



November 10, 2021

**REGISTERED MAIL**

[REDACTED]  
Authorized representative  
Vancouver Fire Fighters' Charitable Society  
[REDACTED]

BN: 86741 2132 RR0001  
File #: 3008597

Dear Anders I. Ourom:

**Subject: Notice of Penalty  
Vancouver Fire Fighters' Charitable Society**

We are writing further to our letter dated August 15, 2018 (copy enclosed), in which you were invited to submit representations as to why the Canada Revenue Agency (CRA) should not assess a penalty to Vancouver Fire Fighter's Charitable Society (the Organization) in accordance with section 188.1 of the Income Tax Act.

We have now reviewed and considered your written responses dated September 19, 2018, and September 26, 2018, (copies enclosed). Notwithstanding the responses, our concerns with respect to the Organization's non-compliance with the requirements of subsection 188.1(4) of the Act have not been alleviated. The Organization is therefore subject to a penalty under subsection 188.1(4) of the Act.

**Background information**

The current audit was conducted as a follow-up to a previous audit for the Organization's fiscal periods ended April 30, 2007, and April 30, 2008, which resulted in a compliance agreement between the Organization and the CRA<sup>1</sup>. The current audit is for the Organization's fiscal periods ended April 30, 2015, and April 30, 2016.

One of the findings of the previous audit was that the Organization made gifts to non-qualified donees which is not permitted under the Act. In the compliance agreement, the Organization had agreed to cease gifting funds to non-qualified donees. However, as indicated in our letter dated August 15, 2018, the current audit revealed multiple instances where the Organization continued to make gifts to non-qualified donees. We informed the Organization thereof that we considered these gifts to be undue benefits conferred to non-qualified donees, and that we were considering assessing an undue

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<sup>1</sup> The compliance agreement was signed on November 17, 2010.

benefit penalty against the Organization under subsection 188.1(4) of the Act.

The following is our analysis and position on the Organization's representations to our letter of August 15, 2018.

**Providing an undue benefit to a person / gifts to non-qualified donees**

The current audit revealed that the Organization failed to implement the corrective measures agreed to in the compliance agreement signed on November 17, 2010. In particular, the audit revealed that during the period from May 1, 2015, to April 30, 2016, the Organization made gifts in the amount of \$3,500 to the following non-qualified donees:

- RBC Visa-Nils-Colin's Fireride for \$1,000
- Dr. Christopher Bigelow Society for Brain Injury for \$2,500

In our letter dated August 15, 2018, we concluded that by giving funds to the above non-qualified donees, the Organization had conferred an undue benefit to the two entities<sup>2</sup>.

Applicability of subsection 188.1(4) of the Act

In its letter dated September 26, 2018, the Organization explained that these transactions were "...recorded in the wrong account by us and were meant to be recorded as contributions for charitable program gifts."

**CRA's response**

We appreciate your explanation whereby the transactions were "...recorded in the wrong account..." However, it remains a fact that the Organization had transferred funds to non-qualified donees for which it was unable to provide any information or documentation to support that these particular transactions were made to further its purposes, or as a function of carrying out its own activities.

Under the requirements of the Act, it is not permissible for a registered charity to transfer its assets to an individual/entity merely on the basis that the individual/entity receiving its assets will devote those resources to efforts that are consistent with the charity's own purposes and objectives.

Rather, in order to meet the requirements of the Act to maintain direction and control over the use of its funds and assets, a registered charity can only use its resources (including personnel and property), both inside and outside of Canada, in two ways:

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<sup>2</sup> Undue benefit penalties are assessed under subsection 188.1(4) of the Act and the term "undue benefit" is defined in subsection 188.1(5) of the Act.

- by carrying on its own charitable activities, i.e.,:
  - the activities are directly conducted by the charity, or
  - the activities are conducted by another entity under the complete direction and control of the charity); and
- by making gifts to other organizations that are qualified donees.

Notwithstanding the representations that the Organization submitted to us on September 26, 2018, it remains our view that these expenditures were gifts that were made to the two above-listed non-qualified donees and the Organization had no direction and control over the use of the funds. Therefore, we maintain our position outlined in our letter of August 15, 2018, that these amounts constitute gifts made to non-qualified donees. Per paragraph 188.1(5)(c) of the Act, a gift made by registered charities can be considered an undue benefit unless the gift is made to a qualified donee<sup>3</sup>.

#### Conclusion

The Organization has gifted funds totaling \$3,500 to two non-qualified donees; in so doing, it has conferred undue benefits to those entities. Therefore, the gifts are subject to a penalty of 105% under paragraph 188.1(4)(a) of the Act. As such, we will assess a penalty against the Organization for conferring undue benefits to non-qualified donees.

#### **Other non-compliance issues**

In our letter dated August 15, 2018, we raised concerns regarding the Organization's issuance of official donation receipts not in accordance with the Act; its failure to maintain adequate books and records; and its failure to file accurate Form T3010s, Registered Charity Information Returns. In its representations of September 19, 2018, the Organization stated that it has initiated measures to comply with legislative and common law requirements applicable to registered charities, and is committed to addressing the non-compliance issues that we identified in our aforementioned letter.

While we acknowledge the Organization's representations, please note it is the responsibility of the Organization to ensure it remains compliant with all requirements for maintaining its charitable registration. Should the Organization continue to fail to meet these requirements, notice may be given to either assess a financial penalty, suspend the Organization's tax receipting privileges or propose revocation of the Organization's registration by issuing a notice of intention to revoke in the manner described in subsection 168(1) of the Act.

#### **Penalty assessment**

The penalty assessed by the CRA is calculated as follows:

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<sup>3</sup> Pursuant to subsection 149.1(1) of the Act, a "qualified donee" means a donee described in any of paragraphs 110.1(1)(a) and (b) and the definitions "total charitable gifts" and "total Crown gifts" in subsection 118.1(1).

	<b>Fiscal Period Ending April 30, 2016</b>
<b>Undue Benefit</b>	\$3,500
<b>Penalty applied in accordance with paragraph 188.1(4)(a) of the Act</b>	105%
<b>Total penalty owing per paragraph 188.1(4)(a) of the Act</b>	\$3,675

In accordance with subsection 189(6.3) of the Act, the penalty may be paid to an eligible donee as defined in subsection 188(1.3). An eligible donee in respect of a particular charity is a **registered charity**:

1. of which more than 50% of the members of the board of directors or trustees of the registered charity deal at arm's length with each member of the board of directors or trustees of the particular charity;
2. that is not subject to a suspension of tax-receipting privileges;
3. that has no unpaid liabilities under the Income Tax Act or the Excise Tax Act;
4. that has filed all its information returns; and
5. that is not subject to a security certificate under the Charities Registration (Security Information) Act.

The CRA requires the following documentation to confirm that the eligible donee received the penalty payment:

- a letter addressed to the Director, Compliance Division, mailed to the address below, signed by an authorized representative of the eligible donee, confirming the penalty payment was received and the amount paid; and
- a copy of either the cancelled cheque or evidence of a non-cash transfer.

Should you choose instead to make your payment to the CRA, please make the cheque payable to the Receiver General for Canada and mail it to:

Director  
Compliance Division  
Charities Directorate  
Canada Revenue Agency  
2nd Floor  
320 Queen Street  
Ottawa ON K1A 0L5

Please note that in accordance with subsection 149.1(1.1) of the Act, the penalty payment made to an eligible donee shall not be deemed to be an amount expended on charitable activities nor a gift made to a qualified donee.

Failure to pay this penalty amount or make arrangements for payment will result in the CRA reconsidering its decision not to proceed with the issuance of a notice of intention

to revoke the registration of the Organization in the manner described in subsection 168(1) of the Act.

If you have any questions or require further information or clarification regarding the penalty payment, please contact Phil Thompson at 613-670-9517 .

### **Appeal process**

Should you wish to appeal this notice of penalty in accordance with subsection 165(1) of the Act, a written notice of objection, which includes the reasons for objection and all relevant facts, must be filed **within 90 days** from the mailing of this letter. The notice of objection should be sent to:

Assistant Commissioner  
Appeals Intake Centre  
Post Office Box 2006, Station Main  
Newmarket ON L3Y 0E9

### **Public notice**

By virtue of paragraph 241(3.2)(g) of the Act, the following information relating to the Organization's penalty assessment will be posted on the [Canada.ca/charities-giving](http://Canada.ca/charities-giving) website:

### **Penalty assessment**

Name of organization:	Vancouver Fire Fighter's Charitable Society
Registration number:	867412132 RR0001
Effective date of penalty:	November 10, 2021
Reason for penalty:	Undue Benefit
Act reference:	188.1(4)(a)
Amount of penalty:	\$3,675

We trust the foregoing fully explains our position.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Tony Manconi', with a stylized, flowing script.

