

**ADOPTIVE FAMILIES ASSOCIATION
OF BRITISH COLUMBIA**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2023

INDEPENDENT AUDITORS' REPORT

To the Members of Adoptive Families Association of British Columbia

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Adoptive Families Association of British Columbia (the "Association"), which comprise the statement of financial position as at March 31, 2023, and the statement of operations and changes in fund balances, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Association 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.

Basis for Qualified Opinion

In common with many charitable organizations, the Association derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Association and we were not able to determine whether any adjustments might be necessary to donations revenue, excess (deficiency) of revenues over expenses, and cash flows from operations for the years ended March 31, 2023 and 2022, total assets as at March 31, 2023 and 2022 and net assets as both the beginning and end of March 31, 2023 and 2022 years. The audit opinion on the financial statements for the year ended March 31, 2022 also contained a qualification because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

INDEPENDENT AUDITORS' REPORT, continued

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ◆ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ◆ Obtain an understanding of internal control relevant to the audit 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 Association's internal control.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

As required by the Societies Act of British Columbia, we report that in our opinion, the Association's financial statements have been prepared following Canadian accounting standards for not-for-profit organizations and applied on a consistent basis with the preceding year.

Manning Elliott LLP

Chartered Professional Accountants
Vancouver, B.C.
May 29, 2023

ADOPTIVE FAMILIES ASSOCIATION OF BRITISH COLUMBIA
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2023

	Unrestricted Funds 2023	Restricted Funds 2023	March 31 2023	March 31 2022
ASSETS				
Current assets				
Cash	\$ 836,623	\$ 488,480	\$ 1,325,103	\$ 983,433
Term deposits	-	172,434	172,434	171,980
Accounts receivable	784	-	784	3,981
Goods and services tax receivable	7,214	-	7,214	6,364
Prepaid expenses	71,951	-	71,951	80,180
Portfolio investments (Note 4)	208,010	718,758	926,768	938,941
	<u>1,124,582</u>	<u>1,379,672</u>	<u>2,504,254</u>	<u>2,184,879</u>
Capital assets (Note 5)	39,514	-	39,514	-
Endowment fund (Note 9)	-	16,215	16,215	16,736
	<u>\$ 1,164,096</u>	<u>\$ 1,395,887</u>	<u>\$ 2,559,983</u>	<u>\$ 2,201,615</u>

LIABILITIES

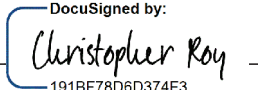
Current liabilities				
Accounts payable and accrued liabilities	\$ 173,313	\$ -	\$ 173,313	\$ 131,365
BC Orca Bursary Fund (Note 6)	-	382,374	382,374	274,273
Deferred revenue (Note 7)	486,060	17,843	503,903	316,078
Externally restricted projects (Note 8)	-	191,769	191,769	161,767
	<u>659,373</u>	<u>591,986</u>	<u>1,251,359</u>	<u>883,483</u>

FUND BALANCES

Internally restricted (Note 9)	-	803,901	803,901	825,250
Unrestricted	504,723	-	504,723	492,882
	<u>504,723</u>	<u>803,901</u>	<u>1,308,624</u>	<u>1,318,132</u>
	<u>\$ 1,164,096</u>	<u>\$ 1,395,887</u>	<u>\$ 2,559,983</u>	<u>\$ 2,201,615</u>

Commitments (Note 10)

Approved by the Directors:

Director 
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Director 

ADOPTIVE FAMILIES ASSOCIATION OF BRITISH COLUMBIA
STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED MARCH 31, 2023

