
Telephone	767	-
Travel	649	515
Utilities	15	2,453
Wages and benefits	72,123	28,823
	77,660	42,293
<b>EXCESS OF REVENUE (EXPENSES)</b>	\$ (2,660)	\$ 32,707

**KUU-US CRISIS LINE SOCIETY**

**SCHEDULE OF PRINCE GEORGE NECHAKO ABORIGINAL EMPLOYMENT AND  
TRAINING ASSOCIATION FUNDING  
YEAR ENDED MARCH 31, 2021**

	2021	2020
<b>REVENUE</b>		
Homelessness Partnering Strategy	\$ 99,983	\$ 75,000
<b>EXPENSES</b>		
Accounting and legal	12,991	1,045
Bank charges	125	197
Office	1,521	180
Program costs	12,323	7,255
Rent	8,794	5,200
Supplies	10,621	9,929
Telephone	-	483
Training and education	2,009	1,740
Travel	4,966	9,348
Utilities	-	802
Wages and benefits	46,633	38,821
	99,983	75,000
<b>EXCESS OF REVENUE</b>	\$ -	\$ -

**KUU-US CRISIS LINE SOCIETY**

**SCHEDULE OF PRINCE GEORGE NECHAKO ABORIGINAL EMPLOYMENT AND  
TRAINING ASSOCIATION COVID FUNDING  
YEAR ENDED MARCH 31, 2021**

	2021	2020
<b>REVENUE</b>		
Homelessness Partnering Strategy	\$ 48,681	\$ -
<b>EXPENSES</b>		
Accounting and legal	600	-
Supplies	7,174	-
Travel	9,098	-
Wages and benefits	31,809	-
	48,681	-
<b>EXCESS OF REVENUE</b>	\$ -	\$ -



**KUU-US CRISIS LINE SOCIETY****SCHEDULE OF FIRST NATIONS HEALTH AUTHORITY FUNDING  
YEAR ENDED MARCH 31, 2021**

	2021	2020
<b>REVENUE</b>		
First Nations Health Authority	\$ 420,384	\$ 410,309
<b>EXPENSES</b>		
Accounting and legal	17,771	-
Administration support	1,218	1,327
Advertising and promotion	4,500	14,860
Bank charges	480	518
Bookkeeping	5,100	12,584
Insurance	6,000	16,828
Office	906	28,984
Rent	9,600	6,530
Small tools and equipment	6,720	-
Supplies	5,000	5,099
Telephone	14,460	14,853
Training and education	10,483	1,527
Travel	5,000	8,731
Utilities	5,040	8,098
Wages and benefits	328,106	289,170
	420,384	409,109
<b>EXCESS OF REVENUE</b>	-	1,200
Transfer for purchase of tangible capital assets	-	(1,200)
<b>EXCESS OF REVENUE AFTER TRANSFER</b>	\$ -	\$ -

**KUU-US CRISIS LINE SOCIETY**

**SCHEDULE OF LU'MA NATIVE BCH HOUSING SOCIETY FUNDING  
YEAR ENDED MARCH 31, 2021**

	2021	2020
<b>REVENUE</b>		
LU'MA - COVID	\$ 346,868	\$ -
LU'MA - operations	129,464	128,927
LU'MA - capital	60,000	-
	536,332	128,927
<b>EXPENSES</b>		
Accounting and legal	6,100	4,924
Bank charges	117	503
Equipment rental	1,680	1,810
Insurance	1,500	1,500
Licences, dues and permits	16,680	12,550
Office	1,715	-
Program costs	66,791	12,977
Repairs and maintenance	47,693	-
Supplies	70,969	9,824
Telephone	1,800	1,752
Training and education	-	99
Travel	12,586	5,269
Utilities	2,400	6,383
Wages and benefits	165,899	72,229
	395,930	129,820
<b>EXCESS OF REVENUE (EXPENSES)</b>	140,402	(893)
Transfer for purchase of tangible capital assets	(140,402)	-
<b>EXCESS OF EXPENSES AFTER TRANSFER</b>	\$ -	\$ (893)