Tony Manconi  
Director General  
Charities Directorate

Enclosures

- CRA letter dated August 15, 2018
- Organization's response dated September 19, 2018
- Organization's response dated September 26, 2018
- Notice of assessment – Fiscal year end April 30, 2016

c.c.: Craig Lanthier  
Treasurer  
Vancouver Fire Fighters' Charitable Society



Craig Lanthier  
Treasurer  
Vancouver Fire Fighters' Charitable Society  
2 - 6515 Bonsor Avenue  
Burnaby BC V5H 3E8

BN: 867412132 R0001

File #: 3008597

Attention: Craig Lanthier

August 15, 2018

**Subject: Audit of Vancouver Fire Fighters' Charitable Society**

Dear Craig Lanthier:

This letter is further to the audit of the books and records of the Vancouver Fire Fighters' Charitable Society (the Organization) conducted by the Canada Revenue Agency (CRA). The audit related to the operations of the Organization for the period of May 1, 2014, to April 30, 2016.

The CRA has identified specific areas of non-compliance with the provisions of the Income Tax Act and/or its Regulations in the following areas.

AREA OF NON-COMPLIANCE		
	Issue	Reference
1.	Providing an undue benefit to a person / Gifts to non-qualified donees	149.1(2), 168(1)(b), 188.1(4), 188.1(5)
2.	Issuing receipts not in accordance with the Act	149.1(2), 168(1)(d), Regulation 3500, 3501
3.	Errors on Form T3010, Registered Charity Information Return	149.1(3), 149.1(14), 168(1)(c)

The purpose of this letter is to describe those areas of non-compliance identified by the CRA during the course of the audit as they relate to the legislative and common law requirements applicable to registered charities, and which may be subject to sanctions under the Act.

Registered charities must comply with the law, failing which penalties and/or suspensions may be applicable pursuant to sections 188.1 and/or 188.2 of the Act. These include suspension of the Organization's authority to issue official receipts and suspension of its status as a "qualified donee". While the purpose of a sanction is to provide an alternative to revocation, notice may still be given of our intention to revoke the registration of the Organization by issuing a notice of intention to revoke in the manner described in subsection 168(1) of the Act.

The balance of this letter describes the identified areas of non-compliance and the sanction proposed in further detail.

## **Background**

The Organization was registered as a charity under the Act on May 1, 1999, with the following purposes<sup>1</sup>:

- (a) To raise money for medical care facilities in British Columbia,
- (b) To raise money for public education,
- (c) To provide bursaries for community service and scholastic achievement,
- (d) To assist members of the community of Vancouver, B.C. who have been affected by traumatic wounds, injuries or incidents and
- (e) To raise money for medical and health care research.

The Organization's activities at the time of registration included public education programs on fire safety, providing bursaries to individuals pursuing a career in the medical field, providing referrals to burn organizations, and gifting funds to qualified donees.

On August 7, 2014, the Organization deleted its original purposes and replaced them with the following<sup>2</sup>:

- (a) Raise money and make grants to qualified donees as described in the Income Tax Act (Canada) whose activities benefit the City of Vancouver and its citizens, British Columbia and its citizens, or both,

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<sup>1</sup> As stated in Article 2 of its Constitution filed on June 24, 1998 under the Society Act of British Columbia.

<sup>2</sup> As stated in Form 10, Copy of Resolution filed on August 7, 2014 under the Society Act of British Columbia.



- (b) Provide scholarships and bursaries to students at educational institutions that are qualified donees as described in the Income Tax Act (Canada),
- (c) Relieve poverty by providing basic amenities, including food and clothing, to poor and low income families and seniors in greater Vancouver,
- (d) Provide support services for aged persons in greater Vancouver, in particular equipment and education with regard to emergencies,
- (e) Establish and maintain memorials to firefighters, particularly those who die in the line of duty,
- (f) Assist individuals in Vancouver, B.C. who have been affected by traumatic wounds, injuries, disease, and accidents, and
- (g) Do all such things as are incidental and ancillary to the attainment of these purposes.

The Organization's current activities<sup>3</sup> include raising funds for certain charities who carry out medical and health care research; assisting members in the community who have been affected by traumatic wounds, injuries, disease, and accidents through referrals to burn organizations; giving bursaries to students of Vancouver; sports equipment donation; lunch donation program; lifelines program; and health program.

### **Previous audit findings**

In 2010, the CRA conducted an audit on the Organization's operations for the fiscal periods ended April 30, 2007, and April 30, 2008. The audit concluded with a Compliance Agreement, signed by the Organization on November 17, 2010, which addressed the following areas of non-compliance with the Act:

1. Charitable activities-Fundraising/Devotion of resources – The Organization failed to undertake prudent fundraising practices to ensure a satisfactory cost to revenue ratio and rate of return on fundraising activities. Additionally, the Organization contracted with a third-party fundraiser (██████) whose practices are contrary to fundraising regulations and policy.
2. Gifts to non-qualified donees – The Organization gifted funds totaling \$8,395 to non-qualified donees.
3. Inadequate books and records – The Organization failed to maintain adequate books and records, specifically, it failed to maintain a listing of official donation receipts as well as documentation to support gifts in kind, and did not obtain two signatures on the cheques it issued to pay for its expenses. Additionally, the Organization failed to keep detailed meeting minutes including the names of the

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<sup>3</sup> As stated in Section C2 of the Form T3010, Registered Charity Information Return, for the fiscal period ended April 30, 2016.

attendees, and details with respect to decisions relating to its charitable expenditures and fundraising policies.

4. Errors on the Form T3010, Registered Charity Information Return – The Organization failed to accurately report its tax-receipted revenue and fundraising revenue, and did not properly report its bursary expenses on the correct expense line. Further, the Organization failed to properly allocate its expenses between its charitable programs, management, administration, and fundraising activities.
5. Receipting practices – The Organization's official donation receipts did not fully comply with the requirements of Section 3501 of the Income Tax Regulation. Specifically, the official donation receipts were missing the description of the gift in kind, and the name and address of the appraiser.

#### **Identified areas of non-compliance in the current audit findings**

##### **1. Providing an undue benefit to a person / Gifts to non-qualified donees**

The audit revealed that the Organization made monetary gifts totaling \$3,500 to non-registered organizations during the fiscal period ended April 30, 2016.

Specifically, the Organization made a gift in the amount of \$1,000 to RBC Visa-Nils-Colin's Fireride on June 22, 2015. Additionally, the Organization made a gift in the amount of \$2,500 to the Dr. Christopher Bigelow Society for Brain Injury on February 24, 2016.

According to our records, the above-mentioned organizations are not registered charities. Details are provided below.

##### **Penalty proposed**

Pursuant to subsection 188.1(4) of the Act, a registered charity is liable to a penalty under specific circumstances:

##### **188.1(4) Undue benefits**

A registered charity or registered Canadian amateur athletic association that, at a particular time in a taxation year, confers on a person an undue benefit is liable to a penalty under this Part for the taxation year equal to

- (a) 105% of the amount of the benefit, except if the charity or association is liable under paragraph (b) for a penalty in respect of the benefit; or

- (b) if the Minister has, less than five years before the particular time, assessed a liability under paragraph (a) or this paragraph for a preceding taxation year of the charity or association and the undue benefit was conferred after that assessment, 110% of the amount of the benefit.

#### 188.1(5) Meaning of undue benefits

For the purposes of this Part<sup>4</sup>, an undue benefit conferred on a person (referred to in this Part as the "beneficiary") by a registered charity includes a disbursement by way of a gift or the amount of any part of the income, rights, property or resources of the charity that is paid, payable, assigned or otherwise made available for the personal benefit of any person who is a proprietor, member, shareholder, trustee or settlor of the charity, who has contributed or otherwise paid into the charity more than 50% of the capital of the charity, or who deals not at arm's length with such a person or with the charity, as well as any benefit conferred on a beneficiary by another person, at the direction or with the consent of the charity, that would, if it were not conferred on the beneficiary, be an amount in respect of which the charity would have a right, but does not include a disbursement or benefit to the extent that it is

- (a) an amount that is reasonable consideration or remuneration for property acquired by or services rendered to the charity;
- (b) a gift made, or a benefit conferred, in the course of a charitable act in the ordinary course of the charitable activities carried on by the charity, unless it can reasonably be considered that the eligibility of the beneficiary for the benefit relates solely to the relationship of the beneficiary to the charity; or
- (c) a gift to a qualified donee.

