

B.C. FREEDOM OF INFORMATION AND PRIVACY ASSOCIATION

Financial Statements

Year Ended December 31, 2022

B.C. FREEDOM OF INFORMATION AND PRIVACY ASSOCIATION

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***Andrew F. Schroeder, CPA, CA**

***Alnashir Rashid, CPA, CGA**



INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of B.C. Freedom of Information and Privacy Association

We have reviewed the accompanying financial statements of B.C. Freedom of Information and Privacy Association (the Association) that comprise the statement of financial position as at December 31, 2022, and the statements of operations, changes in net assets and cash flow 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 (ASNPO), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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.

(continues)

Independent Practitioner's Review Engagement Report to the Members of B.C. Freedom of Information and Privacy Association (continued)

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 B.C. Freedom of Information and Privacy Association as at December 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 3 to the financial statements which indicates that certain comparative information presented as at and for the year ended December 31, 2021, have been restated.

Richmond , British Columbia
November 28, 2023

Schroeder Rashid LLP.

CHARTERED PROFESSIONAL ACCOUNTANTS

B.C. FREEDOM OF INFORMATION AND PRIVACY ASSOCIATION

Statement of Financial Position

December 31, 2022

	2022	2021 <i>Audited Restated (Note 3)</i>
ASSETS		
CURRENT		
Cash	\$ 122,780	\$ 134,897
Restricted cash	101	101
Prepaid expenses	1,380	701
	<u>124,261</u>	135,699
CAPITAL ASSETS (Note 4)	<u>5,310</u>	8,151
	<u>\$ 129,571</u>	<u>\$ 143,850</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 42,152	\$ 25,826
Surplus fund carry forward (Note 5)	12,740	43,836
	<u>54,892</u>	69,662
NET ASSETS		
Invested in capital assets	5,311	8,151
Externally restricted (Note 6)	(418)	66,565
Internally restricted	69,786	(528)
	<u>74,679</u>	74,188
	<u>\$ 129,571</u>	<u>\$ 143,850</u>

APPROVED BY THE DIRECTOR

_____ Director

The accompanying notes are an integral part of the financial statements.

B.C. Freedom of Information and Privacy Association

Statement of Operations

For the Year Ended December 31, 2022

	<i>General and Administrative Fund</i>	<i>Capital Assets Fund</i>	<i>B.C. Gaming Public Legal Education Fund</i>	<i>B.C. Gaming Assistance and Aid fund</i>	<i>Law Foundation Funds</i>	2022	<i>2021 Audited Restated</i>
Revenue							
Grant revenue:							
Law Foundation of British Columbia	\$ -	\$ -			\$ 293,836	\$ 293,836	\$ 250,000
British Columbia Community Gaming Grant	-	-	60,000	35,000		95,000	60,000
Office of the Privacy Commissioner of Canada	-	-				-	-
Grant forgiveness	-	-				-	25,913
Conference fees	1,000	-				1,000	1,600
Donations	540	-				540	1,918
Membership fees	1,895	-				1,895	-
Other	2,518	-				2,518	1,461
	5,953	-	60,000	35,000	293,836	394,789	340,892
Expenses							
Accounting and legal	498	-	7,270	6,033	44,064	57,865	54,943
Advertising and promotion	(49)	-		6	336	293	2,747
Amortization		2,840	175			3,015	4,952
Bank charges and interest	20	-	176	103	735	1,034	1,872
Communications		-	2,951	3,393	11,407	17,751	24,136
Conferences		-				-	509
Consulting		-	9,227	6,598	22,341	38,166	21,536
Education and training		-				-	-
Insurance	49	-	446	260	1,856	2,611	2,221
Office and general	120	-	4,300	3,329	21,310	29,059	9,062
Rent		-				-	2,162
Research		-				-	15,348
Telephone		-				-	1,244
Travel		-			39	39	-
Wages	1,649	-	35,973	14,979	178,825	231,426	138,879
Surplus fund repayment/carry forward (Note 5)	-	-			12,739	12,739	43,836
	2,287	2,840	60,518	34,701	293,652	393,998	323,447
Other income (losses)							
Loss on disposal of capital assets	-	-	-		-	-	(1,840)
Foreign exchange gain (loss)	(31)	-	(31)	(54)	(184)	(300)	(110)
	(31)	-	(31)	(54)	(184)	(300)	(1,950)
Excess (deficiency) of revenue over expenses	\$ 3,635	\$ (2,840)	\$ (549)	\$ 245	\$ -	\$ 491	\$ 15,495

