

FINANCIAL STATEMENTS

**THOMPSON COMMUNITY
ASSOCIATION**

August 31, 2025



INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of
Thompson Community Association

Report on the Financial Statements

We have reviewed the accompanying financial statements of Thompson Community Association that comprise the statement of financial position as at August 31, 2025, and the statements of changes in net assets, operations 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 general 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.

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 Thompson Community Association as at August 31, 2025, 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.

Tompkins Wozny LLP

Vancouver, Canada
December 3, 2025

Chartered Professional Accountants



STATEMENT OF FINANCIAL POSITION

As at August 31

	2025	2024
	\$	\$
ASSETS		
Current		
Cash	543,072	420,617
Guaranteed investment certificates [note 3]	642,047	712,763
Accounts receivable [note 5]	71,197	92,621
Prepaid expenses	5,266	7,910
Total current assets	1,261,582	1,233,911
Internally restricted cash and guaranteed investment certificates [note 3 and 4]	859,383	719,000
Property and equipment [note 6]	385,989	392,866
	2,506,954	2,345,777
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accruals [note 7]	163,858	176,514
Deferred revenue [note 8]	327,788	328,462
Total current liabilities	491,646	504,976
Deferred contributions related to capital assets [note 9]	11,361	11,995
Total liabilities	503,007	516,971
Net Assets		
Invested in property and equipment [note 10]	374,628	380,871
Internally restricted [note 10]	859,383	719,000
Unrestricted	769,936	728,935
Total net assets	2,003,947	1,828,806
	2,506,954	2,345,777

See accompanying notes to the financial statements

On behalf of the Board:

Director

Director

STATEMENT OF CHANGES IN NET ASSETS

Year ended August 31

	Invested in Property and Equipment \$	Internally Restricted \$	Un- restricted \$	Total \$
	[Note 10]	[Note 10]		
2025				
Balance, beginning of year	380,871	719,000	728,935	1,828,806
Revenue over (under) expenses	(65,860)	—	241,001	175,141
Purchase of property and equipment	59,617	(59,617)	—	—
Interfund transfer	—	200,000	(200,000)	—
Balance, end of year	374,628	859,383	769,936	2,003,947
2024				
Balance, beginning of year	332,368	634,881	715,043	1,682,292
Revenue over (under) expenses	(62,884)	—	209,398	146,514
Purchase of property and equipment	111,387	(111,387)	—	—
Interfund transfer	—	195,506	(195,506)	—
Balance, end of year	380,871	719,000	728,935	1,828,806

See accompanying notes to the financial statements

STATEMENT OF OPERATIONS

Year ended August 31

	2025	2024
	\$	\$
REVENUE		
Programs <i>[schedule]</i>	764,838	735,778
Licensed Preschool - Rompers <i>[schedule]</i>	175,230	197,403
- Nature school <i>[schedule]</i>	212,414	215,757
- Camps <i>[schedule]</i>	19,371	34,471
- Time for Twos <i>[schedule]</i>	14,212	24,710
- Wage equality <i>[schedule]</i>	84,798	78,773
Beyond 4 Walls <i>[schedule]</i>	182,205	186,415
Rentals and children's parties <i>[schedule]</i>	90,592	64,717
Interest and other	66,625	67,978
Gain on disposal of capital assets	1,150	1,391
Amortization of deferred contributions related to capital assets <i>[note 9]</i>	634	634
	1,612,069	1,608,027
Fitness <i>[schedule]</i>	556,389	492,575
Total revenue	2,168,458	2,100,602
EXPENSES		
Programs <i>[schedule]</i>	601,535	608,331
Licensed Preschool - Rompers <i>[schedule]</i>	185,086	196,421
- Nature school <i>[schedule]</i>	230,414	227,584
- Camps <i>[schedule]</i>	20,410	22,845
- Time for Twos <i>[schedule]</i>	17,225	23,218
- Wage equality <i>[schedule]</i>	83,994	78,334
Beyond 4 Walls <i>[schedule]</i>	121,550	127,669
Rentals and children's parties <i>[schedule]</i>	45,202	46,991
Community development coordinator	67,970	58,824
Amortization of property and equipment	66,494	63,518
Other administration	31,607	29,401
Bank charges and credit card merchant fees	43,638	42,433
Auxiliary staff	32,120	21,881
Accounting	28,204	27,550
Insurance	7,161	9,825
Legal	20,793	—
Repairs and maintenance	3,377	16,602
	1,606,780	1,601,427
Fitness <i>[schedule]</i>	386,537	352,661
Total expenses	1,993,317	1,954,088
Revenue over expenses for the year	175,141	146,514