#### **Conclusion**

In the Compliance Agreement signed with the CRA on November 17, 2010, the Organization agreed to cease gifting funds to non-qualified donees. However, the audit revealed that during the fiscal period ended April 30, 2016, the Organization made gifts in the amount of \$3,500 to the above-noted non-qualified donees, contrary to the corrective measures agreed to in the Compliance Agreement.

A registered charity may only use its resources (funds, personnel and/or property) in two ways, both inside and outside Canada - for charitable activities undertaken by the charity itself under its continued supervision, direction and control, and for gifting to "qualified donees" as defined in the Act.

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<sup>4</sup> Part V (Tax and Penalties in Respect of Qualified Donees) of the Act.

The amounts transferred to RBC Visa-Nils-Colin's Fireride and to the Dr. Christopher Bigelow Society for Brain Injury are considered gifts made to non-qualified donees<sup>5</sup>. Pursuant to subsection 149.1(1) of the Act, a "qualified donee" means a donee described in any of paragraphs 110.1(1)(a) and (b) and the definitions "total charitable gifts" and "total Crown gifts" in subsection 118.1(1). The beneficiaries noted above do not meet the definition of a qualified donee.

Due to the serious nature of the non-compliance issue described above, it is our view that a penalty under **subsection 188.1(4)** should be applied to the Organization. Please note that the CRA is proposing the assessment of the penalty in accordance with sections 188.1 and/or 188.2 of the Act in lieu of issuing a notice of intention to revoke registration.

For the fiscal period ended April 30, 2016

Total Gifts to Non-Qualified Donees	\$3,500
Penalty of 105%	<u>x 105%</u>
Total Penalty	<b>\$3,675</b>

**Other non-compliance issues not subject to penalty**

**2. Issuing official donation receipts not in accordance with the Act**

**Contents**

Section 3501 of the Income Tax Regulation states that every official receipt issued by a registered organization shall contain a statement that it is an official receipt for income tax purposes and shall show clearly in such a manner that it cannot readily be altered,

- the name and address in Canada of the organization as recorded with the Minister;
- the registration number assigned by the Minister to the organization;
- the serial number of the receipt;
- the place or locality where the receipt was issued;
- where the gift is a cash gift, the date on which or the year during which the gift was received;
- where the gift is of property other than cash
  - the date on which the gift was received,
  - a brief description of the property, and
  - the name and address of the appraiser of the property if an appraisal is done;
- the date on which the receipt was issued;

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<sup>5</sup>Guidance document CG-010, Qualified donees, available on the CRA website.

- the name and address of the donor including, in the case of an individual, the individual's first name and initial;
- the amount that is
  - the amount of a cash gift, or
  - if the gift is of property other than cash, the amount that is the fair market value of the property at the time that the gift is made;
- a description of the advantage, if any, in respect of the gift and the amount of that advantage;
- the eligible amount of the gift;
- the signature, as provided in subsection (2) or (3), of a responsible individual who has been authorized by the organization to acknowledge gifts; and
- the name and Internet web site of the Canada Revenue Agency.

The audit revealed that the official receipts issued by the Organization did not fully comply with the requirements of Section 3501 of the Income Tax Regulation. Specifically, the Organization's receipts were missing the following information:

- the place or locality where the receipt was issued;
- where the gift is a cash gift, the date on which or the year during which the gift was received;
- where the gift is of property other than cash
  - the date on which the gift was received, and
  - a brief description of the property; and
- if the gift is of property other than cash, the amount that is the fair market value of the property at the time that the gift is made.

In the Compliance Agreement signed on November 17, 2010, the Organization agreed to issue official receipts that contained all elements required in Section 3501 of the Income Tax Regulation. The audit revealed that the Organization failed to implement the corrective measures related to its official receipts.

Please find attached an example of an acceptable receipt for your reference only. The Organization's receipts do not have to appear exactly as presented, however, receipts issued must contain all information required by Section 3501 of the Income Tax Regulation.

#### Gifts from other registered charities

A registered charity should **not** issue official donation receipts for gifts (cash or gifts-in-kind) it receives from other registered charities. Official donation receipts that bear a charity's registration number and other information are required for tax deduction or credit purposes only; registered charities do not pay income tax and, therefore, do not need an official donation receipt.

A charity can acknowledge gifts received from other registered charities by way of a letter or ordinary receipt - one that does not state that it is an official receipt for income tax purposes. The charity should still provide its registration number to donor charities for their reporting requirements.

The audit revealed that the Organization issued official donation receipts for donations received from other registered charities during the fiscal periods ended April 30, 2015, and April 30, 2016. Specifically, the Organization issued official donation receipts to other registered charities as follows:

Fiscal period ended April 30, 2015:

Name of registered charity	BN / Registration #	Donation amount	Receipt #
The Ascension Foundation	860242833 RR0001	\$ 3,000	371
The Ascension Foundation	860242833 RR0001	\$ 2,200	378
The Ascension Foundation	860242833 RR0001	\$ 875	400
The Ascension Foundation	860242833 RR0001	\$ 3,000	401
ZLC Foundation	897476560 RR0001	\$ 2,438	428
<b>Total</b>		<b>\$ 11,513</b>	

Fiscal period ended April 30, 2016:

Name	BN / Registration #	Donation amount	Receipt #
James Family Foundation	846574101 RR0001	\$ 5,000	440
Vancity Community Foundation	892028242 RR0001	\$ 500	477
West Vancouver Christian Outreach	892886367 RR0001	\$ 20,000	478
The Ascension Foundation	860242833 RR0001	\$ 10,000	480
The Ascension Foundation	860242833 RR0001	\$ 2,000	492
The Ascension Foundation	860242833 RR0001	\$ 10,000	530
<b>Total</b>		<b>\$ 47,500</b>	

Going forward, the Organization should cease issuing official donation receipts for donations received from other qualified donees.

### 3. Errors/omissions on the Form T3010, Registered Charity Information Return

Subsection 149.1(14) of the Act requires that every registered charity file an information return in the prescribed form, containing the prescribed information, without notice or demand, within six months of its fiscal year end. For registered charities the prescribed form and the prescribed information includes:

- the Registered Charity Information Return (Form T3010),
- the basic information sheet (Form TF725),
- the directors/trustees worksheet (Form T1235),
- the financial statements; and
- the qualified donees worksheet (Form T1236) - if applicable.

It is the responsibility of the charity to ensure that the information provided in its return, schedules and statements, is factual and complete in every respect. A charity is not meeting its requirement to file an information return if it fails to exercise due care with respect to ensuring the accuracy thereof.

Gifts received for which an official donation receipt was not issued

The audit revealed that the Organization inaccurately reported revenue received from employee payroll deductions on line 4500 "Total eligible amount of all gifts for which the charity issued tax receipts" for the fiscal periods ended April 30, 2015, and April 30, 2016.

Specifically, the Organization reported the amount of \$211,204 (in 2015) and \$340,269 (in 2016) on line 4500. Of these amounts reported on line 4500, the Organization included employee payroll deductions in the amount of \$94,730 (in 2015) and \$148,429 (in 2016), whereas these amounts should have been reported on line 4530 "Total other gifts received for which a tax receipt was not issued by the charity." In its correspondence dated November 30, 2017, the Organization confirmed that the amounts are for donations taken directly from the firefighters' paycheques and deposited into a separate account. These donations are receipted on the firefighters' T4 slips; therefore, the Organization did not issue official receipts for them.

Please complete the enclosed the Form T1240, Registered Charity Adjustment Request, with the appropriate amendments to lines 4500 and 4530 for the 2015 and 2016 fiscal years. Going forward, the Organization must ensure that it does not report donations for which it did not issue a tax receipt on line 4500; rather, it must report the amount on line 4530.

Fundraising revenue

The audit revealed that the Organization failed to accurately report its fundraising revenues for the fiscal periods ended April 30, 2015, and April 30, 2016.

Specifically, with respect to the 2015 fiscal year, the Organization's correspondence dated August 10, 2017, stated that it had erroneously reported fundraising revenue in

the amount of \$207,405 on line 4530, whereas the amount should have been reported on line 4630 "Total non-tax receipted revenue from fundraising."

Similarly, with respect to the 2016 fiscal year, the Organization's correspondence dated August 10, 2017, stated that it had erroneously reported fundraising revenue in the amount of \$166,619 on line 4530, whereas the amount should have been reported on line 4630.

In the Compliance Agreement signed on November 17, 2010, the Organization agreed to accurately report its tax-receipted revenue and fundraising revenue. However, the audit revealed that the Organization failed to implement the corrective measures related to reporting these sources of income on its Form T3010.

