



Financial Statements

Greater Victoria Coalition to End Homelessness
Society (dba Alliance to End Homelessness in the
Capital Region)

March 31, 2023

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Independent Auditors' Report

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To the members of Greater Victoria Coalition to End Homelessness Society

Opinion

We have audited the accompanying financial statements of Greater Victoria Coalition to End Homelessness Society ("the Society"), which comprise the statement of financial position as at March 31, 2023, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly in all material respects, the financial position of Greater Victoria Coalition to End Homelessness Society as at March 31, 2023, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

Report on other legal and regulatory requirements

As required by the Societies Act of British Columbia, we report that, in our opinion, the accounting principles in the Canadian accounting standards for not-for-profit organizations have been applied on a consistent basis.

Victoria, Canada

July XX, 2023

Chartered Professional Accountants

**Greater Victoria Coalition to End Homelessness Society
(dba Alliance to End Homelessness in the Capital Region)
Statement of Financial Position**

March 31

2023

2022

Assets

Current

Cash and cash equivalents (Note 5)	\$	171,903	\$	347,638
Accounts receivable		4,125		3,544
Government remittances receivable		3,120		3,120
Prepaid expenses and deposits		10,078		12,996
Short term investments		26,000		-
		<u>215,226</u>		<u>367,298</u>

Tangible capital assets (Note 3)

		<u>194,186</u>		<u>578,680</u>
	\$	<u>409,412</u>	\$	<u>945,978</u>

Liabilities

Current

Payables and accruals	\$	39,367	\$	39,430
Deferred contributions (Note 4)		126,696		223,554
Deferred capital contributions (Note 5)		188,516		565,548
		<u>354,579</u>		<u>828,532</u>

Net Assets

Invested in capital assets		5,670		13,132
Unrestricted		49,163		104,314
		<u>54,833</u>		<u>117,446</u>
	\$	<u>409,412</u>	\$	<u>945,978</u>

Commitments (Note 10)

On behalf of the Board

_____ Director _____ Director

See accompanying notes to the financial statements.

**Greater Victoria Coalition to End Homelessness Society
(dba Alliance to End Homelessness in the Capital Region)
Statement of Changes in Net Assets**

Year ended March 31

2023

2022

	Invested in capital assets	Unrestricted	Total	Total
Balance, beginning of year	\$ 13,132	\$ 104,314	\$ 117,446	\$ 169,308
Deficiency of revenue over expenses	(7,462)	(55,151)	(62,613)	(51,862)
Additions to tangible capital assets less capital contributions received	-	-	-	-
Balance, end of year	\$ <u>5,670</u>	\$ <u>49,163</u>	\$ <u>54,833</u>	\$ <u>117,446</u>

See accompanying notes to the financial statements.

**Greater Victoria Coalition to End Homelessness Society
(dba Alliance to End Homelessness in the Capital Region)
Statement of Operations**

Year ended March 31	2023	2022
Revenue		
Government grants (Note 6)	\$ 1,114,104	\$ 2,035,285
Individual donations	199,728	270,097
Corporate donations	146,939	219,124
Contributions from other registered charities (Note 6)	101,155	70,401
Miscellaneous revenue	2,522	1,286
Membership fees	1,000	725
Interest	978	165
	<u>1,566,426</u>	<u>2,597,083</u>
Expenses		
Amortization	384,494	573,266
Communications and consultation	9,520	13,692
Council and committee meetings	10,104	7,296
General administration	58,461	64,983
Professional fees	25,313	20,724
Program expenses (Note 7)	615,932	1,427,166
Rent	72,495	65,364
Wages and benefits	452,720	476,454
	<u>1,629,039</u>	<u>2,648,945</u>
Deficiency of revenue over expenses	<u>\$ (62,613)</u>	<u>\$ (51,862)</u>

See accompanying notes to the financial statements.

