

Reach Child and Youth Development Society

2018 Annual Report



"BELIEVING IN POTENTIAL"

Reach Child and Youth Development Society

2018 Annual Report

Annual General Meeting - 2018/2019

September 13, 2018

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Reach Child and Youth Development Society

Reach Child and Youth Development Society

ANNUAL GENERAL MEETING
Thursday, September 13, 2018
6:30pm to 8:00pm

REACH Community Meeting Room
5050 47th Avenue, Delta, BC

AGENDA

6:30-6:50pm REGISTRATION & REFRESHMENTS

6:50pm CALL TO ORDER & WELCOME – Donna Burke

6:55pm ACCEPTANCE OF AGENDA – Donna Burke

- *Present motion* to accept agenda

7:00pm ADOPTION OF PAST AGM MINUTES – Donna Burke

- *Present motion* to adopt minutes from the August 10, 2017 Reach Child and Youth Development Society AGM

7:05-7:20pm REPORTS

- President and Executive Director Report – Donna Burke and Renie D'Aquila
 - *Present motion* to receive the report from Reach Child and Youth Development Society's President and Executive Director
- Foundation Chair's Report - Denis Horgan
 - *Present motion* to receive the report from Reach Child and Youth Development Charitable Foundation's Chair
- Treasurer's Report – Tom Siba
 - *Present motion* to approve Reach Child and Youth Development Society Audited Financial Statements for 2017-2018
 - *Present motion* to appoint Cran & Company Certified Accountants as auditors for Reach Child and Youth Development Society for 2018-2019
 - *Present motion* to receive the Treasurer's Report

7:20-7:35pm ELECTION OF THE BOARD – Renie D'Aquila

- *Seek further nominations* for Society Directors from the floor
- *Present motion* to elect 2018-2019 Reach Society Board of Directors as per enclosed slate

7:35-8pm SPECIAL ACKNOWLEDGMENTS – Renie D'Aquila, Donna Burke, Denis Horgan

8:00pm ADJOURN AGM - Renie D'Aquila

8:00-8:25pm SOCIALIZING

8:25pm CLOSE EVENING – Kristin Bibbs

Reach Child and Youth Development Society

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Reach Child and Youth Development Society
Annual General Meeting
Thursday, August 10, 2017
Beach Grove Golf Course, 2nd Floor Banquet Room

MINUTES

See sign in list for attendees

6:30-7:15pm REGISTRATION & REFRESHMENTS

7:15pm CALLED TO ORDER & WELCOME

- Donna Burke introduced herself and welcomed guests including staff, Board, Kinsmen partners, Reach family members and Councillor Sylvia Bishop, Reach's Municipal Liaison

7:20pm ACCEPTANCE OF AGENDA

- *Donna Burke moved, Marcia McCafferty seconded, motion passed unanimously to accept agenda*

7:25pm ADOPTION OF PAST AGM MINUTES

- *Donna moved, Tom Siba seconded, motion passed unanimously to approve minutes from the October 14, 2016 Reach Child and Youth Development Society AGM*

7:30-7:45pm REPORTS

- President and Executive Director Report – Donna Burke and Renie D'Aquila
 - Donna reviewed highlights of the President's Report and thanked Society Board members for their leadership and commitment, the Foundation Board, staff for their dedication, as well as staff, management, Kinsmen Club of Ladner and Tsawwassen, Mayor Lois E. Jackson, the municipality of Delta and Sylvia Bishop our Municipal Liaison
 - Renie D'Aquila noted the importance of celebrating the success of the capital campaign and how far we have come on that as well as the successes our staff have achieved this past year. Renie thanked Donna and the Board of Directors and expressed appreciation for the time they volunteer to help make the lives better for the children we serve. Renie also expressed thanks to Reach staff.
 - *Tom moved, motion passed unanimously to receive the report from Reach Child and Youth Development Society's President and Executive Director*
 - Guillermo Bustos was acknowledged for his terms on the Society Board.
 - Andy Koechl was thanked for his donation of a store front for FINDS
 - Councillor Sylvia Bishop was acknowledged for all the support she has given us and for the pivotal role that she has played in all our Municipal support
- Foundation Chair's Report - Denis Horgan
 - Denis presented highlights of his Chair report, thanking everyone for the wonderful year, particularly all of our volunteers such as Finds and Events Committee members.

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2017
minutes
cont'd

- *Stuart Bowyer moved, motion passed unanimously* to receive the report from Reach Child and Youth Development Charitable Foundation's Chair
- **Treasurer's Report – Tom Siba**
 - Tom presented highlights of the Treasurer's Report, noting that our financial auditors Cran & Co had no suggestions for improvement at all this past year and thanking Reach's financial team Mei Tie and Julie Han.
 - *Motion passed unanimously* to approve Reach Child and Youth Development Society Audited Financial Statements for 2016-2017
 - *Motion passed unanimously* to appoint Cran & Company Certified Accountants as auditors for Reach Child and Youth Development Society for 2017-2018
 - *Motion passed unanimously* to receive the Treasurer's Report

7:45-7:50pm ADOPTION OF REVISED CONSTITUTION – Donna Burke

- Donna noted that the Reach Constitution has been revised because the BC Society Act changed, requiring non-profits to adjust their Constitutions. We are presenting this resolution so we will be in compliance with the new Society Act. We are also expanding the purposes of our Society to include adults, which will allow is in the future to help older teens and young adults as they transition into adulthood.
- *Lynn Haley moved, Phyllis With seconded, motion passed unanimously* to approve "Special Resolution of Members" as outlined in Reach Child and Youth Development Society's Annual Report.