Please complete the enclosed Form T1240 with the appropriate amendments to lines 4530 and 4630 for the 2015 and 2016 fiscal years. Going forward, the Organization must ensure that its fundraising revenues are accurately reported on its Form T3010.

#### Compensation

The audit revealed that the Organization compensated [REDACTED] in the amount of \$14,292 in the 2015 fiscal year, and \$17,022 in the 2016 fiscal year<sup>6</sup>. However, the Organization reported the amount of NIL for both fiscal years on line 4880 "Total expenditure on all compensation" and failed to complete Schedule 3: Compensation.

Please complete the enclosed copies of Schedule 3 and the Form T1240 with the appropriate amendments to line 4880 for the 2015 and 2016 fiscal years. Going forward, the Organization must accurately report all compensation paid on Schedule 3 and on line 4880 of its Form T3010.

#### Form T1236, Qualified Donees Worksheet

The audit revealed that the Organization completed its Form T1236, Qualified Donees Worksheet<sup>7</sup>, incorrectly for the fiscal periods under audit. Specifically, it did not provide the correct names and/or BN/Registration number of the qualified donees to which it gifted funds<sup>8</sup>.

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<sup>6</sup> In its correspondence dated August 10, 2017, the Organization submitted copies of T4A slips that it issued to [REDACTED] in 2015 and 2016.

<sup>7</sup> The Organization attached a General Ledger Report to its Form T1236 for the fiscal periods under audit indicating the name, BN/registration #, and amount gifted to each recipient.

<sup>8</sup> Please refer to Appendix "A" - Form T1236, Qualified Donees Worksheet for a complete list of the qualified donees that the Organization gave funds to during the audit period.



Going forward, the Organization must ensure that its Form T1236 is accurate and complete.

### Related business

Under the Act, charitable organizations and public foundations can carry on related businesses that accomplish or promote their charitable purposes. A related business is a commercial activity that is either related to a charity's purposes, or substantially run by volunteers.

The fact that a business produces income for a charity is not enough to make it a related business. In addition to the delivery of charitable services through business activities, the term "related business" includes a business:

- that is complementary and ancillary to the conduct of charitable activities; or
- that is unrelated to the charity's purposes, but is run substantially by volunteers.

Two factors are principally considered in determining whether a business is related to the charitable purposes of the registered charity:

- the extent to which the business activity is linked to the exercise or performance of the charitable purposes or functions for which the charity was registered; and
- the requirement that a related business be subordinate to the charitable purposes, that is, it remains a means of carrying out the stated charitable purposes of the charity, rather than taking on a substantially commercial character in its own right.

A charity that is found to be operating an unrelated business is in contravention of the Act, as it would not be considered to be devoting all of its resources to charitable activities as required by subsection 149.1(1). In this regard, the Organization could be subject to monetary penalties, or have its registration revoked.

The audit revealed that the Organization operates an online store which sells a variety of merchandise bearing its logo. This merchandise is available for sale via the Organization's website at [www.vancouverfirefighters.ca](http://www.vancouverfirefighters.ca). Please ensure that the Organization complies with the related business provisions contained in the Act while it is conducting this activity. For more information, please read our Policy Statement "CPS-019, What is a Related Business?" available on our website.

**The Organization's options:**

**a) No response**

You may choose not to respond. In that case, the Director General of the Charities Directorate may proceed with the application of penalties and/or suspensions described in sections 188.1 and/or 188.2 of the Act or give notice of its intention to revoke the registration of the Organization by issuing a notice of intention to revoke in the manner described in subsection 168(1) of the Act.

**b) Response**

Should you choose to make representations regarding this proposal, please provide your written representations and any additional information regarding the findings outlined above **within 30 days** from the date of this letter. After considering the representations submitted by the Organization, the Director General of the Charities Directorate will decide on the appropriate course of action, which may include:

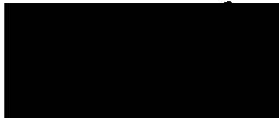
- no compliance action necessary;
- the issuance of an educational letter;
- resolving these issues through the implementation of a Compliance Agreement;
- the application of penalties and/or suspensions provided for in sections 188.1 and/or 188.2 of the Act; or
- giving notice of its intention to revoke the registration of the Organization by issuing a notice of intention to revoke in the manner described in subsection 168(1) of the Act.

If you appoint a third party to represent you in this matter, please send us a written authorization naming the individual and explicitly authorizing that individual to discuss your file with us.

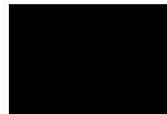
---

If you have any questions or require further information or clarification, please do not hesitate to contact me at 613-670-9576. My manager, Arlene Proctor, may also be reached at 613-670-9525.

Yours sincerely,



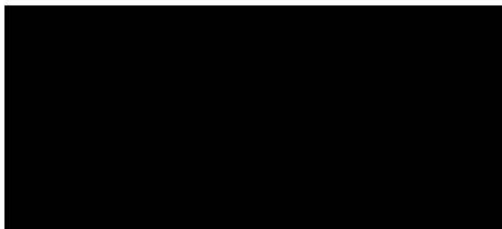
Mezaun Baksh  
Assisted Compliance Section  
Compliance Division  
Charities Directorate  
Canada Revenue Agency  
Suite 1306  
Tower A, Place de Ville  
320 Queen Street  
Ottawa ON K1A 0L5



Enclosures:

- Appendix "A" - Form T1236, Qualified Donees Worksheet
- Sample of Official Donation Receipt for Income Tax Purposes
- Form T1240, Registered Charity Adjustment Request
- Schedule 3: Compensation

c.c.:



**APPENDIX "A"****Vancouver Fire Fighters' Charitable Society****Form T1236, Qualified Donees Worksheet**

The Organization did not indicate the correct names and/or BN/Registration number on its Form T1236, Qualified Donees Worksheet for the qualified donees listed below:

<b>Name of Organization on T1236</b>	<b>Name on Charities Listing</b>	<b>BN/Registration #</b>
BCPFF Burn Fund	British Columbia Professional Firefighters Burn Fund	891475345 RR0001
BC Heart & Stroke Foundation	Heart and Stroke Foundation of British Columbia and Yukon	118818343 RR0001
St Paul's Hospital Foundation	St. Paul's Hospital Foundation of Vancouver	119257939RR0001
VGH & UBC Hospital Foundation	VGH & UBC Hospital Foundation	132173063 RR0001
Canadian Breast Cancer Foundation BC	Canadian Breast Cancer Foundation	127993608 RR0001
RBC Visa-Nils-Movember	Movember Canada	848215604 RR0001
Make-A-Wish BC	Make-A-Wish Foundation of British Columbia and the Yukon	107657371 RR0001
Salvation Army Community & Family Services	The Governing Council of the Salvation Army in Canada / Conseil de direction de l'Armée du Salut du Canada	107951618 RR001
Variety Club of BC	Variety - The Children's Charity of BC	108168709 RR0001
Zajac Ranch for Children	Zajac Ranch Society	860392877 RR0001
KidSport BC	Kidsport Canada	862125986 RR0003
Telus World of Science	A.S.T.C. Science World Society	106734809 RR0001
HAVE Society	Hope Action Values Ethics Culinary Training Society	854648755 RR0001
VGH Prostate Center	VGH & UBC Hospital Foundation	132173063 RR0001
RBC Visa - Nils- Ride to Conquer Cancer	BC Cancer Foundation	118818434 RR0001
Craig's Visa Surrey FF Charitable Society	Surrey Fire Fighters Charitable Society	141057794 RR0001
CKNW Orphans' Fund	CKNW Kids' Fund	118864842 RR0001
BCPFF Fund Building	British Columbia Professional Firefighters Burn Fund	891475345 RR0001
Looking Glass Foundation	Looking Glass Foundation for Eating Disorders	863814042 RR0001

Name of Organization on T1236	Name on Charities Listing	BN/Registration #
Children's Heart Network	The Pacific Children's Heart Network	139462394 RR0001
JDRF	JDRF Canadian Clinical Trial Network	812584068 RR0001
KidSafe Program	The Kidsafe Project Society	890266349 RR0001
ALS Society of BC	Amyotrophic Lateral Sclerosis Society of British Columbia	106708985 RR0001
RBC Visa - Nils-Canada Helps	CANADAHELPS CANADON	896568417 RR0001
Douglas Park	Douglas Park Community Centre Association	118887694 RR0001
BCPFF Burn Camp	British Columbia Professional Firefighters Burn Fund	891475345 RR0001
MS Society of Canada	Multiple Sclerosis Society of Canada / Société Canadienne de la Sclérose en Plaques	107746174 RR0001
Canadian Red Cross	The Canadian Red Cross Society / La Société Canadienne de la Croix-Rouge	119219814 RR0001

## Registered Charity Adjustment Request

- Use this form if you are a director, trustee, like official, or authorized representative requesting changes to the information filed on Form T3010, *Registered Charity Information Return*. You can also use Section B to change the charity's mailing address.
- For information on how to make other changes such as the charity's legal name, designation, telephone number, or activities, go to [canada.ca/charities-giving](http://canada.ca/charities-giving), select Operating a registered charity, and see Making changes, or call Client Service at 1-800-267-2384.
- Information collected on this form is available to the public, except where it is identified as confidential.
- **See the back of this form for instructions on how to complete it. Incorrect or incomplete information may result in processing delays.**

## Section A – Identification of the organization

Legal name of charity	BN/registration number

### Section B – Change of mailing address

New mailing address (street number, name, city, province or territory, and postal code)	Effective date of new address
	<div> <div>Year</div> <div>Month</div> <div>Day</div> </div>

## Section C – Form T3010 adjustment details

	Year	Month	Day	
1) Enter the fiscal period-end for adjustment	2015	04	30	(Use a separate form for each fiscal period that requires an adjustment.)