	Unrestricted Funds 2023	Restricted Funds 2023	Total 2023	Total 2022
Revenues				
Service contract (Note 14)	\$ 1,119,683	\$ -	\$ 1,119,683	\$ 1,238,040
Donations	256,298	-	256,298	293,963
Project grants (Note 11)	-	404,401	404,401	261,493
Wendy's Wonderful Kids	-	179,728	179,728	172,358
Direct Access Gaming	104,700	-	104,700	106,260
Education and support activities (Note 12)	42,244	-	42,244	56,015
Interest and investment income (Note 13)	61,217	-	61,217	41,182
Sublet rent	22,320	-	22,320	26,875
Other income	7,057	-	7,057	26,648
Membership dues	1,000	-	1,000	1,340
	<u>1,614,519</u>	<u>584,129</u>	<u>2,198,648</u>	<u>2,224,174</u>
Expenses				
Program Services				
Provincial adoption support	975,000	-	975,000	1,164,536
Wendy's Wonderful Kids	-	183,019	183,019	176,349
Teen adoption recruitment and support	159,804	-	159,804	123,540
Parent education, training and resource centre	95,478	-	95,478	90,406
Community awareness	19,716	-	19,716	45,241
	<u>1,249,998</u>	<u>183,019</u>	<u>1,433,017</u>	<u>1,600,072</u>
Project Costs				
Program projects	-	370,696	370,696	283,297
Support Services				
Fundraising	136,553	-	136,553	125,001
Management and administration	169,892	33,607	203,499	98,828
	<u>306,445</u>	<u>33,607</u>	<u>340,052</u>	<u>223,829</u>
	<u>1,556,443</u>	<u>587,322</u>	<u>2,143,765</u>	<u>2,107,198</u>
Unrealized (loss) gain on investments	(64,391)	-	(64,391)	1,352
Excess (deficiency) of revenues over expenses	<u>(6,315)</u>	<u>(3,193)</u>	<u>(9,508)</u>	<u>118,328</u>
Fund balances, beginning of year				
Excess (deficiency) for the year	(6,315)	(3,193)	(9,508)	118,328
Interfund transfer (Note 2(b))	(3,193)	3,193	-	-
Transfer from development fund	20,828	(20,828)	-	-
Endowment fund	521	(521)	-	-
Fund balances, end of year	<u>\$ 504,723</u>	<u>\$ 803,901</u>	<u>\$ 1,308,624</u>	<u>\$ 1,318,132</u>

ADOPTIVE FAMILIES ASSOCIATION OF BRITISH COLUMBIA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2023

	2023	2022
Operating activities		
Excess (deficiency) of revenues over expenses for the year	\$ (9,508)	\$ 118,328
Item not affecting cash:		
Unrealized loss (gain) on investments	64,391	(1,352)
	<u>54,883</u>	<u>116,976</u>
Change in non-cash working capital items		
Accounts receivable	3,197	4,048
Interest receivable	-	2,536
Goods and services tax receivable	(850)	(699)
Prepaid expenses	8,229	(51,337)
Accounts payable and accrued liabilities	41,948	(6,063)
BC Orca Bursary Fund	108,101	215,286
Deferred revenue	187,825	157,892
Externally restricted projects	30,002	(65,633)
	<u>433,335</u>	<u>373,006</u>
Investing activities		
Term deposits	(454)	(2,616)
Investment in portfolio investments	(52,218)	(31,345)
Endowment funds received	521	(170)
Purchase of capital assets	(39,514)	-
	<u>(91,665)</u>	<u>(34,131)</u>
Increase in cash during the year	341,670	338,875
Cash, beginning of year	983,433	644,558
Cash, end of year	<u>\$ 1,325,103</u>	<u>\$ 983,433</u>

ADOPTIVE FAMILIES ASSOCIATION OF BRITISH COLUMBIA

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2023

1. Purpose of the organization

Adoptive Families Association of British Columbia (the "Association") was incorporated under the Society Act of British Columbia and transitioned to the British Columbia Societies Act on July 26, 2017 and is a registered charity under the Income Tax Act (Canada). The Association is a province-wide not-for-profit society which offers information, education and support to families and individuals involved in adoption.