7:50-8pm ELECTIONS – Renie D'Aquila

- Renie asked all attending Board members to come to the front and introduce themselves and say a bit about why they are part of Reach
 - 2017-2018 Reach Charitable Foundation Board of Directors: Katherine Bamford, Valerie Bartlett, Agnes Douglas, Denis Horgan, Bob Mann, Ryan Ormerod, Ulf Ottho, Jeff Scott, Tom Siba, Ryan Thomas (Valerie Barlett, Agnes Douglas, Ryan Ormerod and Jeff Scott were not present)
 - 2017-2018 Slate of Reach Society Board of Directors was as follows:

Beckman, Carmel
Bowyer, Stuart
Burke, Donna
Haley, Lynn
McCafferty, Marcia
Ostrom, Karen
Reid, Shirley-Ann
Siba, Tom
With, Phyllis

- Renie asked the floor three times if there were any further nominations for Society Board of Directors – No further received
- *Guillermo Bustos moved, Denis Horgan seconded, motion passed unanimously* to elect 2017-2018 Reach Society Board of Directors as per the slate

8:17pm *Guillermo moved, Phyllis With seconded, motion passed unanimously* to adjourn AGM

Reach Child and Youth Development Society

2018 Annual Report

President Report 2017/2018

AGM 2018

Message from Donna Burke, President

This has been a very memorable and pivotal year in the life of Reach Child and Youth Development Society. I refer, of course, to the opening of our beautiful new facility in the heart of our community — the Lois E. Jackson Kinsmen Centre for Children. Our Board of Directors, the Foundation Board, all our managers and staff are so proud and grateful for the tremendous community support that went in to making this dream a reality.

Moving forward, our Society and our Foundation Boards will be working with funders and donors to double the number of children Reach supports over time. In addition, our Board will be moving forward providing services to people with developmental disabilities who are over the age of 19. Our focus will be on gaps in services with a priority of extending programs to support young folks transitioning to adult services. We will work with community living organizations and move towards supporting these young adults so their talents and skills are not wasted and they can lead lives of fulfilment.

This is a good time to pay tribute to the people who work with Reach — the people who manage and run the Reach operation and the people who work with our clients. The former hires employees, pays the bills, attends multiple meetings with stakeholders and government to advocate for funding and ensure Reach is always current. The “front office” includes human resources, finance, fundraising, communications, event planning and volunteer recruitment and engagement. Our Board works closely with these people. We are very impressed by their creativity and innovative approaches. They work extremely hard to support the organization and move it forward.

From time to time the Boards of Directors for the Society and the Foundation invite clinical staff members to our meetings to tell us specifics about their programs — the people they help, the level of needs, the evaluation processes, establishment of goals, strategies implemented, the level of collaboration needed to support a child with special needs

Reach Child and Youth Development Society

2018

**President
Report
cont'd
2017/2018**

and how they empower families to adapt, cope with stress, and access additional resources. The level of education, professionalism, training, experience, empathy, highly developed problem-solving skills and dedication that Reach employees bring to every child and family that walks through the door is second to none.

Reach managers and staff take every opportunity to assist Board members make sound decisions for the direction of the Society. Reach managers and staff, front-office and clinical, do an amazing amount of community outreach. They bring well-trained and dedicated volunteers with them. We feel it is important that our community at large has its awareness elevated on the complexity of raising a child with special needs and also the potential of these children and youth given the right support. Reach staff works closely with Board members to educate and advocate to the broader community with the end goal of better outcomes for persons with developmental disabilities and a stronger, more caring community.

As the outgoing Board President of Reach Child and Youth Development Society, I am very grateful for the tremendous support of the Ministry for Children and Family Development, the City of Delta, our Municipal Liaison Councilor Sylvia Bishop, our Society and Foundation Boards, our Events Committee members, FINDS and other REACH volunteers, our Executive Director, Renie D'Aquila and REACH's managers and staff. My best wishes to the incoming 2018-19 Board of Directors and to our dedicated Treasurer Tom Siba who will be retiring as our Treasurer. It has been my privilege to work with REACH.

Thank you!
Donna Burke

Reach Child and Youth Development Society

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Executive Director Annual Report 2017/2018

Reach Child and Youth Development Society

EXECUTIVE DIRECTOR'S REPORT 2017-2018

Heartfelt Appreciation

It has been an exciting year for Reach Child and Youth Development Society (REACH). After 8 years of fundraising and one year of construction in December we moved into our new child development centre, the *Lois E. Jackson Kinsmen Centre for Children*, located in the heart of Ladner. Our hearts are over filled with appreciation to the REACH Foundation and for the breadth of community support that made this landmark achievement possible.

We are also celebrating the close of our *Building for Children Together* Campaign as the fundraising for this new centre is near completion and are in the midst of making plans to improve and develop other facilities and to expand our programs and services to families.