2) In the table below, list each line of the charity's Form T3010 that you want to change. If a change affects the total amount reported on a different line of Form T3010, you must also list the affected line, its original amount, and the corrected amount. See the back of this form for examples.

[illegible]

Other details or explanations (if you need more space, attach a separate sheet using the same format)

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## Section D – Certification (confidential information)

This form **must** be signed by a director, trustee, like official, or authorized representative of the charity. Authorization must be on file with the Canada Revenue Agency. It is a serious offence under the *Income Tax Act* to provide false or deceptive information.

Name of person who filled out this form (print or type)	Telephone number (daytime)
---------------------------------------------------------	----------------------------

Position in charity (if applicable)	Firm name (if applicable)
-------------------------------------	---------------------------

Address (street number, name, city, province or territory, and postal code)

I certify that the information given on this form and any attachment is, to the best of my knowledge, correct and complete.

Signature \_\_\_\_\_ Date 

Year		Month		Day	

## How to fill out this form

### Section A – Identification of the organization

Enter the legal name of the charity and its BN/registration number (for example 123456789RR0001).

### Section B – Change of mailing address

Enter the charity's new complete mailing address and the effective date of that address.

### Section C – Form T3010 adjustment details

Most changes to financial information will affect the total amounts reported in other areas of Form T3010. Make sure you note all affected lines and totals of Form T3010. See the examples below to help you fill out this section correctly.

1) Enter the fiscal period-end for the adjustment. Use a separate form for each fiscal period that requires an adjustment.

2) Use the table to make changes to Form T3010. To avoid processing delays, fill out all three columns:

- **Column 1:** enter the line number on Form T3010 that you are changing and, if applicable, any other line of Form T3010 that is affected by the change you are requesting.
- **Column 2:** enter the information or amount originally reported on Form T3010.
- **Column 3:** enter the revised information or amount.
- Report all amounts to the nearest single Canadian dollar. Do not include cents (for example, report \$100, not \$100.23).
- Enter additional details or explanations in the "Other details or explanations" area. Make sure you enter the line number on Form T3010 for the information you are changing.
- If you do not have enough space on this form, attach a separate sheet using the same format as this form. Make sure your BN/registration number is on each attachment.

#### Example 1 – Changing financial information

The charity made an error in reporting "Cash, bank accounts, and short-term investments" on line 4100 of its Form T3010. The adjustment to line 4100 will affect the total on line 4200. To correct this information, the charity would fill out Section C as follows:

Column 1 Line numbers on Form T3010	Column 2 Original information or amount reported on Form T3010	Column 3 Revised information or amount
4100	\$75,000	\$57,000
4200	\$150,000	\$132,000

Other details or explanations (if you need more space, attach a separate sheet using the same format)

The amount reported on line 4100 was reversed in Form T3010. The total assets amount on line 4200 has also been corrected to reflect the change.

#### Example 2 – Changing non-financial information

The charity made an error in reporting that it did not compensate any of its directors/trustees or like officials on its last Form T3010. To correct this information, the charity would fill out Section C as follows:

Column 1 Line numbers on Form T3010	Column 2 Original information or amount reported on Form T3010	Column 3 Revised information or amount
3400	No	Yes

Other details or explanations (if you need more space, attach a separate sheet using the same format)

The charity incorrectly reported on line 3400 that it incurred expenses for compensation of employees during the fiscal period.

### Section D – Certification (confidential information)

Give the following information:

- name of the person who filled out the form and their daytime telephone number;
- position in the charity, if the person is a director, trustee or like official of the charity;
- name of the company, if the person is an authorized representative; and
- complete mailing address of the person who filled out the form.

This form must be signed by a director, trustee, like official, or authorized representative of the charity. Authorization must be on file with the Canada Revenue Agency. If authorization is not on file with us for this person, fill out Form RC59, *Business Consent*. This form can be found at [canada.ca/cra-forms](http://canada.ca/cra-forms), or attach a letter with the organization's name and registration number, representative's name and telephone number, effective date, and expiry date (if you want the consent to automatically expire). The letter must indicate Level 2 to make changes to a taxpayer's account and be signed by a person who has authority to act on behalf of the charity.

Mail or fax the completed form to:

Charities Directorate  
Canada Revenue Agency  
Ottawa ON K1A 0L5  
Fax: 613-957-8925

**Registered Charity Adjustment Request**

- Use this form if you are a director, trustee, like official, or authorized representative requesting changes to the information filed on Form T3010, *Registered Charity Information Return*. You can also use Section B to change the charity's mailing address.
- For information on how to make other changes such as the charity's legal name, designation, telephone number, or activities, go to [canada.ca/charities-giving](http://canada.ca/charities-giving), select Operating a registered charity, and see Making changes, or call Client Service at 1-800-267-2384.
- Information collected on this form is available to the public, except where it is identified as confidential.
- See the back of this form for instructions on how to complete it. Incorrect or incomplete information may result in processing delays.

**Section A – Identification of the organization**

Legal name of charity

BN/registration number

R | R

**Section B – Change of mailing address**

New mailing address (street number, name, city, province or territory, and postal code)

Effective date of new address

Year Month Day

**Section C – Form T3010 adjustment details**

Year Month Day

1) Enter the fiscal period-end for adjustment 

2	0	1	6	0	4	3	0
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 (Use a separate form for each fiscal period that requires an adjustment.)

2) In the table below, list each line of the charity's Form T3010 that you want to change. If a change affects the total amount reported on a different line of Form T3010, you must also list the affected line, its original amount, and the corrected amount. See the back of this form for examples.

Column 1 Line numbers on Form T3010	Column 2 Original information or amount reported on Form T3010	Column 3 Revised information or amount

Other details or explanations (if you need more space, attach a separate sheet using the same format)

**Section D – Certification (confidential information)**This form **must** be signed by a director, trustee, like official, or authorized representative of the charity. Authorization must be on file with the Canada Revenue Agency. It is a **serious offence under the *Income Tax Act* to provide false or deceptive information.**

Name of person who filled out this form (print or type)

Telephone number (daytime)

Position in charity (if applicable)

Firm name (if applicable)

Address (street number, name, city, province or territory, and postal code)

I certify that the information given on this form and any attachment is, to the best of my knowledge, correct and complete.

Signature

Date

Year Month Day



## How to fill out this form

### Section A – Identification of the organization

Enter the legal name of the charity and its BN/registration number (for example 123456789RR0001).

### Section B – Change of mailing address

Enter the charity's new complete mailing address and the effective date of that address.

### Section C – Form T3010 adjustment details

Most changes to financial information will affect the total amounts reported in other areas of Form T3010. Make sure you note all affected lines and totals of Form T3010. See the examples below to help you fill out this section correctly.

- 1) Enter the fiscal period-end for the adjustment. Use a separate form for each fiscal period that requires an adjustment.
- 2) Use the table to make changes to Form T3010. To avoid processing delays, fill out all three columns:
  - **Column 1:** enter the line number on Form T3010 that you are changing and, if applicable, any other line of Form T3010 that is affected by the change you are requesting.
  - **Column 2:** enter the information or amount originally reported on Form T3010.
  - **Column 3:** enter the revised information or amount.
  - Report all amounts to the nearest single Canadian dollar. Do not include cents (for example, report \$100, not \$100.23).
  - Enter additional details or explanations in the "Other details or explanations" area. Make sure you enter the line number on Form T3010 for the information you are changing.
  - If you do not have enough space on this form, attach a separate sheet using the same format as this form. Make sure your BN/registration number is on each attachment.