The accompanying notes are an integral part of these financial statements

B.C. Freedom of Information and Privacy Association
Statement of Changes in Net Assets

For the Year Ended December 31, 2022

	<i>General and Administrative Fund</i>	<i>Capital Assets Fund</i>	<i>B.C. Gaming Public Legal Education Fund</i>	<i>B.C. Gaming Assistance and Aid fund</i>	<i>Law Foundation Funds</i>	<i>2022</i>	<i>2021 Audited Restated</i>
Net assets, beginning of year	\$ (528)	\$ 8,151	\$ (114)	\$ -	\$ 66,679	\$ 74,188	\$ 58,693
Excess (deficiency) of revenue over expenses	3,635	(2,840)	(549)	245	-	491	15,495
Interfund transfer (<i>Note 6</i>)	66,679	-	-	-	(66,679)	-	-
Net assets, end of year	\$ 69,786	\$ 5,311	\$ (663)	\$ 245	\$ -	\$ 74,679	\$ 74,188

The accompanying notes are an integral part of these financial statements

B.C. FREEDOM OF INFORMATION AND PRIVACY ASSOCIATION**Statement of Cash Flow****Year Ended December 31, 2022**

	2022	2021 <i>Audited Restated</i>
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	\$ 491	\$ 15,494
Items not affecting cash:		
Amortization of capital assets	2,840	4,952
Loss on disposal of capital assets	-	1,840
	<u>3,331</u>	<u>22,286</u>
Changes in non-cash working capital:		
Accounts payable	16,327	3,623
Prepaid expenses	(679)	(701)
Surplus fund repayable	(31,096)	17,923
	<u>(15,448)</u>	<u>20,845</u>
INCREASE (DECREASE) IN CASH FLOW	(12,117)	43,131
Cash - beginning of year	<u>134,998</u>	<u>91,867</u>
CASH - END OF YEAR	\$ 122,881	\$ 134,998
CASH CONSISTS OF:		
Cash	\$ 122,780	\$ 134,897
Restricted cash	<u>101</u>	<u>101</u>
	\$ 122,881	\$ 134,998

The accompanying notes are an integral part of the financial statements.

B.C. FREEDOM OF INFORMATION AND PRIVACY ASSOCIATION

Notes to Financial Statements

Year Ended December 31, 2022

1. PURPOSE OF THE ASSOCIATION

B.C. Freedom of Information and Privacy Association (the "Association") is a not-for-profit organization incorporated provincially under the Societies Act of British Columbia on January 4, 1991. Its purpose is to promote and defend freedom of information and privacy rights in Canada. It serves a wide variety of individuals and organizations through programs of public education, public assistance and law reforms.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO) as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

Fund accounting

The Association follows the restricted fund method of accounting for contributions, and maintains seven funds: General and Administrative Fund, Capital Assets Fund, B.C. Gaming Public Legal Education Fund, B.C. Gaming Assistance and Aid Fund, Law Foundation Legal Reform Fund, Law Foundation Public Legal Education Fund, Law Foundation Public Assistance Fund, Law Foundation Legal Research Fund and Law Foundation Computer Website Upgrade Fund.

The General and Administrative Fund reports the Association's revenue and expenses related to its general and ancillary operations. The Fund is internally restricted.

The Capital Assets Fund reports the Association's expenses related to its capital assets.