Our capital campaign has been the focal point of Reach's strategic directions for approximately eight years and having achieved this goal the Society and Foundation's focus is shifting towards expanding programs and addressing other facility needs.

While our Foundation concentrated on completing our campaign and on the construction of our new centre REACH Society Board and staff have continued to work in partnership with the Ministry for Children and Family Development, school districts and our many community partners to provide family centered services within our existing programs and resource base.

Some of our many program achievements over the year include:

- A total of 1,015 children and youth benefited through an improved quality of life in all of our 15 programs totaled together this year.
- 4205 volunteer hours were contributed by Reach Directors, FINDS and program and events volunteers.
- 570 family visits were made to our Infant Development Program's Playgroup within the 80 drop-in sessions offered in both North and South Delta.
- Reach's DeltaKids Early Years' Centre, (EYC) increased access to information and resources related to child-development and continued to expand its reach exponentially with :
 - Information distributed to 23 different early years programs and at community events to approximately 900 families
 - 8 *Pop-up Play* sessions in partnership with Delta libraries with 40 families participating
 - 44 *Mom and Tot Meet Up* sessions in partnership with Child Care Resources and Referral and Delta Libraries with 160 families attending
 - 1 session of *Parents as Talking Teachers* in partnership with Fraser Health with 12 families benefitting

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- Our ABA autism program and the Infant Development Program received training and participated in the UBC coordinated PACE (Parent and Child Early Coaching Project) to help implement and evaluate an evidence – based parent coaching intervention (based on the Naturalistic Behavioral Intervention model for children aged 15 to 30 months who are at risk for autism spectrum disorder (ASD).
- Our Infant Development and Supported Child Development Programs once again co-facilitated the Down Syndrome Support Group, meeting monthly for the sixth consecutive year.
- REACH Developmental Preschool South's registration significantly increased for typically developing children after years of struggling enrolment within our new community based location.
- The Aboriginal Supported Child Development (ASCD) Program in partnership with our Supported Child Development Program (SCD) offered monthly sessions of intensive and targeted training to help daycares handle children's challenging behaviors. ASCD also partnered with the Fraser Region Aboriginal Services to offer local events including a "Back to School Barbeque" where children received free backpacks filled with school supplies.
- Our Early Intervention Program's speech therapists developed a reoccurring 6 week parent education series for families of children involved in the autism program. The occupational therapists also developed and ran a toileting group and a fine motor development group. The physiotherapists organized in house orthotic clinics so families did not have to travel distances to receive support.
- The Delta Connex Program (supporting children and youth who have a confirmed or suspected diagnosis of FASD (or a similar neurodevelopmental condition) was able to reduce its three year waitlist down to one year using one time funding from the Ministry for Children and Family Development and funds generated at the REACH gala.
- The Positive Connections and Connex Program Manager developed a new program called Choices, a pay for service program for behavior support and workshops. This program shows significant potential for future growth.
- The Positive Behavior Support Program's Punjabi Speaking Parent Support Group is now entering its fourth year helping to address access barriers and helping these families connect with each other and build their own support networks.
- Program Assistants were introduced in the Positive Behavior Support Program, the Supported Child Development Program and our Early Intervention Therapies Program significantly increasing efficiency in these programs and freeing up other program staff to focus more directly on supporting families.
- The Respite Program worked together with the Positive Behavior Support Program, at the request of the Ministry to provide a wraparound comprehensive integrated series of supports for a child at risk of going into care. This initiative also provides an opportunity for future program development for REACH.

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- FINDS Children's Exchange also relocated to the new REACH centre and as a result increased sales by 22% in the last two months of the fiscal year compared to the preceding 10 months of sales.
- REACH marketing and communications actively promoted REACH programs, and fundraising:
 - After years in the making launched REACH's new website providing a more user friendly navigation process and an effective interface with REACH fundraising activities
 - REACH appeared in local press 29 times over the last year including a multiple page insert in the Delta Optimist commemorating our Grand Opening of the Lois E. Jackson Kinsmen Centre for Children
 - REACH Facebook page *likes* increased to 1,124 and Twitter followers' total 1,152 using consistently positive and informative posts pertinent to children with needs and their families and
 - Our *Gift of Speech Annual Holiday Appeal* raised a total \$18,095, representing a 69% increase over the previous year.
- The format for REACH's popular Parent Network Information Exchange was updated and upgraded to tie into REACH's new website and provide a user friendly interface for families.
- New software introduced to REACH's specialized library now enables families and community members to view online the unique books and resources available for loan.

Never an organization to stand still for long Reach set the stage for a planning process between the Society, the Foundation and REACH staff to update our strategic plan and priorities and focus the organization on growth and development in programs and other facilities. A summary of the updated strategic directions will be available at REACH's AGM.

As we mobilize and move forward I would like to take this opportunity to thank our team members: our Society Board of Directors for their leadership and commitment, our Foundation Board of Directors for their determination and incredible fundraising success, our dedicated FINDS, program and event volunteers, and our amazing Reach management and staff team whose front line work has made such a difference to families.

Heartfelt appreciation is extended to the Kinsmen Club of Ladner and Tsawwassen, Mayor Lois Jackson, the Corporation of Delta and especially Councilor Sylvia Bishop our Municipal Liaison, the backbone of our capital campaign who together with the provincial government, businesses and community members provide us with the funding and resources needed to help our children and youth reach their potential.

