

FINANCIAL STATEMENTS

RISE WOMEN'S LEGAL CENTRE

March 31, 2023



INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Directors of
Rise Women's Legal Centre

We have reviewed the accompanying financial statements of Rise Women's Legal Centre that comprise the statement of financial position as at March 31, 2023, and the statements of operations, net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

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

Basis for Qualified Conclusion

In common with many not-for-profit organizations, Rise Women's Legal Centre derives revenue from fundraising and donation activities, the completeness of which is not susceptible to us obtaining evidence we considered necessary for the purpose of the review. Accordingly, the evidence obtained of these revenues was limited to the amounts recorded in the records of Rise Women's Legal Centre. Therefore, we were unable to determine whether any adjustments might have been found necessary with respect to donations revenue, excess of revenue for the year, and cash flows from operations for the year ended March 31, 2023, current assets as at March 31, 2023, and net assets as at April 1 and March 31 for the 2023 year end.

Qualified Conclusion

Based on our review, except for the possible effects of the matter described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the accompanying financial statements do not present fairly, in all material respects, the financial position of Rise Women's Legal Centre 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.

Vancouver, Canada
August 28, 2023



Chartered Professional Accountants



STATEMENT OF FINANCIAL POSITION

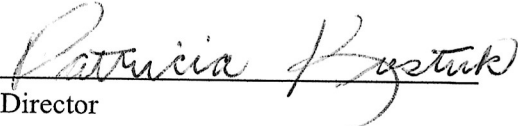
As at March 31

		2023		2022
	Operating	Capital		
	Fund	Fund	Total	Total
	\$	\$	\$	\$
ASSETS				
Current				
Cash and cash equivalents <i>[note 4]</i>	2,479,029	—	2,479,029	822,809
Accounts receivable <i>[note 5]</i>	93,523	—	93,523	56,064
Prepaid expenses	15,454	—	15,454	17,228
	2,588,006	—	2,588,006	896,101
Capital assets <i>[note 6]</i>		160,366	160,366	230,029
	2,588,006	160,366	2,748,372	1,126,130
LIABILITIES				
Current				
Accounts payable and accrued liabilities	166,310	—	166,310	133,325
Deferred revenue <i>[note 8]</i>	1,560,942	—	1,560,942	221,737
	1,727,252	—	1,727,252	355,062
NET ASSETS				
Unrestricted	459,486	—	459,486	239,771
Internally restricted <i>[note 12]</i>	401,268	—	401,268	301,268
Invested in capital assets	—	160,366	160,366	230,029
	860,754	160,366	1,021,120	771,068
	2,588,006	160,366	2,748,372	1,126,130

Commitments *[note 10]*

See accompanying notes to the financial statements

On behalf of the Board:


Director


Director

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

Year ended March 31

	2023		2022	
	Operating Fund	Capital Fund	Total	Total
	\$	\$	\$	\$
REVENUE				
Grants [note 8]	1,907,364	—	1,907,364	1,128,983
Donations [note 8]	394,357	—	394,357	434,756
Programs and other	18,945	—	18,945	3,023
Interest	11,108	—	11,108	504
	2,331,774	—	2,331,774	1,567,266
EXPENSES				
Wages, benefits and contractors	1,664,236	—	1,664,236	1,022,790
Program expenses	101,246	—	101,246	47,151
Rent and utilities	60,983	—	60,983	57,304
Amortization of capital assets	—	93,866	93,866	57,296
Office and other	50,700	—	50,700	41,384
Travel	26,551	—	26,551	2,012
Dues and licenses	20,946	—	20,946	15,506
Training and development	14,918	—	14,918	17,422
Professional fees	16,670	—	16,670	14,395
Board and committee	14,325	—	14,325	9,632
Insurance	13,507	—	13,507	9,000
Interest and bank charges	3,774	—	3,774	4,038
Loss on disposal of capital assets	—	—	—	5,653
	1,987,856	93,866	2,081,722	1,303,583
Excess of revenue (expenses) for the year	343,918	(93,866)	250,052	263,683
Net assets, beginning of year	541,039	230,029	771,068	507,385
Transfer: Purchase of capital assets	(24,203)	24,203	—	—
Net assets, end of year	860,754	160,366	1,021,120	771,068