#### Example 1 – Changing financial information

The charity made an error in reporting "Cash, bank accounts, and short-term investments" on line 4100 of its Form T3010. The adjustment to line 4100 will affect the total on line 4200. To correct this information, the charity would fill out Section C as follows:

Column 1 Line numbers on Form T3010	Column 2 Original information or amount reported on Form T3010	Column 3 Revised information or amount
4100	\$75,000	\$57,000
4200	\$150,000	\$132,000
Other details or explanations (if you need more space, attach a separate sheet using the same format) The amount reported on line 4100 was reversed in Form T3010. The total assets amount on line 4200 has also been corrected to reflect the change.		

#### Example 2 – Changing non-financial information

The charity made an error in reporting that it did not compensate any of its directors/trustees or like officials on its last Form T3010. To correct this information, the charity would fill out Section C as follows:

Column 1 Line numbers on Form T3010	Column 2 Original information or amount reported on Form T3010	Column 3 Revised information or amount
3400	No	Yes
Other details or explanations (if you need more space, attach a separate sheet using the same format) The charity incorrectly reported on line 3400 that it incurred expenses for compensation of employees during the fiscal period.		

### Section D – Certification (confidential information)

Give the following information:

- name of the person who filled out the form and their daytime telephone number;
- position in the charity, if the person is a director, trustee or like official of the charity;
- name of the company, if the person is an authorized representative; and
- complete mailing address of the person who filled out the form.

This form **must** be signed by a director, trustee, like official, or authorized representative of the charity. Authorization must be on file with the Canada Revenue Agency. If authorization is not on file with us for this person, fill out Form RC59, *Business Consent*. This form can be found at [canada.ca/cra-forms](http://canada.ca/cra-forms), or attach a letter with the organization's name and registration number, representative's name and telephone number, effective date, and expiry date (if you want the consent to automatically expire). The letter **must** indicate Level 2 to make changes to a taxpayer's account and be signed by a person who has authority to act on behalf of the charity.

Mail or fax the completed form to:

Charities Directorate  
Canada Revenue Agency  
Ottawa ON K1A 0L5  
Fax: 613-957-8925

## Compensation

## Schedule 3

**1** (a) Enter the number of permanent, full-time, compensated positions in the fiscal period. This number should represent the number of positions the charity had including both managerial positions and others, and should not include independent contractors. Do not enter a dollar amount. **300**

(b) For the ten (10) highest compensated, permanent, full-time positions enter the number of positions that are within each of the following annual compensation categories. Do not tick the boxes, use numbers.

<b>305</b> <input type="checkbox"/> \$1 – \$39,999	<b>310</b> <input type="checkbox"/> \$40,000 – \$79,999	<b>315</b> <input type="checkbox"/> \$80,000 – \$119,999
<b>320</b> <input type="checkbox"/> \$120,000 – \$159,999	<b>325</b> <input type="checkbox"/> \$160,000 – \$199,999	<b>330</b> <input type="checkbox"/> \$200,000 – \$249,999
<b>335</b> <input type="checkbox"/> \$250,000 – \$299,999	<b>340</b> <input type="checkbox"/> \$300,000 – \$349,999	<b>345</b> <input type="checkbox"/> \$350,000 and over

**2** (a) Enter the number of part-time or part-year (for example, seasonal) employees the charity employed during the fiscal period. **370**

(b) Total expenditure on compensation for part-time or part-year employees in the fiscal period. **380** \$

**3** Total expenditure on all compensation in the fiscal period. **390** \$

## Confidential data

## Schedule 4

The information in this schedule is for the CRA's use and may be shared as permitted by law (for example, with certain other government departments and agencies).

## 1. Information about fundraisers

Enter the name(s) and arm's length status of each external fundraiser.

Name	At arm's length? Yes/No

## 2. Information about donors not resident in Canada

Complete this schedule to report any gift of any kind valued at \$10,000 or more received from any donor that was not resident in Canada and was not any of the following:

- a Canadian citizen, nor
- employed in Canada, nor
- carrying on business in Canada, nor
- a person having disposed of taxable Canadian property.

Enter the name of each donor and the value of the gift in the chart below. Tick whether the donor was an organization (for example a business, corporate entity, charity, non-profit organization), a government or an individual.

Name	Value	Organization	Government	Individual
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Gifts in kind

## Schedule 5

**1** Tick all types of gifts in kind received for which a tax receipt was issued:

<b>500</b> <input type="checkbox"/> Artwork/wine/jewellery	<b>525</b> <input type="checkbox"/> Ecological properties	<b>550</b> <input type="checkbox"/> Publicly traded securities/ commodities/mutual funds
<b>505</b> <input type="checkbox"/> Building materials	<b>530</b> <input type="checkbox"/> Life insurance policies	<b>555</b> <input type="checkbox"/> Books
<b>510</b> <input type="checkbox"/> Clothing/furniture/food	<b>535</b> <input type="checkbox"/> Medical equipment/supplies	<b>560</b> <input type="checkbox"/> Other
<b>515</b> <input type="checkbox"/> Vehicles	<b>540</b> <input type="checkbox"/> Privately-held securities	<b>565</b> Specify: <input type="text"/>
<b>520</b> <input type="checkbox"/> Cultural properties	<b>545</b> <input type="checkbox"/> Machinery/equipment/ computers/software	

**2** Enter the total amount of tax-receipted gifts in kind. **580** \$

## Compensation

## Schedule 3

**1** (a) Enter the number of permanent, full-time, compensated positions in the fiscal period. This number should represent the number of positions the charity had including both managerial positions and others, and should not include independent contractors. Do not enter a dollar amount. **300**

(b) For the ten (10) highest compensated, permanent, full-time positions enter the number of positions that are within each of the following annual compensation categories. Do not tick the boxes, use numbers.

<b>305</b> <input type="text"/> \$1 – \$39,999	<b>310</b> <input type="text"/> \$40,000 – \$79,999	<b>315</b> <input type="text"/> \$80,000 – \$119,999
<b>320</b> <input type="text"/> \$120,000 – \$159,999	<b>325</b> <input type="text"/> \$160,000 – \$199,999	<b>330</b> <input type="text"/> \$200,000 – \$249,999
<b>335</b> <input type="text"/> \$250,000 – \$299,999	<b>340</b> <input type="text"/> \$300,000 – \$349,999	<b>345</b> <input type="text"/> \$350,000 and over

**2** (a) Enter the number of part-time or part-year (for example, seasonal) employees the charity employed during the fiscal period. **370**

(b) Total expenditure on compensation for part-time or part-year employees in the fiscal period. **380** \$

**3** Total expenditure on all compensation in the fiscal period. **390** \$

## Confidential data

## Schedule 4

The information in this schedule is for the CRA's use and may be shared as permitted by law (for example, with certain other government departments and agencies).

## 1. Information about fundraisers

Enter the name(s) and arm's length status of each external fundraiser.

Name	At arm's length? Yes/No

## 2. Information about donors not resident in Canada

Complete this schedule to report any gift of any kind valued at \$10,000 or more received from any donor that was not resident in Canada and was not any of the following:

- a Canadian citizen, nor
- employed in Canada, nor
- carrying on business in Canada, nor
- a person having disposed of taxable Canadian property.

Enter the name of each donor and the value of the gift in the chart below. Tick whether the donor was an organization (for example a business, corporate entity, charity, non-profit organization), a government or an individual.