See accompanying notes to the financial statements



STATEMENT OF CASH FLOWS

Year ended August 31

	2025	2024
	\$	\$
OPERATING ACTIVITIES		
Revenue over expenses for the year	175,141	146,514
Items not affecting cash		
Amortization of property and equipment	66,494	63,518
Amortization of deferred contributions related to capital assets	(634)	(634)
Changes in non-cash working capital items		
Accounts receivable	21,424	(27,790)
Prepaid expenses	2,644	(6,450)
Accounts payable and accruals	(12,656)	68,167
Deferred revenue	(674)	20,256
Cash provided by operating activities	251,739	263,581
INVESTING ACTIVITIES		
Purchase of guaranteed investment certificates, net	(69,667)	(66,638)
Purchase of property and equipment	(59,617)	(111,387)
Cash used in investing activities	(129,284)	(178,025)
Increase in cash during the year	122,455	85,556
Cash, beginning of year	420,617	335,061
Cash, end of year	543,072	420,617

See accompanying notes to the financial statements

NOTES TO FINANCIAL STATEMENTS

August 31, 2025

1. PURPOSE OF THE ASSOCIATION

The Thompson Community Association (the "Association") is incorporated pursuant to the British Columbia Societies Act, is a not-for-profit organization and is exempt from income taxes. The Association and the City of Richmond ("City") through a joint operating agreement ("JOA"), are responsible for the day to day operations of the Thompson Community Centre, located in the Thompson area of Richmond, B.C.

The current JOA expires on December 31, 2028.

The Association believes that a healthy community is welcoming, caring, safe, supportive and responsive to the needs of its residents. The mission of the volunteers and professionals of the Thompson Community Association is to strive for a healthy community by providing sustainable social and recreational opportunities and facilities to the residents of the Thompson area and Richmond in a way that invites the full participation of all people.

2. 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:

Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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 date of the financial statements and the amounts of revenues and expenditures reported during the year. The significant areas requiring the use of management estimate relate to the estimated useful lives of tangible capital assets. Actual results could differ from these estimates.

Revenue Recognition

The Association follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred.

Contributions restricted for the purchase of property and equipment are amortized to revenue at the same rate as the assets acquired are amortized.

NOTES TO FINANCIAL STATEMENTS

August 31, 2025

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Revenue Recognition (Cont'd)

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.

Licensed preschool fee revenue is recognized in the month to which the services relate based on enrollment rates.

Program revenue is recognized over the period the related program operates.

Rentals and children's parties revenue is recognized on the date the space is rented or over the period the space is rented out, if applicable.

Interest income is recognized as revenue in accordance with the terms of the underlying investment, which is generally with the passage of time.

Revenue from all other sources is recognized when the respective program or service is provided.

Property and Equipment

Property and equipment are recorded at cost.

Amortization

The Association amortizes its property and equipment on a straight-line basis over their estimated useful lives as follows:

- | | |
|--------------------------|------------------|
| • Fitness Equipment | 4, 5 and 8 years |
| • Furniture and Fixtures | 5 and 10 years |
| • Playground | 25 years |

Contributed Services

The work of the Association is dependent on the efforts of many volunteers. As these services are not normally purchased by the Association and due to the difficulty in determining the fair value of such services, the value of the contributed services are not recognized in these financial statements.

Internally Restricted Net Assets

The Capital Reserve internally restricts amounts to cover the replacement of Fitness Room equipment and other capital equipment.

The Contingency Reserve internally restricts three months of estimated operating expenses.

NOTES TO FINANCIAL STATEMENTS

August 31, 2025

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Use of the Thompson Community Centre and the Providing of Operating Expenses

The City provides the building, utilities and administrative staff to run the Centre at no cost to the Association. The value of the use of the facilities as well as these additional operating expenses has not been reflected in the financial statements.

