



Financial Statements

Victoria Women's Transition House Society

March 31, 2024

Contents

	Page
Independent Auditors' Report	1-2
Statement of Operations	3
Statement of Financial Position	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to the Financial Statements	7-14

Independent Auditors' Report

Grant Thornton LLP

Suite 650
1675 Douglas Street
Victoria, BC
V8W 2G5

T +1 250 383 4191
F +1 250 381 4623

To the members of the Victoria Women's Transition House Society

Opinion

We have audited the accompanying financial statements of Victoria Women's Transition House Society ("the Society"), which comprise the statement of financial position as at March 31, 2024, 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 Victoria Women's Transition House Society as at March 31, 2024, 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 29, 2024



Chartered Professional Accountants

Victoria Women's Transition House

Statement of Operations

Year ended March 31

	General Fund	Capital Fund	Total 2024	Total 2023
Revenue				
Provincial funding	\$ 3,052,820	\$ -	\$ 3,052,820	\$ 2,429,220
Donations	1,975,016	-	1,975,016	1,987,438
Grants	917,043	-	917,043	664,929
Bequests	197,681	-	197,681	195,306
Amortization of deferred capital contributions	-	151,941	151,941	142,320
Investment income	141,927	-	141,927	110,639
Direct access grants and other gaming	115,700	-	115,700	119,685
Harrison Place operating revenue	96,288	-	96,288	104,838
Special events	44,454	-	44,454	69,448
Other	7,243	-	7,243	8,984
	<u>6,548,172</u>	<u>151,941</u>	<u>6,700,113</u>	<u>5,832,807</u>
Expenditures				
Wages and benefits	4,478,815	-	4,478,815	3,845,471
Programs	406,871	-	406,871	301,003
Communications and information technology	256,602	-	256,602	200,413
Amortization of tangible capital assets	-	251,970	251,970	228,695
Repairs, maintenance and utilities	224,053	-	224,053	165,133
Fund development	101,484	-	101,484	84,039
Harrison Place operating expenses	99,742	-	99,742	90,186
Office	67,774	-	67,774	58,235
Staff costs and transportation	66,211	-	66,211	32,698
Insurance, licenses and dues	48,438	-	48,438	37,993
Contractors	45,353	-	45,353	28,863
Professional fees	39,888	-	39,888	28,545
Bad debt expense	17,183	-	17,183	-
Board and governance	8,925	-	8,925	8,860
	<u>5,861,339</u>	<u>251,970</u>	<u>6,113,309</u>	<u>5,110,134</u>
Excess (deficiency) of revenue over expenditures before other item	<u>686,833</u>	<u>(100,029)</u>	<u>586,804</u>	<u>722,673</u>
Unrealized gain (loss) on marketable securities	<u>56,999</u>	<u>-</u>	<u>56,999</u>	<u>(56,508)</u>
Excess (deficiency) of revenue over expenditures	<u>\$ 743,832</u>	<u>\$ (100,029)</u>	<u>\$ 643,803</u>	<u>\$ 666,165</u>

See accompanying notes to the financial statements.

Victoria Women's Transition House

Statement of Financial Position

March 31

2024

2023

	General Fund	Capital Fund	Total	Total
Assets				
Current				
Cash	\$ 1,592,997	\$ 100,000	\$ 1,692,997	\$ 1,457,926
Marketable securities (Note 3)	1,484,121	1,015,000	2,499,121	2,651,306
Accounts receivable	433,423	-	433,423	194,008
Prepaid expenses	20,272	-	20,272	2,516
	<u>3,530,813</u>	<u>1,115,000</u>	<u>4,645,813</u>	<u>4,305,756</u>
Tangible capital assets (Note 4)	-	4,261,023	4,261,023	4,273,756
	<u>\$ 3,530,813</u>	<u>\$ 5,376,023</u>	<u>\$ 8,906,836</u>	<u>\$ 8,579,512</u>
Liabilities				
Current				
Payables and accruals	\$ 231,221	\$ -	\$ 231,221	\$ 207,495
Accrued wages and vacation pay	352,804	-	352,804	513,856
Deferred contributions (Note 6)	300,673	-	300,673	432,904
	<u>884,698</u>	<u>-</u>	<u>884,698</u>	<u>1,154,255</u>
Deferred capital contributions (Note 7)	-	2,672,924	2,672,924	2,719,846
	<u>884,698</u>	<u>2,672,924</u>	<u>3,557,622</u>	<u>3,874,101</u>
Net Assets				
Invested in tangible capital assets	-	1,688,099	1,688,099	1,653,910
Unrestricted	1,200,665	-	1,200,665	1,541,501
Internally restricted (Note 8)	1,445,450	1,015,000	2,460,450	1,510,000
	<u>2,646,115</u>	<u>2,703,099</u>	<u>5,349,214</u>	<u>4,705,411</u>
	<u>\$ 3,530,813</u>	<u>\$ 5,376,023</u>	<u>\$ 8,906,836</u>	<u>\$ 8,579,512</u>