**Greater Victoria Coalition to End Homelessness Society
(dba Alliance to End Homelessness in the Capital Region)
Statement of Cash Flows**

Year ended March 31

2023

2022

Increase (decrease) in cash and cash equivalents

Operating

Deficiency of revenue over expenses	\$ (62,613)	\$ (51,862)
Amortization of deferred capital contributions	(377,032)	(565,548)
Amortization	<u>384,494</u>	<u>573,266</u>
	<u>(55,151)</u>	<u>(44,144)</u>

Change in non-cash operating working capital

Accounts receivable	(581)	(2,109)
Government remittances receivable	-	2,383
Prepaid expenses and deposits	2,918	(4,477)
Payables and accruals	(63)	(389,138)
Deferred contributions	<u>(96,858)</u>	<u>121,359</u>
	<u>(94,584)</u>	<u>(271,982)</u>
	<u>(149,735)</u>	<u>(316,126)</u>

Investing

Purchase of short term investments	(26,000)	-
Purchase of tangible capital assets	<u>-</u>	<u>(748,027)</u>
	<u>(26,000)</u>	<u>(748,027)</u>

Financing

Deferred capital contributions	<u>-</u>	<u>580,918</u>
	<u>-</u>	<u>580,918</u>

Net increase (decrease) in cash and cash equivalents	(175,735)	(483,235)
Cash and cash equivalents, beginning of year	<u>347,638</u>	<u>830,873</u>
Cash and cash equivalents, end of year	\$ <u>171,903</u>	\$ <u>347,638</u>

See accompanying notes to the financial statements.

Greater Victoria Coalition to End Homelessness Society (dba Alliance to End Homelessness in the Capital Region) Notes to the Financial Statements

March 31, 2023

1. Purpose of the Society

The Greater Victoria Coalition to End Homelessness Society (the "Society") was incorporated on July 25, 2008 under the Societies Act of British Columbia. In February 2023 the Society changed its operating name to the Alliance to End Homelessness in the Capital Region and continues to do business under this name. The Society's purpose is to engage community organizations, governments and non-governmental agencies to work in partnership with each other and the broader community to lead and drive the commitment to end homelessness in the Capital Regional District of British Columbia. The Society received status as a registered charity effective April 1, 2009.

2. Summary of significant accounting policies

Basis of presentation

The Society has prepared these financial statements in accordance with Canadian accounting standards for not-for-profit organizations.

Revenue recognition

The Society follows the deferral method of accounting for contributions.

Operating grant revenue is recognized in the year for which the grant is awarded. Accordingly, operating grant revenue awarded for periods subsequent to the current year is deferred to the next fiscal year.

Restricted contributions related to general operations are recognized as revenue in the year in which the related expenses are incurred.

Unrestricted contributions are recognized as revenue in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks and highly liquid temporary investments with maturities of three months or less.

Amortization

Rates and bases of amortization applied to write off the cost less estimated salvage value of capital assets over their estimated lives are as follows:

Furniture and equipment	20%, straight-line
Computer equipment	33-1/3%, straight-line
Leasehold improvements	Term of lease
Temporary shelter	Term of lease

Greater Victoria Coalition to End Homelessness Society (dba Alliance to End Homelessness in the Capital Region) Notes to the Financial Statements

March 31, 2023

2. Summary of significant accounting policies (continued)

Use of estimates

In preparing the Society's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the year. The more subjective of such estimates are the collection of accounts receivable, the useful life of tangible capital assets and the accrual of accounts payable and liabilities. Actual results could differ from these estimates.

Financial instruments

The Society's financial instruments consist of cash and cash equivalents, accounts receivable, and payables and accruals.

Financial instruments are recorded at fair value on initial recognition and are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Society has not elected to carry any such financial instruments at fair value.

Volunteers

Volunteers contribute an indeterminable number of hours to the Society across its operations. Since no objective basis exists for recording and assigning fair values to donated time, the value of this time has not been reflected in the accompanying financial statements.

Greater Victoria Coalition to End Homelessness Society (dba Alliance to End Homelessness in the Capital Region) Notes to the Financial Statements

March 31, 2023

				<u>2023</u>		<u>2022</u>	
				<u>Net</u> <u>book value</u>	<u>Net</u> <u>book value</u>		
3. Tangible capital assets		<u>Cost</u>	<u>Accumulated</u> <u>amortization</u>				
Furniture and equipment	\$	12,428	\$ 12,428	\$ -	\$	135	
Computer equipment		66,969	61,216	5,753		11,065	
Leasehold improvements		18,386	17,297	1,089		5,448	
Temporary shelter		<u>1,124,065</u>	<u>936,721</u>	187,344		<u>562,032</u>	
	\$	<u>1,221,848</u>	<u>1,027,662</u>	\$ 194,186	\$	<u>578,680</u>	

4. Deferred contributions

Deferred contributions relate to restricted operating funding received that relate to future years.