Measurement of Financial Instruments

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

The Association subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash, guaranteed investments certificates, and accounts receivable.

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

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

3. GUARANTEED INVESTMENT CERTIFICATES ("GIC's")

GIC's have interest rates varying from 2.25% to 3.0% [2024 - 4.7% to 5.1%] and have maturity dates ranging from June 2026 to July 2026.

4. INTERNALLY RESTRICTED CASH AND GIC's

Internally restricted cash and GIC's comprise the following:

	2025	2024
	\$	\$
Internally restricted funds:		
Capital Reserve	490,383	350,000
Contingency Reserve	369,000	369,000
	859,383	719,000

NOTES TO FINANCIAL STATEMENTS

August 31, 2025

5. ACCOUNTS RECEIVABLE

	2025	2024
	\$	\$
City of Richmond	37,605	44,293
Grants and other	26,233	35,978
Interest receivable	7,359	12,350
	71,197	92,621

6. PROPERTY AND EQUIPMENT

	2025		2024	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
	\$	\$	\$	\$
Furniture and fixtures	330,490	278,471	52,019	46,698
Fitness equipment	544,151	386,660	157,491	159,346
Playground	258,578	82,099	176,479	186,822
	1,133,219	747,230	385,989	392,866

7. ACCOUNTS PAYABLE AND ACCRUALS

	2025	2024
	\$	\$
Trade payables and accruals	81,722	70,816
Wages payable	38,293	44,664
Funds held in trust	28,139	—
Government remittances - payroll withholdings	—	45,297
- GST	5,829	6,835
- WorkSafeBC	9,875	8,902
	163,858	176,514

8. DEFERRED REVENUE

Deferred revenue represents revenue received in advance and comprises the following:

	2025	2024
	\$	\$
Programs	200,878	214,055
Fitness	115,415	101,899
Fundraising	11,495	12,259
Grants	—	249
	327,788	328,462

NOTES TO FINANCIAL STATEMENTS

August 31, 2025

9. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS

Deferred contributions related to capital assets represent restricted contributions with which capital assets were acquired. The balance in the account is as follows:

	2025	2024
	\$	\$
Balance, beginning of year	11,995	12,629
Add: Contributions for the year	—	—
Less: Amounts amortized to revenue	(634)	(634)
Balance, end of year	11,361	11,995

10. INTERNALLY RESTRICTED NET ASSETS AND CAPITAL MANAGEMENT

The Association's main objectives when managing capital is to maintain financial flexibility in order to preserve its ability to meeting financial commitments. The Board of Directors has designated certain amounts of the Association's net assets for various purposes. Disbursements and transfer to and from these internally restricted net assets are at the discretion of the Board of Directors. The Association has made the following internal restrictions:

	2025	2024
	\$	\$
Capital Reserve	490,383	350,000
Contingency Reserve	369,000	369,000
	859,383	719,000

The internal restrictions are described as follows:

(i) Capital Reserve

During the year, the Board of directors approved capital asset additions of \$41,011 to be funded by the Fitness reserve and capital asset additions of totaling \$18,606 to be funded by the Furniture and Fixtures reserve.

	Fitness	Furniture and Fixtures	Total
	\$	\$	\$
2025			
Balance, beginning of year	145,517	204,483	350,000
Property and equipment purchased	(41,011)	(18,606)	(59,617)
Interfund transfers	100,000	100,000	200,000
Balance, end of year	204,506	285,877	490,383

NOTES TO FINANCIAL STATEMENTS

August 31, 2025

10. INTERNALLY RESTRICTED NET ASSETS AND CAPITAL MANAGEMENT (CONT'D)

(ii) Contingency Reserve

In prior years, the Association internally restricted net assets of \$369,000 to cover three months of estimated operating expenses.

	2025	2024
	\$	\$
Balance, beginning of year	369,000	369,000
Interfund transfer	—	—
Balance, end of year	369,000	369,000

(iii) Invested in Property and Equipment

The Association has internally restricted an amount equal to the net assets invested in property and equipment in the amount of \$374,628 [2024 - \$380,871].