Commitments (Note 11)

Lizette Baker-Lamer

Director

Maurine Karagianis

Director

See accompanying notes to the financial statements.

Victoria Women's Transition House

Statement of Changes in Net Assets

Year Ended March 31

2024

2023

	Operating Fund	Capital Fund	Total	Total
Net assets, beginning of year	\$ 2,276,501	\$ 2,428,910	4,705,411	\$ 4,039,246
Excess (deficiency) of revenue over expenditures	743,832	(100,029)	643,803	666,165
Amounts transferred	(374,218)	374,218	-	-
Net assets, end of year	<u>\$ 2,646,115</u>	<u>\$ 2,703,099</u>	<u>\$ 5,349,214</u>	<u>\$ 4,705,411</u>

See accompanying notes to the financial statements.

Victoria Women's Transition House

Statement of Cash Flows

Year ended March 31

2024

2023

Increase (decrease) in cash and cash equivalents

Operating

Excess of revenue over expenditures	\$ 643,803	\$ 666,165
Amortization of deferred capital contributions	(151,941)	(142,320)
Amortization of tangible capital assets	251,970	228,695
Unrealized (gain) loss on marketable securities	(56,999)	56,508
	<u>686,833</u>	<u>809,048</u>

Change in non-cash operating working capital (Note 5)	<u>(526,728)</u>	<u>201,785</u>
	<u>160,105</u>	<u>1,010,833</u>

Investing

Sale (purchase) of marketable securities	209,184	(808,392)
Deferred capital contributions received	105,019	163,351
Purchase of tangible capital assets	(239,237)	(256,913)
	<u>74,966</u>	<u>(901,954)</u>

Net increase in cash	235,071	108,879
----------------------	---------	---------

Cash, beginning of year	<u>1,457,926</u>	<u>1,349,047</u>
-------------------------	------------------	------------------

Cash, end of year	<u>\$ 1,692,997</u>	<u>\$ 1,457,926</u>
-------------------	---------------------	---------------------

See accompanying notes to the financial statements.

Victoria Women's Transition House

Notes to the Financial Statements

March 31, 2024

1. Purpose of the Society

The Victoria Women's Transition House Society (the "Society") is incorporated under the Society Act of British Columbia and is a registered charity within the meaning of the Income Tax Act of Canada. Its principal activity is the provision of supportive shelter, housing, counselling, and other community based services for women, with or without children, experiencing intimate partner violence and abuse.

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 ("ASNPO").

The Society follows the deferral method of accounting for contributions and records its activities in the following funds:

The *General Fund* accounts for the Society's day-to-day operations.

The *Capital Fund* was established to provide tangible capital assets for the Society and to provide of all non-operating expenses related to those assets. This fund includes all tangible capital assets and the long term liabilities related to those assets.

Revenue recognition

The Society uses the deferral method of accounting for contributions. Externally restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue of the appropriate fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributions, including forgivable loans (Note 7), received specifically for the acquisition of tangible capital assets are recorded as deferred capital contributions and are amortized to revenue on the same basis as the related tangible capital assets are amortized, except where they relate to land, in which case they are recorded as direct increases in net assets.

Victoria Women's Transition House

Notes to the Financial Statements

March 31, 2024

2. Summary of significant accounting policies (continued)

Bequests are recorded upon receipt of the donated assets or when the amount to be received can be reasonably estimated and collection is reasonably assured. Bequests of charitable remainder trusts are recorded at the actuarial value of the trust at the date of settlement of the trust. Contributions to endowment funds held by a foundation of which the Society is a beneficiary are not recognized as revenue.