Our REACH team of volunteers, staff and community supporters have many successes to celebrate, most importantly that we were able to help strengthen families and improve the quality of life for over 1,000 children and for this I am most grateful and offer my heartfelt appreciation to all involved!

Renie D'Aquila
Executive Director

Reach Child and Youth Development Society

2018 Annual Report

Treasurer's Report For year ending March 31, 2018

Treasurer's Report for Year Ending March 31, 2018

Reach Child and Youth Development Society is financially strong with \$1,228,700 in net assets. This provides us with a cushion of just over two months operating expenses reserve in case of need.

Included in current liabilities are \$599,459 in deferred revenues representing funds received in the current year for expenditures that will be spent in the subsequent year. Part of these totals is Gaming Grants of \$227,162. Current liabilities represent payables of \$6,003 covering payroll liabilities and \$649,094 covering employee's vacation, mileage and wages, social fund and trades payables.

Financial Highlights for the Past Year:

1. Total revenue increased \$1,312,348 to \$7,274,278.
2. Grants from the Ministry for Children and Families totaled \$6,841,297 or 94% of total revenue.
3. Total cash of \$841,792 increased by \$292,155 from prior year.
4. Total Revenue deficiency expenses in the amount of \$46,632.
5. Salaries, benefits total \$4,149,861 or 57% of Total Expenses.
6. We submit the following comparisons for the past seventeen years.

		March 31, 2018	March 31, 2017	March 31, 2000
1	Total Revenue	\$7,274,278	\$5,961,930	\$ 908,000
2	Total Cash	\$841,792	\$549,637	\$206,000
3	Total Assets	\$7,864,138	\$3,570,371	\$301,000
4	Total Salaries	\$4,149,861	\$3,756,050	\$746,000
5	Donations Received	\$32,750	\$38,212	n/a
6	Total # of Employees	153 plus 41 respite caregivers	149 plus 41 respite caregivers	25 plus respite caregivers
7	Total # of Children in Programs	898 registered in programs	923 registered in programs	245 n/a

Cran and Company of Ladner have audited our records. They have not found any irregularities or concerns in our management practices.

We would like to thank the Executive Director and her management for completion of the Annual Statements.

I would like to move that we receive and approve the audit and statements for the year ending March 31, 2018.

I would also like to move that the auditors Cran and Company be appointed to conduct the audit for the year ending March 31, 2019.

Tom Siba
Treasurer

**REACH CHILD AND YOUTH DEVELOPMENT SOCIETY
FINANCIAL STATEMENTS**

March 31, 2018

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INDEPENDENT AUDITOR'S REPORT

To the Directors of Reach Child and Youth Development Society

Report on the Financial Statements

I have audited the accompanying financial statements of Reach Child and Youth Development Society, which comprise the statement of financial position as at March 31, 2018, statement of changes in net assets, the statement of operations, schedule of operations, and the statement of 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

Basis for Qualified Opinion

In common with many charitable organizations, Reach Child and Youth Development Society derives a part of its revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, my verification of these revenues was limited to the amounts recorded in the records of Reach Child and Youth Development Society, and I was not able to determine whether any adjustments might be necessary to donation revenue, excess of revenue over expenses, assets and net assets.

Qualified Opinion

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of Reach Child and Youth Development Society as at March 31, 2018 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations

Report on Other Legal and Regulatory Requirements

As required the BC Societies Act, I report that, in my opinion, the accounting principles Canadian accounting standards for not-for-profits organizations have been applied on a basis consistent with that of the preceding year.



Cran & Company
Chartered Professional Accountant
Delta, BC
June 27, 2018

REACH CHILD AND YOUTH DEVELOPMENT SOCIETY
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2018

	<u>Administration and Programs</u>	<u>Gaming</u>	<u>2018 Total</u>	<u>2017 Total</u>
ASSETS				
CURRENT ASSETS				
Cash	\$ 614,630	\$ 227,162	\$ 841,792	\$ 549,637
Term deposits (note 3)	478,397	-	478,397	1,064,189
Prepaid expenses	12,683	-	12,683	21,668
Accounts receivable (note 4)	160,155	-	160,155	293,506
GST refundable	60,111	-	60,111	24,425
Deferred Costs - Building Project (note 5)	-	-	-	1,184,879
TOTAL CURRENT ASSETS	1,325,976	227,162	1,553,138	3,138,304
DUE FROM RELATED PARTY (note 10)	684,099	-	684,099	184,204
CAPITAL ASSETS (notes 1c, 7)	5,626,901	-	5,626,901	247,863
TOTAL ASSETS	\$ 7,636,976	\$ 227,162	\$ 7,864,138	\$ 3,570,371

See accompanying Notes to Financial Statements

2.