Name	Value	Organization	Government	Individual
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Gifts in kind

## Schedule 5

**1** Tick all types of gifts in kind received for which a tax receipt was issued:

<b>500</b> <input type="checkbox"/> Artwork/wine/jewellery	<b>525</b> <input type="checkbox"/> Ecological properties	<b>550</b> <input type="checkbox"/> Publicly traded securities/commodities/mutual funds
<b>505</b> <input type="checkbox"/> Building materials	<b>530</b> <input type="checkbox"/> Life insurance policies	<b>555</b> <input type="checkbox"/> Books
<b>510</b> <input type="checkbox"/> Clothing/furniture/food	<b>535</b> <input type="checkbox"/> Medical equipment/supplies	<b>560</b> <input type="checkbox"/> Other
<b>515</b> <input type="checkbox"/> Vehicles	<b>540</b> <input type="checkbox"/> Privately-held securities	<b>565</b> Specify: <input type="text"/>
<b>520</b> <input type="checkbox"/> Cultural properties	<b>545</b> <input type="checkbox"/> Machinery/equipment/computers/software	

**2** Enter the total amount of tax-receipted gifts in kind **580** \$

**Sample - Cash gift (no advantage)**

**Official Donation Receipt for Income Tax Purposes**

Receipt # 0001

**Charity name**  
**Canadian charity address**  
**Charity BN/Registration #**

Date donation received: \_\_\_\_\_

Donated by: \_\_\_\_\_  
(First name, initial, last name)

Address: \_\_\_\_\_

**Eligible amount of gift for tax purposes:** \_\_\_\_\_

Date receipt issued: \_\_\_\_\_

Location issued: \_\_\_\_\_

Authorized signature: \_\_\_\_\_

**For information on all registered charities in Canada under the *Income Tax Act* please visit:**

**Canada Revenue Agency [canada.ca/charities-giving](http://canada.ca/charities-giving)**

## Sample #2 - Cash gift with advantage

### Official Donation Receipt For Income Tax Purposes

Receipt # 0001

Charity name  
Canadian charity address  
Charity BN/Registration #

Date donation received: \_\_\_\_\_

Donated by: \_\_\_\_\_  
(First name, initial, last name)

Address: \_\_\_\_\_

Total amount of cash received by charity = \_\_\_\_\_ **A**

Value of advantage = \_\_\_\_\_ **B**  
(cash/fair market value of property or services)

**Eligible amount of gift for tax purposes: =** \_\_\_\_\_ **C**  
(line A minus line B)

Date receipt issued: \_\_\_\_\_

Location issued: \_\_\_\_\_

Authorized signature: \_\_\_\_\_

**For information on all registered charities in Canada under the *Income Tax Act* please visit:**

Canada Revenue Agency [canada.ca/charities-giving](http://canada.ca/charities-giving)

**Sample #3 - Non-cash gift (no advantage)**

**Official Donation Receipt For Income Tax Purposes**

**Receipt # 0001**

**Charity name**  
**Canadian charity address**  
**Charity BN/Registration #**

Date donation received: \_\_\_\_\_

Donated by: \_\_\_\_\_  
(First name, initial, last name)

Address: \_\_\_\_\_

**Eligible amount of gift for tax purposes:** \_\_\_\_\_  
(fair market value of property)

Description of property  
received by charity: \_\_\_\_\_

Appraised by: \_\_\_\_\_

Address of appraiser: \_\_\_\_\_

Date receipt issued: \_\_\_\_\_

Location issued: \_\_\_\_\_

Authorized signature: \_\_\_\_\_

**For information on all registered charities in Canada under the *Income Tax Act* please  
visit:**

**Canada Revenue Agency [canada.ca/charities-giving](http://canada.ca/charities-giving)**

**Sample # 4 - Non-cash gift with advantage**

**Official Donation Receipt For Income Tax Purposes**

**Receipt # 0001**

**Charity name**  
**Canadian charity address**  
**Charity BN/Registration #**

Date donation received: \_\_\_\_\_

Donated by: \_\_\_\_\_  
(First name, initial, last name)

Address: \_\_\_\_\_

Total amount received by charity = \_\_\_\_\_ **A**  
(fair market value of property)

Value of advantage = \_\_\_\_\_ **B**  
(cash/fair market value of property or services)

**Eligible amount of gift for tax purposes: =** \_\_\_\_\_ **C**  
(line A minus line B)

Description of property  
received by charity: \_\_\_\_\_

Appraised by: \_\_\_\_\_

Address of appraiser: \_\_\_\_\_

Date receipt issued: \_\_\_\_\_

Location issued: \_\_\_\_\_

Authorized signature: \_\_\_\_\_

**For information on all registered charities in Canada under the *Income Tax Act* please  
visit:**

**Canada Revenue Agency [canada.ca/charities-giving](http://canada.ca/charities-giving)**

**legal services for not-for-profit associations**

**Societies • Charities • Co-operatives**

September 19<sup>th</sup>, 2018

Charities Directorate  
Canada Revenue Agency  
Tower A, Place de Ville  
Ottawa, Ontario  
Canada K1A 0L5

**Attention: Mezaun Baksh, Assisted Compliance Section**

Dear Sir:

**RE: VANCOUVER FIRE FIGHTERS CHARITABLE SOCIETY (867412132 RR0001)**

**File 3008597**

Thank you for your letter of August 15<sup>th</sup>, 2018, which I believe that my client received on August 23<sup>rd</sup>. I met with my client and with its professional accountant, [REDACTED] on Friday September 7<sup>th</sup> to discuss the concerns in your letter. Here is my client's reply, in the same order as in the letter.

**Gifts to Non-Qualified Donees (pages 4 – 6)**

I understand that [REDACTED] will be filing Form 1240s (Registered Charity Adjustment Requests), which will in effect amend the Society's Annual Charity Information Returns (T3010) for May 1<sup>st</sup>, 2014 – April 30<sup>th</sup>, 2015 and for May 1<sup>st</sup>, 2015 – April 30<sup>th</sup>, 2016. Those filings should address this concern, and you should receive them by September 28<sup>th</sup>, 2018.

[REDACTED] contact information:

RECEIVED/RECU

SEP 27 2018

CASO



**Official Donation Receipts (pages 6 & 7)**

The Society has, with advice from [REDACTED] amended the form of its official donation receipts, as requested. The forms (and related records) will in future fully comply with Section 3501 of the Income Tax Regulation.

**Gifts From Other Registered Charities (pages 7 & 8)**

The Society will not in future issue official donation receipts to any other qualified donee; It will develop a form of receipt for such qualified donees as may request a receipt, which clearly states "This is not an official receipt under the Income Tax Act", or words to that effect. Also, such donations will be listed in the proper place on the T3010.

**Errors/Omissions on T3010 (pages 8 & 9)**

The Form 1240s filed by [REDACTED] will address the matters noted on pages 8 and 9 of your letter.

**Gifts For Which an Official Donation Receipt Was Not Issued (page 9)**

This also will be addressed in the Form 1240s. The Society will in future list this income on line 4530 rather than 4500.

**Fundraising Revenue (pages 9 & 10)**

This will be addressed in the Form 1240s.

**Compensation (page 10)**

[REDACTED] will submit a Schedule 3 and Form 1240 that will address this.

**Qualified Donees Worksheet (pages 10 & 11)**

The Society will ensure that in future its records support it accurately completing the Qualified Donees Worksheet.

**Related Business (page 11)**

The Society will no longer sell merchandise with its logo. Such items will in future be solely promotional. This should address any concern regarding 'related business'.

Thank you, and please contact me as needed to discuss this matter, or if you need more information.

Yours truly,

[REDACTED]

September 26, 2018

Mezaun Baksh  
Compliance, Education and Outreach Section

Compliance Division, Charities Directorate  
Canada Revenue Agency  
Suite 100, 1<sup>st</sup> Floor  
Tower A, Place de Ville  
320 Queen St  
Ottawa, ON K1R 5A3

Via Fax: 1-613-946-6484

Re: Audit of Vancouver Firefighters' Charitable Society  
File# 3008597

Dear Mezaun,

Please find attached the T1240 & Sch 3 forms for 2015 & 2016 with the amended information that was requested in your letter dated August 15, 2018.

Also, to note we amended the qualified donee gifts totaling \$3,500 in the April 30, 2016 year end as we discovered that they were originally recorded in the wrong account by us and were meant to be recorded as contributions for charitable program gifts.

If there is anything missing or needs further explanations, please do not hesitate to contact myself or [REDACTED]

Sincerely,

[REDACTED]

Charities Directorate /  
Direction des organismes de bienfaisance

SEP 27 2018

RECEIVED / REÇU

Charity name: VANCOUVER FIRE FIGHTERS CHARITABLE SOCIETY

Business number: 867412132RR0001

Year end: 2018-04-30

Protected B when completed

Canada Revenue  
AgencyAgence du revenu  
du Canada**Registered Charity Adjustment Request**

- Use this form if you are a director, trustee, like official, or authorized representative requesting changes to the information filed on Form T3010, *Registered Charity Information Return*. You can also use Section B to change the charity's mailing address.
- For information on how to make other changes such as the charity's legal name, designation, telephone number, or activities, go to [canada.ca/charities-giving](http://canada.ca/charities-giving), select Operating a registered charity, and see Making changes, or call Client Service at 1-800-267-2384.
- Information collected on this form is available to the public, except where it is identified as confidential.
- See the back of this form for instructions on how to complete it. Incorrect or incomplete information may result in processing delays.

**Section A – Identification of the organization**

Legal name of charity

VANCOUVER FIRE FIGHTERS CHARITABLE SOCIETY

BN/registration number

867412132RR0001

**Section B – Change of mailing address**

New mailing address (street number, name)

Effective date of new address

Year Month Day

City

Province or territory

Postal code

**Section C – Form T3010 adjustment details**

Year Month Day

1) Enter the fiscal period-end for adjustment 2016/04/30 (Use a separate form for each fiscal period that requires adjustment.)

