

Victoria Rainbow Kitchen Society

Financial Statements

For the year ending March 31, 2015

Unaudited

**Victoria Rainbow Kitchen Society**  
**Statement of Financial Position**  
**As at March 31, 2015**  
**(unaudited)**

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	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Cash	\$ 93,360	\$ 67,358
Accounts Receivable	906	592
Prepaid Expense (note 5)	4,850	2,500
	<u>\$ 99,116</u>	<u>\$ 70,450</u>
<b>LIABILITIES</b>		
Accounts Payable	\$ 1,478	\$ 543
Deferred Gaming Grant (note 6)	10,003	12,001
Other Deferred Revenue (note 7)	10,484	9,224
	<u>21,965</u>	<u>21,768</u>
<b>NET ASSETS</b>		
Internally Restricted (note 9)	7,500	-
Unrestricted	69,652	48,682
	<u>77,152</u>	<u>48,682</u>
	<u>\$ 99,117</u>	<u>\$ 70,450</u>

The accompanying notes are an integral part of these financial statement

Signed on behalf of the Board of Directors



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Julie Wright, President



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Deborah Hunt, CA, Treasurer

**Victoria Rainbow Kitchen Society**  
**Statement of Changes in Net Assets**  
**For the year ending March 31, 2015**  
**(unaudited)**

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	<b>Internally Restricted Net Assets</b>	<b>Unrestricted Net Assets</b>	<b>2015</b>	<b>2014</b>
	<u>(note 9)</u>			
Balance beginning of year	\$ -	\$ 48,682	\$ 48,682	\$ 23,331
Excess of revenues over expenses	-	28,470	28,470	25,351
Transfer to internally restricted net asset (note 9)	7,500	(7,500)	-	-
Balance, end of year	\$ <u>7,500</u>	\$ <u>69,652</u>	\$ <u>77,152</u>	\$ <u>48,682</u>

The accompanying notes are an integral part of these financial statements

**Victoria Rainbow Kitchen Society**  
**Statement of Operations**  
**For the year ending March 31, 2015**  
**(unaudited)**

	<u>2015</u>	<u>2014</u>
<b>REVENUE</b>		
Donations (note 3)	\$ 62,612	\$ 79,376
Fundraising		
Dinner & Auction	\$ 10,646	\$ -
Root Cellar Till Campaign	2,709	2,684
St George's Tea and Concerts	2,370	2,595
Esquimalt Celebration of Lights/Movie Night	828	325
Fairway Market card	802	515
Ensamble Laude Concert	-	1,391
Total Fundraising	<u>17,355</u>	<u>7,510</u>
Grants		
United Way	15,000	-
Gaming grant	12,000	-
Township of Esquimalt	10,000	10,000
Rotary Club of Victoria	3,313	2,044
Victoria Real Estate Board	3,000	-
Fortis	270	-
Starbucks	-	2,000
Total Grants	<u>43,583</u>	<u>14,044</u>
<b>TOTAL REVENUE</b>	<b><u>123,550</u></b>	<b><u>100,930</u></b>
<b>EXPENSES</b>		
Rent & Utilities	30,000	30,000
Equipment Purchases & installation (note 2b, 7)	19,318	4,456
Groceries & Supplies	8,933	11,435
Wages & Bennisfits	6,476	-
Janitorial	6,037	9,159
Renovations (note 8)	5,277	-
Garbage	3,735	3,248
Honorarium	3,600	4,800
Liability Insurance (note 4)	2,850	2,255
Van Insurance (note 5)	1,974	1,969
Office, Postage, Newsletters & Brochures	1,271	1,226
Van Operating Expenses, including Gas	1,125	2,240
Repair & Maintenance	1,054	895
Fundraising Expenses	969	823
Volunteer Appreciation	880	418
Telephone	589	491
Garden	400	-
FoodSafe Training	407	1,802
Membership	95	95
Bank Charges, net of Earned Interest	90	267
<b>TOTAL OPERATING EXPENSES</b>	<b><u>95,080</u></b>	<b><u>75,579</u></b>
<b>NET REVENUES IN EXCESS OF EXPENSES</b>	<b><u>28,470</u></b>	<b><u>25,351</u></b>

The accompanying notes are an integral part of these financial statements

**Victoria Rainbow Kitchen Society**  
**Notes to the Financial Statements**  
**For the year ending March 31, 2015**  
**(unaudited)**

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**Note 1: Incorporation and Charity Status:**

Victoria Rainbow Kitchen Society was incorporated under the Society Act in the Province of British Columbia effective March 26, 2010. Prior to its incorporation, the Rainbow Kitchen was operated under the auspices of St. Saviour's Anglican Church until March 31, 2010 when the Church was disestablished.

Victoria Rainbow Kitchen Society was designated as a Charitable Organization under the Income Tax Act of Canada effective November 25, 2010. The Society is a not-for-profit organization whose charitable purpose is to relieve poverty by operating a soup kitchen for the benefit of the poor. It serves a free noon time meal, Monday through Friday all year round, prepared by volunteers.