REACH CHILD AND YOUTH DEVELOPMENT SOCIETY
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2018

	<u>Administration and Programs</u>	<u>Gaming</u>	<u>2018 Total</u>	<u>2017 Total</u>
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable and accrued liabilities (note 8)	\$ 649,102	\$ -	\$ 649,102	\$ 562,189
Payroll liabilities	6,003	-	6,003	4,456
Deferred revenue (note 9)	372,297	227,162	599,459	462,148
TOTAL CURRENT LIABILITIES	1,027,402	227,162	1,254,564	1,028,793
DEFERRED CONTRIBUTIONS (notes 5 and 6)	5,380,941	-	5,380,941	1,184,879
TOTAL LIABILITIES	6,408,343	227,162	6,635,505	2,213,672
NET ASSETS				
Invested in capital assets	245,960	-	245,960	247,863
Internally restricted (note 11)	411,489	-	411,489	367,923
Unrestricted	571,184	-	571,184	740,913
TOTAL NET ASSETS	1,228,633	-	1,228,633	1,356,699
TOTAL LIABILITIES AND NET ASSETS	\$ 7,636,976	\$ 227,162	\$ 7,864,138	\$ 3,570,371

APPROVED BY THE DIRECTORS:

Director

Director

See accompanying Notes to Financial Statements

3.

REACH CHILD AND YOUTH DEVELOPMENT SOCIETY
STATEMENT OF CHANGES IN NET ASSETS
For the year ended March 31, 2018

	<u>2018</u>	<u>2018</u>	<u>2018</u>	<u>2018</u>	<u>2017</u>
	Invested in Capital Assets	(note 11) Internally Restricted	Unrestricted	Total	Total
NET ASSETS					
Balance, beginning of year	\$ 247,863	\$ 367,923	\$ 740,913	\$ 1,356,699	\$ 1,316,270
(Deficiency) excess of revenues over expenses	-	-	(46,632)	(46,632)	65,055
Amortization of deferred contribution (note 6)	91,202	-	(91,202)	-	-
Amortization of tangible capital assets	(93,105)	-	93,105	-	-
Transfer to Reach Foundation (note 12)	-	-	(125,000)	(125,000)	(65,000)
Sick fund transfer	-	43,566	-	43,566	40,374
Balance, end of year	\$ 245,960	\$ 411,489	\$ 571,184	\$ 1,228,633	\$ 1,356,699

See accompanying Notes to Financial Statements

**REACH CHILD AND YOUTH DEVELOPMENT SOCIETY
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2018**

	<u>Administration and Programs</u>	<u>Gaming</u>	<u>2018 Total</u>	<u>2017 Total</u>
Revenue				
Ministry for Children and Families	\$ 5,422,034	\$ -	\$ 5,422,034	\$ 4,153,395
Individual funding contracts	1,419,263	-	1,419,263	1,473,761
Direct access grant - BC	-	101,000	101,000	94,705
Parent fees	108,017	-	108,017	105,655
Delta School District	17,611	-	17,611	24,727
Donations	32,750	-	32,750	38,212
Interest and dividends	23,765	1,408	25,173	19,707
Vancouver Foundation	9,285	-	9,285	8,927
CCOF contracts	8,310	-	8,310	7,917
Thrift store sales	7,411	-	7,411	7,736
Other income	32,222	-	32,222	27,188
Deferred contribution (note 6)	91,202	-	91,202	-
	7,171,870	102,408	7,274,278	5,961,930
Expenses - page 6	\$ 7,218,502	\$ 102,408	\$ 7,320,910	\$ 5,896,875
(Deficiency) excess of revenue over expenses \$ (46,632) - \$ (46,632) \$ 65,055				

See accompanying Notes to Financial Statements

5.

REACH CHILD AND YOUTH DEVELOPMENT SOCIETY
SCHEDULES OF OPERATIONS - EXPENSES
FOR THE YEAR ENDED MARCH 31, 2018

	<u>Administration and Programs</u>	<u>Gaming</u>	<u>2018 Total</u>	<u>2017 Total</u>
EXPENSES				
Accounting and legal	\$ 17,703	\$ -	\$ 17,703	\$ 14,523
Advertising	3,500	64	3,564	4,033
Agency support workers	150,666	-	150,666	149,921
Amortization	93,105	-	93,105	3,402
Caregivers' fees	133,513	-	133,513	126,685
Education - staff	17,357	464	17,821	10,135
Equipment and supplies	28,963	1,158	30,121	18,183
Equipment leases	22,726	468	23,194	27,398
Fundraising expenses	711	-	711	2,599
Gardening	4,339	75	4,414	5,111
Individual funding	9,643	-	9,643	10,013
Insurance	13,654	299	13,953	15,633
Janitorial	51,200	834	52,034	44,902
Memberships	12,200	155	12,355	9,534
Office supplies	68,328	1,058	69,386	37,093
Program supplies and equipment	143,921	2,056	145,977	95,553
Rent	66,578	1,001	67,579	72,735
Repairs - building and equipment	75,612	1,678	77,290	35,111
SCD authorization	2,062,510	-	2,062,510	1,295,958
Salaries and benefits	4,061,087	88,774	4,149,861	3,756,050
Technology support	49,990	1,057	51,047	47,537
Telephone	52,964	1,037	54,001	44,623
Transportation	54,804	1,555	56,359	50,397
Utilities	18,834	675	19,509	11,857
Workshop expenses	4,594	-	4,594	7,889
	\$ 7,218,502	\$ 102,408	\$ 7,320,910	\$ 5,896,875

