



**Directors**  
Caroline Bonesky- Chair  
Mebrat Beyene  
Dennis Dandeneau  
Sandra Gebhardt  
Nancy Gale  
Michelle Hawco  
Andrew Jarrett  
David Johnson  
Sandra Menzer  
Teri Nicholas  
Tim Beachy, CEO

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September 26, 2007

To Member Representatives  
United Community Services Co-op Members

From Caroline Bonesky, Chair

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My best greetings to Member Representatives. This package contains our Notice to Members for the Annual General Meeting to be held October 17, 2007. We hope you are able to be with us.

The Co-op has had another good year and very interesting year. On behalf of your Co-op Directors I invite and encourage you to attend the two following events on October 17, 2007.

**Lunch with the Directors, Noon, October 17, 2007**

The Co-op Directors are meeting all day on October 17<sup>th</sup>. On behalf of the Directors I want to invite you to lunch to meet the Directors and discuss Co-op business if you wish. Lunch will be from Noon – 1:00 pm. (Lunch will be \$20.00 at the door.)

**Please RSVP by calling for Alison Marshall at the office: 604-718-8292 or email to Alison at [alisonmarshall@shaw.ca](mailto:alisonmarshall@shaw.ca) .**

**Annual General Meeting, 1:00 pm, October 17, 2007**

This event will be a regular AGM, focused on reporting to the members, reports from the Chair and CEO and providing direction for the next year.

Both events will be held at the Vancouver Art Gallery.

I hope you are able to come to these events. They will be interesting and it is a great chance to network with others of like minds.

Please find attached – in one attachment:

- The Official Notice of Meeting,
- Minutes of the last Annual General Meeting (October 18, 2006); and,
- The Audited Financial Statements for the last fiscal year (ending June 30, 2007)



**ANNUAL GENERAL MEETING**  
**Wednesday October 17, 2007**  
**1:00 – 1:30 pm**  
**Vancouver Art Gallery**  
**750 Hornby Street, Vancouver, BC**

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**AGENDA**

1. Call to order
2. Notice convening meeting to be read
3. Minutes of preceding meeting to be read and disposed of. (See minutes of the Annual General Meeting held October 18, 2006 also attached below.)
4. Business arising out of minutes
5. Reports of standing and special committees
6. Reports of directors and auditors (See attached auditor's report)
7. Approval of investment and borrowing limitations of the directors
8. Election of directors
9. Appointment of the auditor
10. Special business
11. Unfinished business
12. New business



Minutes of the  
Annual General Meeting  
Held at the Blue Horizon Hotel, Vancouver, BC  
October 18, 2006 at 5:00 PM

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1. Call to order

The Chair, Caroline Bonesky, called the meeting to order at 5:08 PM. She welcomed the assembled and explained the order and rules of the meeting.

2. Notice convening meeting to be read

The Secretary read the notice of meeting as circulated.

3. Minutes of preceding meeting to be read and disposed of

*M/S/C*

That the minutes of the Annual General Meeting of September 22, 2005 be accepted as circulated.

4. Business arising out of minutes

There was no business arising out of the minutes of the previous Annual General Meeting.

5. Reports of standing and special committees

There are no Standing or Special Committees and no reports thereof.

6. Reports of directors and auditors

The Chair submitted a written report and a verbal up-date. The CEO reported on business over the past year and projections for the coming year.

*M/S/C*

That the reports of the Chair and Chief Executive Officer be accepted.

The Treasurer presented the financial statement for the fiscal year 2005-2006.

*M/S/C*

That the audited Financial Statement for the period July 1, 2005 to June 30, 2006 be accepted as circulated.

*M/S/C*

That the Auditor's Report for the period last fiscal year be accepted.

7. Investment and borrowing limitations of the directors

Directors put no recommendation forward and no action was taken.

8. Election of directors

The Chair explained the procedures for nominations and election positions on the Board.