11. INTERFUND TRANSFERS

As described in the statement of changes in net assets, interfund transfers are made between internally restricted net assets and unrestricted net assets to fund property and equipment purchases, certain expenses, future expenditures and amortization of property and equipment.

12. FINANCIAL INSTRUMENTS

The Association is exposed to various risks through its financial instruments. The following analysis presents the Association's exposures to significant risk as at August 31, 2025.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Association's exposure to credit risk are indicated by the carrying amounts of its cash, GIC's and accounts receivable. The Association limits its exposure to credit loss by placing its cash and GIC's with chartered Canadian financial institutions. Management believes that the Association is not exposed to an unusual level of credit risk.

Liquidity Risk

Liquidity risk is the risk of being unable to meet cash requirements or fund obligations as they become due. It stems from the possibility of a delay in realizing the fair value of financial instruments.

NOTES TO FINANCIAL STATEMENTS

August 31, 2025

12. FINANCIAL INSTRUMENTS (CONT'D)

The Association manages its liquidity risk by constantly monitoring forecasted and actual cash flows and financial liability maturities, and by holding assets that can be readily converted into cash.

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.

All of the Association's financial instruments are non-interest bearing except for cash that earns interest at variable market rates and GIC's that earn interest at negotiated rates.

13. "RELATED PARTY TRANSACTIONS

Wages and benefits expense includes \$513 [2024 - \$2,131] of wages paid to an immediate family member of one board director.

The above amount is in the normal course of business and is measured at the exchange amount, which is the amount of consideration established and agreed to by the parties.

14. "WAGES AND CONTRACTOR REMUNERATION

Pursuant to the British Columbia Societies Act, the Association is required to disclose wages and benefits and fees paid to employees who are paid \$75,000 or more during the fiscal year.

2025 wages and benefits expense includes \$158,362 paid to two employees during the year. In 2024, no employees were paid \$75,000 or more.

SCHEDULE OF PROGRAM REVENUE AND EXPENSES

Year ended August 31

	Revenue	Wages and Benefits	Supplies and Other Expenses	Total Expenses	Income (Loss)
	\$	\$	\$	\$	\$
2025					
Programs:					
Seasonal - preschool, children, adult and tennis	541,878	193,246	175,542	368,788	173,090
Other	73,075	536	10,040	10,576	62,499
Seniors	63,040	80,997	19,473	100,470	(37,430)
Youth	86,845	99,235	22,466	121,701	(34,856)
Total programs	764,838	374,014	227,521	601,535	163,303
Licensed Preschool - Rompers	175,230	180,166	4,920	185,086	(9,856)
- Nature School	212,414	217,433	12,981	230,414	(18,000)
- Camps	19,371	20,343	67	20,410	(1,039)
- Time for Twos	14,212	16,925	300	17,225	(3,013)
- Wage equality	84,798	83,994	—	83,994	804
Beyond 4 Walls	182,205	114,513	7,037	121,550	60,655
Rentals and children's parties	90,592	43,119	2,083	45,202	45,390
Subtotal	1,543,660	1,050,507	254,909	1,305,416	238,244
Fitness	556,389	359,621	26,916	386,537	169,852
	2,100,049	1,410,128	281,825	1,691,953	408,096
2024					
Programs:					
Seasonal - preschool, children, adult and tennis	527,867	178,882	202,232	381,114	146,753
Other	65,023	447	21,972	22,419	42,604
Seniors	60,734	78,018	16,911	94,929	(34,195)
Youth	82,154	92,627	17,242	109,869	(27,715)
Total programs	735,778	349,974	258,357	608,331	127,447
Licensed Preschool - Rompers	197,403	186,973	9,448	196,421	982
- Nature School	215,757	207,795	19,789	227,584	(11,827)
- Camps	34,471	22,472	373	22,845	11,626
- Time for Twos	24,710	23,015	203	23,218	1,492
- Wage equality	78,773	78,334	—	78,334	439
Beyond 4 Walls	186,415	121,027	6,642	127,669	58,746
Rentals and children's parties	64,717	44,845	2,146	46,991	17,726
Subtotal	1,538,024	1,034,435	296,958	1,331,393	206,631
Fitness	492,575	330,062	22,599	352,661	139,914
	2,030,599	1,364,497	319,557	1,684,054	346,545