REACH CHILD AND YOUTH DEVELOPMENT SOCIETY
STATEMENT OF CASH FLOWS
MARCH 31, 2018

	<u>2018</u>	<u>2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Received from clients	\$ 1,660,079	\$ 1,578,720
Received from Ministry for Children and Families	5,422,034	4,153,395
Received from other sources	233,761	229,120
Cash paid for expenses	(7,122,477)	(5,714,429)
	193,397	246,806
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in deferred revenue	137,310	149,323
Transfer to Reach Foundation	(125,000)	(65,000)
(Increase) in due from Reach Foundation	(499,895)	(198,760)
	(487,585)	(114,437)
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease in accrued interest	551	1,426
(DECREASE) INCREASE IN CASH	(293,637)	133,795
CASH AND CASH EQUIVALENTS, beginning of year	1,613,826	1,480,031
CASH AND CASH EQUIVALENTS, end of year	\$ 1,320,189	\$ 1,613,826
REPRESENTED BY:		
CASH		
General Fund	\$ 614,630	\$ 457,637
Gaming	227,162	92,000
TERM DEPOSITS	478,397	1,064,189
	\$ 1,320,189	\$ 1,613,826

See accompanying Notes to Financial Statements

7.

REACH CHILD AND YOUTH DEVELOPMENT SOCIETY
NOTES TO FINANCIAL STATEMENTS
March 31, 2018

1. PURPOSE OF THE SOCIETY

The stated objectives of Reach Child and Youth Development Society ("the Society") are as follows:

- A. To promote the education, training, development and welfare of children with special needs and typically developing children.
- B. To cooperate with public and private agencies, governmental departments and other groups and organizations interested in the projects of the Society.
- C. To develop a better understanding by the general public regarding children with special needs and typically developing children.

The Society is incorporated under the Society Act of British Columbia as a not-for-profit organization and is a registered charity under the Income Tax Act, and as such is exempt from income taxes and is able to issue donation receipts for income tax purposes. In order to maintain its status as a registered charity under the Act, the Society must meet certain requirements within the Act. In the opinion of management, these requirements have been met.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

B. Cash and Cash Equivalents

Cash consists of cash on deposit with banks and highly liquid short term interest bearing securities with maturities of three months or less.

C. Capital Assets

Capital assets are recorded at cost. The cost for contributed capital assets is considered to be fair value at the date of contribution.

Amortization is provided using the following methods at rates intended to amortize the cost of assets over their estimated useful lives.

Building North Delta Preschool	Straight-line basis over 35 years
Building South Delta Main Building	Straight-line basis over 30 years
Computers	Straight-line basis over 2 years
Equipment	Straight-line basis over 5 years
Leasehold improvements	Straight-line basis over the term of the lease

D. Deferred Contribution Related to Capital Assets

Contributions related to depreciable capital assets are deferred and amortized on the same basis as the related tangible capital assets.

REACH CHILD AND YOUTH DEVELOPMENT SOCIETY
NOTES TO FINANCIAL STATEMENTS
March 31, 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

E. 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.

Donations are recognized on a cash basis rather than on an accrual basis.

Gaming revenue is recognized in the year in which the related expenses are incurred.

F. Donated Goods and Services

The Society benefits from donated supplies and services, however gifts and services in-kind are not recognized in the financial statements. A total of 2,899 volunteer hours (1,456 in 2017) were contributed to the Society for this fiscal year. When a fair value can be determined for donated supplies, an income tax receipt is issued to the donor.

G. Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of receipts and disbursements for the reporting period. Actual results could differ from these estimates. Significant financial statement items that require the use of estimates are as follows: amount of accrued liabilities, and the useful life of capital assets. These estimates are reviewed periodically and adjustments are made, as appropriate, in the statement of operations and changes in fund balances in the year they become known.

H. Term Deposits

Term deposits are recorded at their cost plus accrued interest.

I. Fund Accounting

In order to ensure observance of limitations and restrictions placed on the use of resources available to the Society, the accounts are maintained on a fund accounting basis. Accordingly, resources are classified for accounting and reporting purposes into funds. These funds are held in accordance with the objectives specified by the contributors or in accordance with the directives issued by the Board of Directors.

REACH CHILD AND YOUTH DEVELOPMENT SOCIETY
NOTES TO FINANCIAL STATEMENTS
March 31, 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

I. Fund Accounting - continued

Two funds are maintained - Administration and Programs Fund and Gaming Fund.

The Administration and Programs Fund reports the program activities of the Society.

The Gaming Fund is used to account for the use of gaming funds in accordance with the BC Gaming Policy and Enforcement Branch.

J. Impairment of Long-Lived Assets

Long-lived assets are reviewed for impairment when events and circumstances indicate that the carrying amount of a long-lived asset is not recoverable and exceeds its fair value. The amount of the impairment loss, if any, is the excess of carrying value over its fair value.

3. TERM DEPOSITS

The term deposits are held at the Envision Credit Union. The investments are highly liquid term deposit that are readily convertible to cash.