## Report of the Nomination Committee

Director Tim Agg presented a report from the Nominations Committee and placed the names of the following member representatives in nomination:

### Nominated for Five Regional Directorships

Lower Mainland: Caroline Bonesky, Fraserside Community Services Society  
Kootenay - Andrew Jarrett, Kootenay Boundary Regional Resources Co-op  
North - Nancy Gale, Cariboo-Chilcotin Child Development Centre  
Thompson / Okanagan - Dennis Dandeneau, Okanagan Families Society  
Vancouver Island - David Johnson, John Howard Society of Victoria

### Nominated for Six Category Directorships

Category A (members subscribing to 13 or less shares)

Sandra Goth, Cowichan Family Life Association

Mebrat Beyene, Self Help Resources Association of BC

Category B (members subscribing to between 14 and 33 shares)

Sandra Gebhardt, Boys' & Girls Club Community Services Delta /  
Richmond

Sandra Menzer, Vancouver Society of Children's Centres

Category C (members subscribing to between 34 and 201 shares)

Teri Nicholas, Family Services of Greater Vancouver

Michelle Hawco, PLEA Community Services Society

The Chair opened the floor for further nominations. None were made.

M/S/C

That the names of persons placed in nomination by the Nominating Committee be accepted by acclamation.

## 9. Appointment of the auditor

M/S/C

That Joanne L Dorman, CA, be appointed as the Auditor for the fiscal year 2006 - 2007.

## 10. Special business

No other special business was introduced.

## 11. Unfinished business

There was no unfinished business from previous meetings.

## 12. New business

No new business was introduced to the meeting.

M/S/C

That the Annual General Meeting be adjourned.

The Chair invited attendees to attend the Co-op sponsored reception to immediately follow.

Meeting adjourned at 5:46 pm.

Submitted by  
Cynthia Crampton, Director and Secretary

**United Community Services Co-operative**  
**Financial Statements**  
*June 30, 2007*  
*Audited*

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**Auditors' Report**

**Balance Sheet**  
**Statement of Income and Deficit**  
**Statement of Cash Flows**  
**Notes to the Financial Statements**

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**Auditor's report**

**To     The Shareholders**  
**United Community Services Co-operative**

I have audited the balance sheet of United Community Services Co-operative as at June 30, 2007 and the statements of income and deficit and changes in cash for the year then ended. These financial statements are the responsibility of the company's management. My responsibility is to express an opinion on these financial statements based on our audit.

I have conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the co-operative as at June 30, 2007 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Joanne L. Dorman  
Chartered Accountant  
D.O.T.  
Vancouver, BC

**United Community Services Co-operative**  
**Balance Sheet as at June 30, 2007**  
(with comparative figures as at June 30, 2006)

<b>Assets</b>	<b>2007</b>	<b>2006</b>
<b>Current:</b>		
Cash	\$ 471,835	\$ 32,230
Accounts receivable	81,745	80,140
Subscriptions receivable	11,938	9,625
Grants receivable	0	62,406
Goods and services tax recoverable	0	4,019
Prepaid expenses	157	537
	565,675	188,957
<b>Capital assets (Note 2)</b>	18,803	6,504
	\$ 584,478	\$ 195,461
<b>Liabilities &amp; Shareholders' Equity</b>		
<b>Current:</b>		
Accounts payable and accrued liabilities	\$ 34,475	\$ 34,525
Deferred revenue	366,511	58,247
GST Payable	2,382	0
Income taxes payable	5,819	
Members' deposits	4,245	450
	413,432	93,222
<b>Members' equity:</b>		
Share capital (Note 5)	208,050	190,050
<b>Contributed Surplus</b>	900	900
<b>Deficit</b>	(37,904)	(88,711)
	171,046	102,239
	\$ 584,478	\$ 195,461
Contingent liability (Note 7)		
Commitments (Note 6)		

**APPROVED** \_\_\_\_\_ Director:  
\_\_\_\_\_ Director:

(The accompanying notes form an integral part of the these financial statements)

**Statement of Income and Deficit for the year ended June 30, 2007**  
**(with comparative figures as at June 30, 2006)**

	<b>2007</b>	<b>2006</b>
<b>Revenue</b>		
Fee revenue	\$ 587,686	\$ 202,014
Government grants	27,155	116,694
Interest income	76,145	59,337
Other grants	72,608	101,190
Registration revenue	8,650	3,125
	<b>772,244</b>	<b>482,360</b>
<b>Expenses</b>		
Advertising and Promotion	1,368	0
Amortization	6,291	2,785
Bank charges and fees	98	98
Computer software project	6,799	500
Contracted services	533,730	311,343
Courier and postage	334	326
Insurance	537	1,866
Legal and audit	7,060	4,050
Meetings	11,867	11,759
Memberships	482	300
Office	1,481	1,109
Printing	1,831	2,484
Rent	15,764	13,490
Repairs and maintenance	26	-
Staff salaries and benefits	109,462	121,417
Telephone	6,671	5,225
Training / Education	225	0
Travel	11,494	12,170
Website	98	247
	<b>715,618</b>	<b>489,169</b>
<b>Income Taxes</b>		
Current income taxes	5,819	
<b>Net income (loss) for the year</b>	<b>50,807</b>	<b>(6,809)</b>
<b>Deficit, beginning of year</b>	<b>(88,711)</b>	<b>(81,902)</b>
<b>Deficit, end of year</b>	<b>\$ (37,904)</b>	<b>\$ (88,711)</b>