See accompanying notes to the financial statements

STATEMENT OF CASH FLOWS

Year ended March 31

	2023 \$	2022 \$
OPERATING ACTIVITIES		
Excess of revenue for the year	250,052	263,683
Add items not affecting cash:		
Amortization of capital assets	93,866	57,296
Loss on sale of capital assets	—	5,653
	343,918	326,632
Changes in non-cash working capital items:		
Accounts receivable	(37,459)	(49,662)
Prepaid expenses	1,774	(1,201)
Accounts payable and accrued liabilities	32,985	30,595
Deferred grants	1,339,205	(268,944)
Cash provided by operating activities	1,680,423	37,420
INVESTING ACTIVITIES		
Purchase of capital assets	(24,203)	(27,879)
Cash used in investing activities	(24,203)	(27,879)
Increase in cash during the year	1,656,220	9,541
Cash and cash equivalents, beginning of year	822,809	813,268
Cash and cash equivalents, end of year	2,479,029	822,809

See accompanying notes to the financial statements

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

1. NATURE OF BUSINESS

Rise Women's Legal Centre ("Rise") was incorporated under the Societies Act of the Province of British Columbia on June 27, 2016. Rise operates a legal clinic that provides legal advice and representation to impoverished women in British Columbia and projects that advance its purposes.

The Purposes of Rise are:

- to relieve poverty by operating a legal clinic that provides legal advice and representation to impoverished women in British Columbia;
- to advance education by providing clinical legal experience and training to law students in British Columbia;
- to advance education by providing workshops and seminars on legal education to lawyers, students, and the general public;
- to uphold human rights, in accordance with existing human rights legislation, through engaging in strategic litigation for the benefit of the public;
- and to undertake activities ancillary and incidental to the attainment of the aforementioned charitable purposes.

2. BASIS OF PRESENTATION

a) Statement of Compliance

These financial statements, including comparatives, have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") as issued by the Accounting Standards Board.

b) Basis of Presentation

These financial statements have been prepared on a historical cost basis, except for certain financial instruments classified as fair value through profit or loss and are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for certain cash flow information. The financial statements, unless otherwise specified, are presented in Canadian dollars, which is the functional currency of Rise.

c) Significant Accounting Judgements and Estimates

The preparation of the financial statements in conformity with ASNPO requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported revenues and expenses during the reporting period.

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

2. BASIS OF PRESENTATION (CONT'D)

c) Significant Accounting Judgements and Estimates (Cont'd)

Key Sources of Estimation Uncertainty

Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting periods. Actual results could differ from those estimates and such differences could be significant.

3. SIGNIFICANT ACCOUNTING POLICIES

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

Fund Accounting

The major funds are described below:

Operating Fund

The operating fund is an unrestricted fund and accounts for Rise's program delivery and administrative activities, including all fundraising costs. The Board intends to transfer some of these funds to an operating reserve for the organization.

Capital Fund

The capital fund is a restricted fund for expenditures of an enduring nature. These expenditures have been recorded as additions to the capital asset fund where they are amortized over their expected useful lives.

Revenue Recognition

Rise follows the deferral method of accounting for revenue.

Restricted grants are recorded as deferred revenue when received and then recognized as revenue in the period in which the related expenses are incurred.

Unrestricted grants 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 recorded on a cash basis and recorded as revenue when received.

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Cash

Cash consists of cash held at major financial institutions and is subject to insignificant risk of changes in value.

Contributions Receivable

Contributions receivable are recognized when an amount to be received can be reasonably estimated and ultimate collection is reasonably assured.

Amortization

Amortization is recorded in the capital fund using the declining balance method at the following rates:

Leasehold improvements - Over the lease period

Furniture and fixtures - 20%

Computers - 30%

Contributed Services and Materials

Volunteers contribute a significant amount of their time and services to the Society each year. Because of the difficulty in determining fair value, these contributed services are not recognized in the financial statements.

Financial Instruments

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.

4. CASH

	2023	2022
	\$	\$
Operating	1,809,400	550,383
Restricted for gaming grant initiatives	68,829	71,626
Term deposits	600,800	200,800
	2,479,029	822,809

The term deposits have short-term maturities with an annual interest rate varying from 2% to 4% .