	<u>2018</u>	<u>2017</u>
1 year non redeemable term deposit maturing January 12, 2019, yielding 1.90% interest per annum	\$ 265,838	\$ 854,564
1 year non redeemable term deposit maturing January 12, 2019, yielding 1.90% interest per annum	<u>212,559</u>	<u>209,625</u>
	<u>\$ 478,397</u>	<u>\$ 1,064,189</u>

4. ACCOUNTS RECEIVABLE

Consists of:

	<u>2018</u>	<u>2017</u>
Individual funding contracts	\$ 144,107	\$ 278,009
Ministry of Children and Families	13,415	12,313
Interest income	<u>2,633</u>	<u>3,184</u>
	<u>\$ 160,155</u>	<u>293,506</u>

REACH CHILD AND YOUTH DEVELOPMENT SOCIETY
NOTES TO FINANCIAL STATEMENTS
March 31, 2018

5. BUILDING PROJECT

In May 2010, the directors voted to work towards construction of a building to house the Reach Child and Youth Development Society operations ("the building project"). All donations for this project were collected through the Reach Child and Youth Development Charitable Foundation.

6. DEFERRED CONTRIBUTION

Deferred contributions represents restricted contributions that have been used to acquire tangible capital assets. These deferred contributions are amortized on the same basis as the related assets. A total of \$5,472,143 was raised and used to construct the South Delta building, which was completed in this fiscal year. The deferred contribution and the cost of the building will be amortized over the 30 year lease, that is in place with the City of Delta for the land where the building resides. The minimal rent equal to a dollar is due to the City annually.

7. CAPITAL ASSETS

	<u>Cost</u>	<u>2018 Accumulated Amortization</u>	<u>Cost</u>	<u>2017 Accumulated Amortization</u>
North Delta Land*	\$ 206,000	\$ -	\$ 206,000	\$ -
North Delta Preschool*	66,600	26,640	66,600	24,737
South Delta Main Building	5,472,143	91,202	-	-
Computers	2,999	2,999	2,999	2,999
Equipment	138,078	138,078	138,078	138,078
Leasehold improvements	<u>540,012</u>	<u>540,012</u>	<u>540,012</u>	<u>540,012</u>
	<u>\$ 6,425,832</u>	<u>\$ 798,931</u>	<u>\$ 953,689</u>	<u>\$ 705,826</u>
		<u>2018</u>		<u>2017</u>
Net Book Value		\$ 5,626,901		\$ 247,863

*As of July 1, 2017 the BC Property Assessment for Land and Buildings was \$946,000.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Consists of:

	<u>2018</u>	<u>2017</u>
Vacation Accrual	\$ 222,844	\$ 175,348
Wages and Mileage Payable	93,376	41,645
10% holdback	50,000	113,174
Accounting	5,557	8,397
Social Fund Payable	5,599	3,561
Vendor Payables	<u>271,718</u>	<u>220,055</u>
	<u>\$ 649,094</u>	<u>\$ 562,180</u>

11.

REACH CHILD AND YOUTH DEVELOPMENT SOCIETY
NOTES TO FINANCIAL STATEMENTS
March 31, 2018

9. DEFERRED REVENUE

Deferred revenues are revenues received from contributors who have restricted their use for specific operating purposes. Recognition of these amounts as revenue is deferred to periods when the specific expenditures are made. Changes in the deferred revenue balance are as follows:

	<u>2018</u>	<u>2017</u>
Balance, beginning of the year	\$ 462,148	\$ 312,825
Contributions received during the year	472,726	317,609
Contributions recognized as income in the year	<u>(335,415)</u>	<u>(168,286)</u>
Balance, end of the year	<u>\$ 599,459</u>	<u>\$ 462,148</u>

10. DUE FROM RELATED PARTY

As defined by ASNPO, the Society is related to The Reach Child and Youth Development Charitable Foundation by way of both a common board member and the Executive Director.

The amounts due to the Reach Child and Youth Development Charitable Foundation ("Foundation") are non-interest bearing and have no fixed terms for repayment. The two parties are related in that the Foundation's primary duty is to receive, hold, and invest funds and property and to administer and distribute these funds as needed to support the programs and activities of the Society.

11. INTERNALLY RESTRICTED NET ASSETS

This is a contingency reserve fund for future employee sick leave. The society's policy is to grant sick credits of 1.5 days per month of employment to a maximum of 54 days for full-time employees. Accumulated sick time shall not be paid out at the time of termination.

12. TRANSFER

In June 2018, the Board of Directors approved the motion to forgive \$125,000 of the due from the Foundation in order to offset the net deficit in the Foundation.

REACH CHILD AND YOUTH DEVELOPMENT SOCIETY
NOTES TO FINANCIAL STATEMENTS
March 31, 2018

13. FINANCIAL INSTRUMENTS

The Society is exposed to various risks through its financial instruments. These risks include credit risk, investment risk, interest rate risk, and liquidity risk. The following analysis presents the Society's exposure to significant risk at March 31, 2018.

The Society does not use any derivative financial instruments to mitigate these risks.

Credit risk

The Society is exposed to credit risk with respect to the amounts receivable and term deposits. These amounts receivable were received soon after the year end and term deposits are invested with large financial institutions

Interest rate risk

The Society is exposed to interest rate risk with respect to the following financial instruments: cash and cash equivalents, and investments in interest bearing securities. Changes in interest rates can affect the fair value of investments and the cash flows related to interest income and expense.