**Statement of Cash Flows for the year ended June 30, 2007**  
**(with comparative figures as at June 30, 2006)**

	2007	2006
<b>Cash flows from operating activities:</b>		
Net income (loss)	\$ 56,626	\$ (6,809)
Items not involving cash:		
Amortization	6,291	2,785
	57,098	(4,024)
Changes in non-cash working capital		
Goods and services tax recoverable	4019	(2,625)
Accounts receivable	(1,604)	6,516
Subscriptions receivable	(2,313)	3,313
Grants receivable	62,406	115,089
Prepaid expenses	379	946
Accounts payable and accrued liabilities	(50)	10,176
GST Payable	2,382	-
Deferred revenue	308,263	(131,238)
Member deposits	3,795	(7,775)
	440,194	(9,622)
<b>Cash flows from financing activities:</b>		
Issuance (Redemption) of shares	18,000	21,750
<b>Cash flows from investing activities:</b>		
Acquisition of capital assets	(18,589)	(1,732)
<b>Increase (decrease) in cash</b>	439,605	10,396
<b>Cash at beginning of year</b>	32,230	21,834
<b>Cash at end of year</b>	\$ 471,835	\$ 32,230

**Notes to the Financial Statements**

**1. Co-operative operations**

The purpose of the Co-operative is to be:

- a) Develop and implement innovative and joint business practices that benefit its members.
- b) Work with suppliers of goods and services to its members to acquire greater economies of scale through group purchasing plans.
- c) Research issues affecting its members and be able to do so by having its members co-operatively share in the costs and making the results available to its members.

**2. Summary of Significant Accounting Policies**

The accounting policies of the co-operative are in accordance with generally accepted accounting principles. Outlined below are the policies considered particularly significant.

**Income Recognition**

The co-operative records administration fees and interest revenue on an accrual basis. Grants received for specific projects are recorded as revenue at the time the related

expenditure is made. Deferred revenue represents grants received for specific projects upon which the related expenditures have not yet been made.

### Capital Assets

Capital assets are recorded at cost with depreciation and amortization provided as follows:

	Rate	Method
Computer equipment	30/45%	Diminishing balance
Furniture, fixtures and equipment	20 %	Diminishing balance

In the year of acquisition only one-half the normal rate is applied.

### Use of Estimates

In conformity with generally accepted accounting principles management is required to make estimates and assumptions that could affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the year. Actual results could differ from those reported.

### 3. Capital Assets

Capital assets consist of the following:

	Cost	Accumulated Amortization	Net Book Value	
			2007	2006
Computer equipment	\$ 34,118	\$ 17,055	\$ 7,063	\$ 4,329
Furniture, fixtures and equipment	\$ 3,433	\$ 1,693	\$ 1,740	\$ 2,175
	\$ 37,551	\$ 18,748	\$ 8,803	\$ 6,504

### 4. Share capital

Authorized:

Unlimited Membership shares with a par value of \$50 each

Issued: 4,161 Membership shares

**2007**

**2006**

\$ 208,050

\$ 190,050

### 5. Lease Obligations

The Co-operative leases its premises under an agreement expiring March 28, 2008.

Minimum annual rents are \$ 7,190 for 2008. In addition, the co-operative must pay a proportionate share of the realty taxes and operating expenses during the entire lease term.

### 6. Contingent Liabilities

Pursuant to a contribution agreement with the Province of British Columbia, Ministry of Children and Family Development, the co-operative is contingently liable for repayment of an \$80,000 grant which is repayable from any future profits of the co-operative from any source whatsoever and in priority over any payment of dividends to members or redemption of shares, without the explicit written consent of the Ministry of Children and Family Development.