	<u>BC</u> <u>Housing</u>	<u>City of</u> <u>Victoria</u>	<u>Island</u> <u>Health</u> <u>Authority</u>	<u>Canadian</u> <u>Mortgage</u> <u>and</u> <u>Housing</u>	<u>Non-</u> <u>Government</u>	<u>Total 2023</u>
Balance, beginning of year	\$ 27,288	132,290	\$ 8,333	\$ 31,718	\$ 23,925	\$ 223,554
Received during the year	<u>10,071</u>	<u>376,553</u>	<u>91,667</u>	<u>-</u>	<u>196,614</u>	674,905
	37,359	508,843	100,000	31,718	220,539	898,459
Less: amounts recognized as revenue	<u>37,359</u>	<u>501,532</u>	<u>100,000</u>	<u>31,718</u>	<u>101,155</u>	771,764
Balance, end of year	<u>\$ -</u>	<u>\$ 7,312</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 119,384</u>	\$ 126,696

5. Deferred capital contributions

Hey Neighbour project: In the previous fiscal years the Society crowd-sourced funding from numerous individuals and local businesses and raised \$1,131,096 toward construction costs. These funds raised are being amortized into revenue over the life of the project. The amount recognized as revenue during the year is \$377,032 (2022: \$565,548).

Greater Victoria Coalition to End Homelessness Society (dba Alliance to End Homelessness in the Capital Region) Notes to the Financial Statements

March 31, 2023

6. Grants

The Society's major funding sources are from contributions received from other registered charities and grants received from government sources as follows:

	2023	2022
Government grants		
City of Victoria	\$ 605,816	\$ 322,896
Capital Regional District	321,311	402,167
Island Health	100,000	100,000
CMHC	49,418	60,902
BC Housing	37,359	1,126,445
Ministry of SDPR	200	22,875
	\$ 1,114,104	\$ 2,035,285
Contributions from other registered charities		
Burnside Gorge Community Association	\$ 36,962	\$ -
Victoria Foundation	29,333	38,526
Second Harvest Food Bank	18,200	-
Social Planning and Research Council	-	18,750
Other	16,660	13,125
	\$ 101,155	\$ 70,401

**Greater Victoria Coalition to End Homelessness Society
(dba Alliance to End Homelessness in the Capital Region)
Notes to the Financial Statements**

March 31, 2023

7. Program expenses	<u>2023</u>	<u>2022</u>
Program expenses consist of the following:		
Peer Housing Support	\$ 338,356	\$ 263,212
Face to Face with Stigma	151,634	80,076
National Housing Solutions	37,359	60,902
Burnside Gorge Neighbourhood Engagement	36,962	4,375
Sector Capacity Building	25,716	-
Inclusion & Collaboration	8,607	41,903
Extreme Weather Response	6,941	42,704
Documentary: 940 Caledonia	6,250	16,111
Youth Hostel Pilot	4,107	886,984
Community Laundry Pilot	-	22,414
Participatory Action Research	-	6,133
Youth Homelessness	-	2,351
	<u>\$ 615,932</u>	<u>\$ 1,427,166</u>

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Greater Victoria Coalition to End Homelessness Society (dba Alliance to End Homelessness in the Capital Region) Notes to the Financial Statements

March 31, 2023

8. Risk management

In the normal course of business, the Society is exposed to liquidity risk. The Society's primary risk management objective is to protect cash flow in order to support its operations. Risks are managed within limits ultimately established by the Society's Board of Directors and implemented by management.

The carrying value of cash and cash equivalents, term deposits, accounts receivable, and payables and accruals approximates fair value due to the relatively short-term maturity of these financial instruments. Unless otherwise noted, it is management's opinion that the Society is not exposed to significant interest, currency or credit risk arising from these financial instruments.

9. Remuneration

Under the new Societies Act, which came into effect November 28, 2016, societies must disclose remuneration paid to directors, and to employees and contractors whose remuneration was at least \$75,000 for the fiscal year. During the year, the Society paid no remuneration to directors.

During the year, one employee met this criterion who was paid total remuneration of \$107,827 (2022: \$88,038).

10. Commitments

The Society has operating leases with future minimum aggregate lease payments as follows:

2024	33,522
2025	18,405
2026	<u>18,405</u>
	<u>\$ 70,332</u>