2) In the table below, list each line of the charity's Form T3010 that you want to change. If a change affects the total amount reported on a different line of Form T3010, you must also list the affected line, its original amount, and the corrected amount. See the back of this form for examples.

Column 1 Line numbers on Form T3010	Column 2 Original information or amount reported on Form T3010	Column 3 Revised information or amount
5050	\$246,577.00	\$243,077.00
5000	\$92,259.00	\$95,759.00
4530	\$148,635.00	\$209,897.00
4630	\$69,726.00	\$156,893.00
4880	\$0.00	\$17,022.00
4920	\$215,434.00	\$201,912.00
4500	\$340,269	\$191,840.00

Other details or explanations (if you need more space, attach a separate sheet using the same format) Section

PLEASE FIND AMENDED AMOUNTS AS PER THE LETTER DATED AUGUST 15, 2018

ANY QUESTIONS REGARDING THE CHANGES PLEASE LET US KNOW.

**Section D – Certification (confidential information)**Charities Directorate /  
Direction des organismes de bienfaisance

SEP 27 2018

RECEIVED / REÇU

Charity name: VANCOUVER FIRE FIGHTERS CHARITABLE SOCIETY

Business number: 867412132RR0001

Year end: 2016-04-30

Protected B when completed

## Compensation

## Schedule 3

1 (a) Enter the number of permanent, full-time, compensated positions in the fiscal period. This number should represent the number of positions the charity had including both managerial positions and others, and should not include independent contractors. Do not enter a dollar amount ..... 300

(b) For the ten (10) highest compensated, permanent, full-time positions enter the number of positions that are within each of the following annual compensation categories. Do not tick the boxes, use numbers.

305 <input type="checkbox"/> \$1 – \$39,999	310 <input type="checkbox"/> \$40,000 – \$79,999	315 <input type="checkbox"/> \$80,000 – \$119,999
320 <input type="checkbox"/> \$120,000 – \$159,999	325 <input type="checkbox"/> \$160,000 – \$199,999	330 <input type="checkbox"/> \$200,000 – \$249,999
335 <input type="checkbox"/> \$250,000 – \$299,999	340 <input type="checkbox"/> \$300,000 – \$349,999	345 <input type="checkbox"/> \$350,000 and over

2 (a) Enter the number of part-time or part-year (for example, seasonal) employees the charity employed during the fiscal period ..... 370 1

(b) Total expenditure on compensation for part-time or part-year employees in the fiscal period. .... 380 17,022

3 Total expenditure on all compensation in the fiscal period ..... 390 17,022

## Confidential data

## Schedule 4

The information in this schedule is for the CRA's use and should not be disclosed to the public.

## Gifts in kind

## Schedule 5

1 Select all types of gifts in kind received for which a tax receipt was issued:

500 <input type="checkbox"/> Artwork/wine/jewellery	525 <input type="checkbox"/> Ecological properties	550 <input type="checkbox"/> Publicly traded securities/ commodities/mutual funds
505 <input type="checkbox"/> Building materials	530 <input type="checkbox"/> Life insurance policies	555 <input type="checkbox"/> Books
510 <input type="checkbox"/> Clothing/furniture/food	535 <input type="checkbox"/> Medical equipment/ supplies	560 <input checked="" type="checkbox"/> Other
515 <input type="checkbox"/> Vehicles	540 <input type="checkbox"/> Privately-held securities	565 Specify: FUNDRAISING ITEMS
520 <input type="checkbox"/> Cultural properties	545 <input type="checkbox"/> Machinery/equipment/ computers/software	

2 Enter the total amount of tax-receipted gifts in kind ..... 580 2,742

Charity name: VANCOUVER FIRE FIGHTERS CHARITABLE SOCIETY

Business number: 867412132RR0001

Year end: 2015-04-30

Protected B when completed

Canada Revenue  
AgencyAgence du revenu  
du Canada**Registered Charity Adjustment Request**

- Use this form if you are a director, trustee, like official, or authorized representative requesting changes to the information filed on Form T3010, *Registered Charity Information Return*. You can also use Section B to change the charity's mailing address.
- For information on how to make other changes such as the charity's legal name, designation, telephone number, or activities, go to [canada.ca/charities-giving](http://canada.ca/charities-giving), select Operating a registered charity, and see Making changes, or call Client Service at 1-800-267-2384.
- Information collected on this form is available to the public, except where it is identified as confidential.
- See the back of this form for instructions on how to complete it. Incorrect or incomplete information may result in processing delays.

**Section A – Identification of the organization**

Legal name of charity

VANCOUVER FIRE FIGHTERS CHARITABLE SOCIETY

BN/registration number

867412132RR0001

**Section B – Change of mailing address**

New mailing address (street number, name)

Effective date of new address

Year Month Day

City

Province or territory

Postal code

**Section C – Form T3010 adjustment details**

Year Month Day

- 1) Enter the fiscal period-end for adjustment 2015/04/30 (Use a separate form for each fiscal period that requires adjustment.)
- 2) In the table below, list each line of the charity's Form T3010 that you want to change. If a change affects the total amount reported on a different line of Form T3010, you must also list the affected line, its original amount, and the corrected amount. See the back of this form for examples.

Column 1 Line numbers on Form T3010	Column 2 Original information or amount reported on Form T3010	Column 3 Revised information or amount
4530	\$137,459.00	\$124,172.00
4630	\$174,181.00	\$282,198.00
4880	\$0.00	\$14,292.00
4920	\$152,162.00	\$137,870.00
4500	\$211,204.00	\$116,474.00

Other details or explanations (If you need more space, attach a separate sheet using the same format) Section

PLEASE FIND AMENDED AMOUNTS AS PER THE LETTER DATED AUGUST 15, 2018

ANY QUESTIONS REGARDING THE CHANGES PLEASE LET US KNOW.

**Section D – Certification (confidential information)**

## Compensation

Schedule 3

- 1** (a) Enter the number of permanent, full-time, compensated positions in the fiscal period. This number should represent the number of positions the charity had including both managerial positions and others, and should not include independent contractors. Do not enter a dollar amount.

300

- (b) For the ten (10) highest compensated, permanent, full-time positions enter the number of positions that are within each of the following annual compensation categories. Do not check the boxes, use numbers.

305 ☐ \$1 - \$39,999310 ☐ \$40,000 - \$79,999315 ☐ \$80,000 - \$119,999320 ☐ \$120,000 - \$159,999325 ☐ \$160,000 - \$199,999330 ☐ \$200,000 - \$249,999335 ☐ \$250,000 - \$299,999340 ☐ \$300,000 - \$349,999345 ☐ \$350,000 and over

- 2** (a) Enter the number of part-time or part-year (for example, seasonal) employees the charity employed during the fiscal period.

370 ☐ 1

- (b) Total expenditure on compensation for part-time or part-year employees in the fiscal period.

380 \$ 14,292

- 3** Total expenditure on all compensation in the fiscal period

390 \$ 14,292

## Confidential data

Schedule 4

## Gifts in kind

Schedule 5

- 1** Check all types of gifts in kind received for which a tax receipt was issued:

500 ☐ Artwork/wine/jewellery525 ☐ Ecological properties550 ☐ Publicly traded securities/  
commodities/mutual funds505 ☐ Building materials530 ☐ Life insurance policies555 ☐ Books510 ☐ Clothing/furniture/food535 ☐ Medical equipment/supplies560 ☒ Other515 ☐ Vehicles540 ☐ Privately-held securities

565 Specify: FUNDRAISING EXPENSES

520 ☐ Cultural properties545 ☐ Machinery/equipment/  
computers/software

- 2** Enter the total amount of tax-receipted gifts in kind

580 \$ 2,245



CANADA REVENUE  
AGENCY

AGENCE DU REVENU  
DU CANADA

## NOTICE OF ASSESSMENT - AVIS DE COTISATION

November 10, 2021	Business Number – Numéro d'entreprise 86741 2132 RR0001	Taxation year - Année d'imposition April 30, 2016
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### NAME OF ORGANIZATION – NOM DE L'ORGANISME

Vancouver Fire Fighters' Charitable Society

Penalty amount	Amount paid	Balance owing
\$3,675.00	NIL	\$3,675.00
Montant de la pénalité	Montant payé	Solde dû

### Explanation of assessment – explication de la cotisation

Conferring undue benefits to non-qualified donees, contrary to subsection 188.1(4) of the Income Tax Act.

Bob Hamilton  
Commissioner of Revenue  
Commissaire du revenu

Canada