2. Significant accounting policies

The following is a summary of the significant accounting policies used by management in the preparation of these financial statements.

(a) Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") under Part III of the CPA Canada Handbook. Financial statements prepared in accordance with ASNPO are also in accordance with Canadian generally accepted accounting principles ("GAAP").

These financial statements have, in management's opinion, been prepared within reasonable limits of materiality using the significant accounting policies noted below:

(b) Fund accounting

In order to ensure observance of the limitations and restrictions placed on the use of resources available to the Association, the accounts of the Association are maintained in accordance with the principles of fund accounting following the deferral method of accounting. Accordingly, resources are classified for accounting and reporting purposes into funds. These funds are held in accordance with the objectives specified by the funders, donors or in accordance with directives issued by the Board of Directors ("the Board").

Transfers between the funds are made when they are considered appropriate and when they are authorized by the Board. To meet these objectives of financial reporting and stewardship over assets, certain interfund transfers are necessary to ensure the appropriate allocation of assets and liabilities to the respective fund. These interfund transfers are reported in the statement of changes in fund balances.

Revenues and expenses related to externally restricted projects and programs are reported in Restricted Funds. Internally Restricted Funds, segregated funds established by the Board, and related investment income are also reported in Restricted Funds (Note 9). The internally restricted endowment fund can, at the discretion of the Board, be used to fund the operations of the Association. All other revenue and expenses including those related to ongoing programs and services are reported in Unrestricted Funds.

(c) Cash

Cash consists of cash on deposit.

ADOPTIVE FAMILIES ASSOCIATION OF BRITISH COLUMBIA

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2023

2. Significant accounting policies, continued

(d) 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 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.

Membership dues are recorded as revenue in the year to which they relate.

Investment income includes dividend and interest income and realized investment gains and losses and is recognized as earned.

(e) Contributed materials and services

The Association benefits from contributed services in the form of volunteer time and contributed materials. Contributed services are not recognized in the financial statements. Contributed materials and services are recorded at their fair value only when a realizable value of the related benefit can be reasonably estimated and when the materials and services are used in the normal course of operations and would otherwise have been purchased.

(f) Capital assets

Capital assets are recorded at cost less accumulated amortization over the estimated useful life on a straight-line basis at the following rates:

Office equipment	3 years
Computer equipment	3 years

Capital assets acquired during the year are not amortized until they are placed into use.

The Association's policy is to record a write-down to a capital asset's fair value or replacement cost when conditions indicate that a capital asset is impaired. Such conditions include when the capital asset no longer contributes to the Association's ability to provide goods and services or when the value of future economic benefits or service potential associated with the capital asset is less than its net carrying amount. Write-downs are recognized as an expense in the statement of operations and are not reversed.

(g) Use of estimates

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations require management to make estimates and assumptions about future events that affect the reported amounts of assets, liabilities, revenues and expenses at the end of or during the reporting period. Management believes that the estimates used are reasonable and prudent, however, actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the valuation of accounts receivable, the determination of useful lives of capital assets used for calculating amortization, measurement of deferred revenue and externally restricted projects, and the amounts recorded as accrued liabilities.

ADOPTIVE FAMILIES ASSOCIATION OF BRITISH COLUMBIA

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2023

2. Significant accounting policies, continued

(h) Financial instruments

Measurement

The Association's financial instruments consist of cash, term deposits, accounts receivable, goods and services tax receivable, portfolio investments and accounts payable.

The Association initially measures all of its financial assets and liabilities at fair value. The Association subsequently measures all of its financial assets and liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value of equity instruments carried at fair value are recognized in the statement of operations in the period incurred.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down that is determined is recognized in the statement of operations. A previously recognized impairment loss may be reversed to the extent of any improvement, 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 the statement of operations in the period in which it is determined.