**Note 2: Significant Accounting Policies:**

**a) General:**

These financial statements were prepared following a modified cash method of account. All revenues and expenses are recorded in the fiscal year in which the related goods and services were received or rendered.

**b) Capital Assets:**

The value of gifts in kind of equipment, such as stoves, refrigerators and freezers, are not recorded in these financial statements. Equipment purchased with donated funds are expensed in the year purchased and are not carried on the Society's Balance Sheet as capital assets.

Effective January 1, 2012, the Rainbow Kitchen operates out of the Church Hall and Kitchen of the Esquimalt United Church, 500 Admirals Road, Esquimalt, BC, V9A 2N4. The tables and chairs used by the Rainbow Kitchen, along with leasehold improvements and renovations undertaken by the Rainbow Kitchen, are the property of the Church. All equipment such as fridges, stoves, dishwasher, coffee makers, and cooking utensils used in the kitchen are property of the Rainbow Kitchen, along with all plates, bowls, mugs, and cutlery used to serve the guests of the Rainbow Kitchen.

**Note 3: Donations:**

The donations recorded in these financial statements represents cash donations only. The value of gift-in-kind contributions are not recorded in these financial statements (see also Note 2b). The Society receives the vast majority of its food from a number of very generous businesses whose regular contributions of meat, vegetables and bread make it possible for the Rainbow Kitchen's volunteers to prepare and serve tasty nutritious meals to our guests, 5 days a week, 52 weeks a year.

**Note 4: Insurance**

During the year, the Society carried \$4 million Directors and Officers Liability Insurance and \$4 million General Liability Insurance. It also carried Volunteer Accidental Death and Dismemberment coverage for volunteers while they are engaged in volunteer activities at or on behalf of the Rainbow Kitchen.

**Victoria Rainbow Kitchen Society**  
**Notes to the Financial Statements**  
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**Note 5: Prepaid Expenses**

	<u>2015</u>	<u>2014</u>
Prepaid Rent	\$ 2,500	\$ 2,500
Prepaid Insurance	<u>2,350</u>	<u>-</u>
	<u>\$ 4,850</u>	<u>\$ 2,500</u>

**Note 6: Deferred Gaming Grant**

In December 2014 the Society received a \$10,000 Community Gaming Grant, which will be used in fiscal 2015/16. Under the terms of the grant, the funds may be used to help pay for food, rent and other costs essential for the delivery of nutritious meals. In March 2014 the Society received a \$12,000 Community Gaming Grant that was used in Fiscal 2014/15.

**Note 6: Deferred Revenue**

	<u>2015</u>	<u>2014</u>
Fortis Education Grant	\$ 2,730	\$ 3,000
ViSalus Community Challenge	4,275	4,275
Garden Fund	-	400
Equipment Fund	-	1,549
Salary Fund	<u>3,479</u>	<u>-</u>
	<u>\$ 10,484</u>	<u>\$ 9,224</u>

In January 2014 the Society received a grant of \$3,000 from Fortis for on-going education and support for the Rainbow Kitchen volunteers and guests. This grant will be used for training programs such as FoodSafe and First Aid. During the year, \$270 was used to buy FoodSafe training materials

During 2012/13 the Society received a donation to be used specifically to purchase a protein shake product to be distributed to guests under the manufacturer's "ViSalus Community Challenge" initiative. The Rainbow Kitchen also received some free product from this same company which was distributed, and has not yet used any of this donation to buy any product.

In March 2014 the Society received a donation to be used specifically to support the new garden initiative, which did not start until April 2014..

At March 31, 2014, the equipment fund included the balance of donations to be used specifically for kitchen appliance upgrades (\$237) and van insurance (\$1,312). Both amounts were expensed during fiscal 2014/15.

During the year, donations were received from a group of employees from ColdStar Solutions, with instructions to use the funds in fiscal 2015/16 to help pay for Rainbow Kitchen salary costs.

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**Note 7: Equipment Purchases & Installation**

During the year, the Society replaced a number of old fridges and freezers that had been second-hand donations over the years, replaced one of the gas stoves, and added a commercial grade cooler and freezer.

**Note 8: Renovations**

During a two week shutdown in the summer of 2014, the laminate kitchen countertops were replaced with stainless steel countertops and stainless steel backsplashes were added.

**Note 9: Internally Restricted Net Assets**

Effective January 1, 2015, the Society hired its first employee in the position of Kitchen Manager. The Board of Directors approved the appropriation of \$7,500 to an internally restricted Human Resources Fund to provide up to three months of future salary and benefit costs, and have transferred this amount to a separate savings bank account. The purpose of the Fund is to ensure the Society has sufficient funds on hand to meet its short term employee and Canada Revenue Agency obligations.