The Society also has a \$100,000 line of credit available at 8.95%. No amount was drawn on this facility through the year or at March 31, 2023.

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

5. ACCOUNTS RECEIVABLE

	2023	2022
	\$	\$
Contributions	85,393	51,553
Government - GST	8,130	4,052
Other	—	459
	93,523	56,064

6. CAPITAL ASSETS

	Amortization Rates	Cost \$	Accumulated Amortization \$	Net Book Value \$
2023				
Leasehold Improvements	20%	334,926	218,753	116,173
Computers	30%	63,509	30,082	33,427
Furniture and fixtures	20%	14,848	4,082	10,766
		413,283	252,917	160,366
2022				
Leasehold Improvements	20%	334,926	141,304	193,622
Computers	30%	45,630	15,566	30,064
Furniture and fixtures	20%	8,524	2,181	6,343
		389,080	159,051	230,029

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2023	2022
	\$	\$
Operations	78,094	68,895
Vacation time	44,902	34,129
Government remittances - payroll taxes	43,314	30,297
Government remittances - PST	—	4
	166,310	133,325

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

8. DEFERRED REVENUE

	2023			2022	
	Beginning of Year	Received & Receivable	Revenue Earned	End of Year	Revenue Earned
	\$	\$	\$	\$	\$
Grants					
Department of Justice	—	696,064	696,064	—	81,000
Law Foundation of BC	39,524	944,500	628,458	355,566	491,000
Women and Gender Equality Canada	97,946	229,074	300,831	26,189	145,769
University of British Columbia	—	167,917	155,000	12,917	193,750
BC Gaming	71,567	65,000	67,797	68,770	55,531
Canadian Women Foundation	—	66,514	46,514	20,000	64,133
Vancouver Foundation	12,700	30,000	12,700	30,000	84,800
Province of BC	—	1,000,000	—	1,000,000	—
The Fed. of Community Social Services of Health Sciences Association	—	—	—	—	10,000 3,000
	221,737	3,199,069	1,907,364	1,513,442	1,128,983
Donations and other	—	441,857	394,357	47,500	248,634
	221,737	3,640,926	2,301,721	1,560,942	1,377,617

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Rise's financial instruments include cash, term deposits, accounts receivable, and accounts payable and accrued liabilities. Rise estimates that the carrying value of these balances approximate their fair value due to their short-term nature.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Rise is exposed to this risk mainly in respect of its receipt of funds from its grantors.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Rise's exposure to interest rate risk is limited to interest earned on its cash and term deposits. In management's opinion, as at March 31, 2022, Rise was not exposed to significant interest rate risk.

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONT'D)

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. As at March 31, 2023, financial instruments with credit risk include cash, term deposits, contributions receivable and accounts receivable.

Rise relies on grantors to fulfill their commitments as pledged in grant agreements. Should a grantor fail to fulfill a pledge or should circumstances cause Rise to be unable to meet conditions precedent for fulfillment of a grant, the valuation of Rise's contributions receivable may be materially affected.

Cash and term deposits, are kept with Canadian financial institutions. Should these accredited institutions fail, Rise would be exposed to a risk totaling the value of its cash and term deposits above the insured amounts.

Credit risk is mitigated through the establishment of a board-restricted operating reserve fund.

10. COMMITMENTS

On June 14, 2019, Rise entered into a five-year sublease agreement for its premises which requires annual lease payments, including the estimated operating costs, over the next three years until September 30, 2024.

	\$
2024	28,271
	28,271

11. DISCLOSURE OF REMUNERATION

Pursuant to the British Columbia Societies Act, Rise is required to disclose remuneration paid to employees and contractors who are paid \$75,000 or more during the fiscal year. Wages and benefits expense includes \$500,256 [2022 - \$308,575] paid to five employees [2022 - three] during the year. No remuneration was paid to any members of the board of directors.

12. INTERNALLY RESTRICTED NET ASSETS

In 2020 the Board created a Restricted Operating Reserve Fund. The purposes of this Fund is to ensure the long-term financial stability of Rise and position Rise to respond to varying economic conditions or any other factors affecting its financial position and ability to continuously operate. In 2023 the board of directors internally restricted an additional \$100,000 to this Fund [2022 - \$301,268] for a total current balance of \$401,268 at March 31, 2023.