(i) Portfolio investments

The Association's investment policy is to invest with sound and prudent investment management principles. Investments for the portfolio will be based on the requirement for safety, growth, yield and liquidity in that order of importance. The policy directs that this is to be accomplished by investing in a diversified portfolio which includes cash equivalents, common stocks, bonds and alternative investments that will allow for the portfolio to achieve the rate of return goal at an appropriate level of risk. Portfolio investments are recorded at fair market value.

3. Financial instruments risks

The Association's financial instruments are described in Note 2(h). In management's opinion the Association is not exposed to significant credit, liquidity, market, currency, interest rate or other price risks arising from these financial statements, other than as described below. In addition, the Association is not exposed to any material concentrations of risk and there has been no significant change in risk exposures from the prior year.

(a) 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 its responsibilities. The Association is exposed to this risk by providing credit to program attendees, the credit risk is not significant as revenue recognized from program attendees is less than 1% of the Association's total revenues (2021 - less than 1% of total revenues). The Association mitigates this risk by actively monitoring its receivables and maintaining an allowance for doubtful accounts provision. The allowance for doubtful accounts provision as at March 31, 2023 is \$Nil (2022 - \$Nil).

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Association is exposed to this risk mainly in respect of its accounts payable. The Association manages its liquidity risk by monitoring its operating requirements. The Association prepares budgets and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

ADOPTIVE FAMILIES ASSOCIATION OF BRITISH COLUMBIA

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2023

3. Financial instruments risks, continued

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Association manages risk through its investment policy, diversification of investments and engaging professional investment managers.

(d) Currency risk

Currency risk is the risk to the Association's earnings that arises from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Association is exposed to foreign currency exchange risk on cash and investments held in U.S. dollars totaling \$148,955 (USD \$109,946) (2022 - \$141,748; USD \$113,218). The Association does not use derivative instruments to reduce its exposure to foreign currency risk. The Association mitigates currency risk by having a portion of its investments in Canadian dollars and monitoring exchange rates.

(e) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. The Association is exposed to interest rate risk through its term deposits and portfolio investments. In seeking to minimize the risks from interest rate fluctuations, the Association manages exposure through diversifying its investments, and through its normal operating and financing activities.

(f) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Association is exposed to other price risk through its investments. The Association mitigates other price risk by maintaining a diverse investment portfolio.

4. Portfolio investments

	2023 Cost	2023 Market Value	2022 Cost	2022 Market Value
Cash and cash equivalents	\$ 4,703	\$ 4,703	\$ 20,626	\$ 20,626
Fixed income	426,826	406,355	414,414	397,985
Equity	400,398	515,710	332,623	520,330
	<u>\$ 831,927</u>	<u>\$ 926,768</u>	<u>\$ 767,663</u>	<u>\$ 938,941</u>

5. Capital assets

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Office equipment	19,749	-	19,749	-
Computer equipment	19,765	-	19,765	-
	<u>\$ 39,514</u>	<u>\$ -</u>	<u>\$ 39,514</u>	<u>\$ -</u>

The capital assets were not put into use during the fiscal year, therefore no amortization recorded.

ADOPTIVE FAMILIES ASSOCIATION OF BRITISH COLUMBIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023

6. BC Orca Bursary Fund

The Association has received externally restricted contributions for BC Orca Bursary Fund as follows:

	2023	2022
Opening balance	\$ 274,273	\$ 58,987
Donations	185,701	220,762
Bursaries paid out	(60,500)	(4,000)
Expenses	(17,100)	(1,476)
	\$ 382,374	\$ 274,273

7. Deferred revenue

Deferred revenue consists of restricted amounts received from the following funders to be realized as projects are completed in a future period:

	2023	2022
Community Gaming Grant	\$ 195,000	\$ 179,700
Ministry of Children and Family Development	288,385	131,053
Association members	2,675	3,510
Wendy's Wonderful Kids Foundation	2,843	1,815
Al Roadburg Foundation	15,000	-
	\$ 503,903	\$ 316,078

8. Externally restricted projects

The Association has received externally restricted funds to carry out specific projects that will be spent in a future period. The projects relate to the following programs:

	2023	2022
Youth, including Agedout.com services	\$ 89,769	\$ 97,167
Data Improvement Project	57,000	-
Indigenous program	30,000	-
Recruitment	15,000	10,000
Family support and home studies	-	26,000
Mental health support	-	25,000
Joy MacPhail bursary	-	3,600
	\$ 191,769	\$ 161,767

The projects were funded by the following:

	2023	2022
Corporate donations	\$ 88,685	\$ 42,385
Ministry of Children and Family Development	73,084	5,519
Vancouver Foundation	30,000	-
May and Stanley Smith Charitable Trust	-	62,863
Victoria Foundation	-	26,000
RBC Foundation	-	25,000
	\$ 191,769	\$ 161,767

ADOPTIVE FAMILIES ASSOCIATION OF BRITISH COLUMBIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023

9. Internally restricted funds

	Development fund	Operating contingency fund	AFABC youth bursary fund	Family camp fund	Victoria Foundation endowment fund	2023	2022
Opening balance	\$ 300,000	\$ 500,000	\$ 4,260	\$ 4,254	\$ 16,736	\$ 825,250	\$ 625,080
Investment income	-	-	-	-	296	296	931
Grants paid out	-	-	-	-	(817)	(817)	(761)
Interfund transfer	8,514	-	(4,260)	(4,254)	-	-	-
Transfer to unrestricted fund	(20,828)	-	-	-	-	(20,828)	200,000
Closing balance	<u>\$ 287,686</u>	<u>\$ 500,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,215</u>	<u>\$ 803,901</u>	<u>\$ 825,250</u>

The Development fund is internally restricted by the Board for the purposes of building the Association's organizational capacity over the next three years, including upgrading business systems and building development capacity. These funds are held in portfolio investments and term deposits.

Funds for the operating contingency fund are held in portfolio investments.

Funds for the youth bursary fund and family camp fund were held in term deposits.

Funds for the Victoria Foundation endowment fund are held in trust by the Victoria Foundation. The Victoria Foundation is one of the oldest community foundations and is a registered charity in Canada which manages charitable gifts to create permanent, income-earning funds that support charities locally in British Columbia and across Canada.

10. Commitments

The Association is committed to an operating rental lease for its office premises in Vancouver, British Columbia commencing April 1, 2023 until March 31, 2028.

The minimum expected lease payments for the next five years are as follows:

2024	34,999
2025	35,672
2026	36,345
2027	37,018
2028	<u>37,691</u>
	<u>181,725</u>

ADOPTIVE FAMILIES ASSOCIATION OF BRITISH COLUMBIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023

11. Project grants

Project grants were funded by the following:

	2023	2022
Ministry of Children and Family Development	\$ 345,001	\$ 196,910
Victoria Foundation	34,400	-
RBC Foundation	25,000	-
Children's Aid Foundation of Canada	-	64,583
	<u>\$ 404,401</u>	<u>\$ 261,493</u>

12. Education and support activities

Education and support activities were funded by the following:

	2023	2022
Association members and clients	\$ 42,244	\$ 56,015

13. Interest and investment income

	2023	2022
Interest and dividend income	\$ 17,680	\$ 20,494
Interest on term deposits	2,440	449
Realized gains	41,097	20,239
	<u>\$ 61,217</u>	<u>\$ 41,182</u>

14. Economic dependence

The Association receives its service contract revenue of \$1,119,683 (2022 - \$1,238,040) from the Province of British Columbia, Ministry of Children and Family Development ("the Ministry"). The Association had a client services agreement with the Ministry effective from April 1, 2016 through to March 31, 2022. The agreement has been extended for a new term from April 1, 2022 to March 31, 2025.

15. Employee remuneration

Wages and employee benefits expense for the year includes two annualized employees that earned over \$75,000, for a total of \$220,000 (2022 - one employee totaling \$130,559).