The B.C. Gaming Fund ("CGG") is used to account for monies restricted for purposes specified by the Provincial Government Community Gaming Grants Branch with Ministry of Municipal Affairs and Housing. The ongoing Community Education Program is separated into Public Legal Education and Public Assistance and Aid. Public Legal Education includes activities through multiple funders. CGG is allocated to the maintenance and development of passive education materials distributed through the website to support the public in their search for information on mandate areas, which are the provision of information and support that help people understand, and exercise rights related to access to information, privacy, and whistle blower protection in B.C. Public Assistance and Aid reflects individual responses to inquiries, based on definitions developed in consultation with the BC Law Foundation.

The Law Foundations include Legal Reform and Public Legal Education Fund, Public Assistance and Aid Fund, Legal Research Fund and Law Foundation Computer Website Upgrade Fund. They are used to account for monies restricted for purposes specified by the Law Foundation of British Columbia. The Law Foundation agrees to combine the funds into one for financial statement presentation purpose.

Revenue recognition

Restricted contributions related to general operations are recognized as revenue of the General and Administrative Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund when received.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

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B.C. FREEDOM OF INFORMATION AND PRIVACY ASSOCIATION

Notes to Financial Statements

Year Ended December 31, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Amortization is provided using the declining balance method at rates intended to amortize the cost of assets over their estimated useful lives.

Audio Visual equipment	20%
Computer hardware	30%
Computer software	100%
Furniture and equipment	20%
Website	50%

Income taxes

Income taxes are not reflected in these statements as the Association is a not-for-profit organization and exempt from taxation.

Measurement uncertainty (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 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.

These estimates and assumptions 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

The Association recognizes its financial instruments when the Association becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the Association may irrevocably elect to subsequently measure any financial instrument at fair value.

The carrying values of financial assets and liabilities reflected in the statement of financial position approximate their respective fair values.

B.C. FREEDOM OF INFORMATION AND PRIVACY ASSOCIATION

Notes to Financial Statements

Year Ended December 31, 2022

3. CORRECTION OF ERROR AND RESTATEMENT

In preparing the financial statements for the year ended December 31, 2022, the Company identified certain prior year errors and determined to restate the financial statements for the year ended December 31, 2021 for the following item:

The Company had determined that the surplus fund repayment for the year ended December 31, 2021 was overstated.

The following tables present the impact of the restatement adjustments on the Company's previously reported financial statements as at and for the year ended December 31, 2021.

The restatement line items on the statement of financial position as at December 31, 2021 have been reconciled to the previously reported amounts as follows:

	Previously reported	Adjustments	As restated
Liabilities			
Surplus fund repayable	\$ 82,272	\$ (38,436)	\$ 43,836
Total Liabilities	108,097	(38,436)	69,662
Net assets			
Externally restricted	28,129	38,436	66,565
Total net assets	35,752	38,436	74,188

The restatement line items on the statement of operations for the year ended December 31, 2021 have been reconciled to the previously reported amounts as follows:

	Previously reported	Adjustments	As restated
Expenses			
Surplus fund repayment	\$ 82,272	\$ (38,436)	\$ 43,836
Total expenses	361,883	(38,436)	323,447
Excess (deficiency) of revenues over expenses	(22,941)	38,436	15,495

The restatement line items on the statement of changes in net assets for the year ended December 31, 2021 have been reconciled to the previously reported amounts as follows:

	Previously reported	Adjustments	As restated
Excess (deficiency) of revenue over expenses	\$ (22,941)	\$ 38,436	\$ 15,495
Net assets, end of year	35,752	38,436	74,188

The restatement line items on the statement of cash flow as at December 31, 2021 have been reconciled to the previously reported amounts as follows:

	Previously reported	Adjustments	As restated
Operating activities			
Excess (deficiency) of revenue over expenses	\$ (22,941)	\$ 38,436	\$ 15,495
Total cash from operating activities	(16,149)	38,436	22,287
Changes in non-cash working capital			
Surplus fund repayable	56,359	(38,436)	17,923
Total changes in non-cash working capital	59,280	(38,436)	20,844