Liquidity risk

Liquidity risk exposure is dependent on the receipt of funds from government grants, and other sources of income to enable the Society to pay its liabilities as they become due.

14. ECONOMIC DEPENDENCE

The Society is economically dependent on government funding and independent grants, which represent 98.64% (2017 - 98.13%) of the total revenue.

15. CAPITAL MANAGEMENT

The Society's objective when managing capital is to safeguard the entity's ability to continue as a going concern, so that it can continue to provide services to the community.

The Society sets the amount of capital in proportion to risk and manages the capital structure and makes adjustments to it in light of changes to economic conditions and the risk characteristics of the underlying assets.

16. SOCIETIES ACT OF BRITISH COLUMBIA

As part of the new disclosure requirements of the B.C. Societies Act, the Society reports they had 6 employees who earned in excess of \$75,000. Total remuneration to these employees for the calendar year 2017 was \$519,932.

THANK YOU!!

Reach Child and Youth Development Society continues to provide opportunities for children with special needs and their families because of caring individual and caring organizations like you. Every donation received helps provide opportunities for children to learn and grow.

Thank you for ***“Believing in Potential”***

GOVERNMENT

City of Delta

BUSINESS

Active Fire and Safety Services
Adrian & co.
Adventurer Foundation
After February Studio Ltd.
Air G
Ambient Fire Service
BC Comfort Air Conditioning
BC Turf Foundation
Beth Stuart Corporation
BGS Management Services
Capilano Suspension Bridge
Century Group Lands Corp.
Costco Wholesale
Cotton 'n Crayon
Delta Pacific Seafoods
Down to Earth Tile and Stone
Elite Repeat
Emma Lea Farms
Firstpage Marketing
Flowers Beautiful
Fortis BC
Four Winds Brewing Company
Gateway Casinos & Entertainment
Golden Tree Jewellers
Great Canadian Casinos Inc.
Hari Homes
Helping Hands of the WCB
Ivanhoe Cambridge
Lawlor Goldsmith
Lehigh Hanson Cement
Livingston & Sons Painting
Manulife Investments
Maple leaf Homes
MJD Glass (2016) LP
N.Y. 11 Holdings Ltd
OC Open Connection Ltd
Pacificom Integration Ltd.
Pilaster Holdings Limited
Profab Steel 1998 Ltd.

Rapid Masonry
Raven Roofing
Regional Recycling Abbotsford
Regional Recycling Burnaby
Regional Recycling Cloverdale
S.J.R. Foods Services Ltd.
Sentry Investments Corp.
Seon Design
Silver Wheaton Corporation
Speed's Pub
Tasty Indian Bistro
Tech 8 Door & Hardware Inc.
Urban Rack
Vancouver Fraser Port Authority
West Coast Seeds
Westshore Terminals Limited
WMC Enterprises
Zarin Construction

COMMUNITY

Delta Firefighters Charitable Society
Delta Scottsdale Lions Club
Kinsmen Club of Ladner/Tsawwassen
St. Cuthberts Anglican A.C.W.
The National Chapter of Canada IOOE
TOOBS
United Way - Donor Directed
Variety, The Childrens Charity
XI BETA UPSILON

INDIVIDUALS

Ackerman, Doug
Anderson, AJ
Aune, J.Brian
Ayres, Kendall
Barbeck, Joseph
Barton, Tony
Barton, Tony
Bates, George
Bates, Jack
Beleznay, Amanda
Bianco, Ernest
Bibbs, David

Baydala, Barbara
Beckman, Carmel
Bishop, Sylvia
Bismeyer, Mike
Blair, Janet
Brockmann, Marianne
Brown, Noel
Chatterly, Vicki & Derek
Clifton, Daphni
Dauda, Theresa
Dossa, Zahirali (Zahir)
Duong, Loan
Eldridge, Lindsay
Finke, Shelley
Fishbrook, Kelly
Forcier, Irene
Foster, Judith
Fuerniss, Sarah
Gee, Anne & Bill
Greenway, Rebecca
Hall, Clint
Harvie, George
Heiberg, Lisa
House, Shannon
Ippel, Tina
Jackson, Lois
Jeske, Wendy
Kaneko (Savage), Dana
Kang, Dilpreet Singh
Keil, Shay
Krawchuk, Steve
Kuss, Brenda
Lamba, Monia
Layton, Dan
Leckie, Nicola
Leckie, Nicola
MacGregor, Kelly
Mackie, James
McCafferty, Marcia
McCafferty, Mary
McKenna, Mike
Nolan, Shawn
Ottho, Ulf
Penner, Justina
Quehl, Judy

Rehlinger, Frank
Renney, Glenn
Roper, Patricia
Sandhu, Lovepret
Sandhu, Navi
Schmelcher, Ursula
Schreiber, Eva
Scyebeel, Nancy
Segal, Joseph
Shaw, Andrea
Shiles, Scott
Spencer, Lewis
Sudds, Eran
Sutherland, Christine
Takaoka, James
Takaoka, James
Teres, Jose
Watts, Justine
Williams, Bryce
Williams, Cari
With, Phyllis

And the many dedicated volunteers, board members, staff, families , businesses and community members who generously donate their time, share prizes for our silent auctions and support our in-house fundraisers

WE THANK YOU FOR YOUR CONTINUED SUPPORT!