B.C. FREEDOM OF INFORMATION AND PRIVACY ASSOCIATION

Notes to Financial Statements

Year Ended December 31, 2022

4. CAPITAL ASSETS

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value <i>(Unaudited)</i>
Audio visual equipment	\$ 5,193	\$ 2,800	\$ 2,393	2,991
Computer hardware	2,577	1,491	1,086	1,552
Computer software	5,290	5,290	-	-
Furniture and equipment	2,956	2,883	73	92
Website	9,376	7,618	1,758	3,516
	<u>\$ 25,392</u>	<u>\$ 20,082</u>	<u>\$ 5,310</u>	<u>8,151</u>

5. SURPLUS FUND REPAYABLE

Surplus fund repayable is the amount to be repaid to the Law Foundation of British Columbia (the "Foundation") of the surplus in the Law Reform and Public Legal Education Fund in accordance with the conditions of the grant provided by the Foundation.

Pursuant to the Reallocation and Surplus Policy - In 2023, ongoing Grants issued by the Foundation, grantees may carry over up to 5% of the total Annual Grant Amount between budget periods within a multi-year grant period. All other surplus carryovers, including surplus carryover requests between grant periods, must be approved by the Foundation.

Subsequent to the year ended December 31, 2022, the Foundation approved to allow the surplus funds of \$12,739 to be carried over into 2023.

6. INTER-FUND TRANSFERS

During the year ended December 31, 2022, the Association made transfers from the Law Foundation Fund to the General and Administrative Fund as part of the restructuring of the Law Foundation Funds and to reflect the accumulated net assets arising from prior years' Conferences and Info Summit, hosted by the Association.

B.C. FREEDOM OF INFORMATION AND PRIVACY ASSOCIATION

Notes to Financial Statements

Year Ended December 31, 2022

7. REMUNERATION OF DIRECTORS AND EMPLOYEES

For the year ended December 31, 2022, the Association paid total remuneration, inclusive of salaries and benefits, of \$95,333 (2021: \$88,000) to the executive director, whose remuneration during the applicable period was at least \$75,000 annually. In accordance with the bylaws of the Association, no compensation was paid to any directors to the Association during the year (2021: \$nil).

8. ECONOMIC DEPENDENCE

The Association's primary source of revenue is provided by the Law Foundation of British Columbia. The grant funding may be cancelled if the Association does not observe certain established guidelines. The Association's ability to continue viable operations is dependent upon maintaining its compliance with the guidelines and continued support from the Foundation. As at the date of these financial statements the Association believes that it is in compliance with the guidelines.

9. FINANCIAL INSTRUMENTS

The Association, as part of its operations, carries a number of financial instruments. It is management's opinion that the Association is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments.

10. SUBSEQUENT EVENT

The Law Foundation of British Columbia has approved a Grant of up to \$862,500 to the Association for the period of January 1, 2023 to December 31, 2025 at a yearly rate of \$287,500. The funding for years two and three is conditional on and subject to are subject to:

- an annual program budget satisfactory to the Foundation and submitted prior to the end of the first month of each respective grant year;
- ongoing compliance with all other terms and conditions laid out in the grant letter; and
- the availability of funding.

11. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

Surplus and Loss

BC Freedom of Information and Privacy Association For the 6 months ended 30 June 2023

JAN-JUN 2023

Trading Income

Conference Sponsor Donations	1,000.00
Donations	645.00
Gaming Grant	95,000.00
Law Foundation Operating Grant	156,489.48
Membership Fees	670.00
Total Trading Income	253,804.48

Gross Profit

253,804.48

Other Income

Dividend Income	6.42
Total Other Income	6.42

Operating Expenses

Advertising, Promotion & Meals	584.16
Bank & Interest charges	735.90
Bookkeeping Fees	16,936.76
Consultant Fees	15,683.25
Courier & Postage	372.87
CPP Expense	5,404.23
EI Expense	2,222.48
Legal Fees - Program Delivery	4,419.28
Licenses, Fees & Dues	404.74
Office Supplies & Expenses	3,947.96
Publication Costs	287.40
Realised Currency Gains	25.42
Reference Resources	4,031.57
Research & Writing costs	740.00
Travel & Transportation	1,209.33
Wages & Salaries	97,388.01
Website costs	1,605.45
Total Operating Expenses	155,998.81

Net Profit

97,812.09