Donated goods and services

Donated goods and services are recorded both as donations and expenses at their fair value when fair value can be reasonably estimated. Contributed property and equipment with a value greater than \$1,000 have been recorded at fair value as additions to property and equipment.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks, net of bank overdrafts, and highly liquid temporary money market instruments with original maturities three months or less. Bank borrowings are considered to be financing activities.

Tangible capital assets

Tangible capital assets are recorded at cost in the year of purchase. Amortization is provided based on the estimated useful life of the tangible capital assets as follows:

Building	10 to 40 years, straight-line
Leasehold improvements	10 years, straight line
Website	4 to 5 years, straight-line
Vehicle	10 years, straight line
Computer equipment	5 years, straight line
Furniture and equipment	3 to 10 years, straight-line

Victoria Women's Transition House

Notes to the Financial Statements

March 31, 2024

2. Summary of significant accounting policies (continued)

Employee future benefits

The Society and its employees contribute to a multi-employer plan for group benefits, administered by the Community Services Benefit Trust and to the Municipal Pension Plan (Note 10), a multi-employer defined benefit plan for pension benefits. Defined contribution plan accounting is applied to multi-employer defined benefit plans and accordingly, contributions to these plans are expensed.

Financial instruments

The Society's financial instruments consist of cash and cash equivalents, receivables, payables and accruals, accrued wages and vacation pay and long term debt. Financial instruments are recorded at fair value on initial recognition. Investments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost.

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the period. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known. Actual results could differ from those estimates.

3. Marketable securities

The Society's marketable securities are comprised of equities, bonds, and money market investments, which are recorded at fair value based on quoted market prices. In addition, the Society has GICs included in marketable securities and they are recorded at amortized cost. These financial instruments are measured at fair value at each year-end. Net gains and losses arising from changes in fair value are recognized in the statement of operations. For the year-ended March 31, 2024, the net unrealized gain was \$56,999 (2023: net unrealized loss of \$56,508).

Victoria Women's Transition House

Notes to the Financial Statements

March 31, 2024

				<u>2024</u>		<u>2023</u>	
				<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net book value</u>	<u>Net book value</u>
Land	\$	1,208,260	\$ -	\$ 1,208,260	\$	1,208,260	
Building		6,261,740	3,570,762	2,690,978		2,778,609	
Leasehold improvements		118,046	59,368	58,678		58,678	
Website		39,370	39,370	-		339	
Vehicle		117,555	57,429	60,126		7,078	
Computer equipment		-	-	-		-	
Furniture and equipment		1,014,009	771,028	242,981		220,792	
	\$	<u>8,758,980</u>	\$ <u>4,497,957</u>	\$ <u>4,261,023</u>	\$	<u>4,273,756</u>	

		<u>2024</u>		<u>2023</u>	
		Change in non-cash operating working capital:			
Receivables		\$ (239,415)	\$ (120,127)		
Prepays		(17,756)	9,238		
Payables and accruals		(137,326)	394,169		
Deferred contributions		(132,231)	(81,495)		
		\$ <u>(526,728)</u>	\$ <u>201,785</u>		

		<u>2024</u>		<u>2023</u>	
		Contributions received and receivable that have been restricted by the funders for specific projects have been deferred to future periods to match the expenses on those projects as follows:			
BC Housing - Advance funding		\$ 25,000	\$ -		
British Columbia Gaming Grant		117,000	107,000		
Other programs		151,173	208,404		
British Columbia Civil Forfeiture		-	30,000		
Victim Services - Bail Surety		7,500	87,500		
		\$ <u>300,673</u>	\$ <u>432,904</u>		

Victoria Women's Transition House

Notes to the Financial Statements

March 31, 2024

7. Deferred capital contributions	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 2,719,846	\$ 2,698,815
Capital contributions received	105,019	163,351
Recognition of deferred capital contributions	<u>(151,941)</u>	<u>(142,320)</u>
Balance, end of year	<u>\$ 2,672,924</u>	<u>\$ 2,719,846</u>

The Society receives contributions to acquire tangible capital assets. These contributions are amortized into income on the same basis as the related tangible capital assets. If the contributions are used to purchase tangible capital assets that are not subject to amortization, net assets are directly increased.

In 2008, British Columbia Housing Management Commission provided a non-interest bearing forgivable mortgage to the Society to a maximum of \$2,500,000 secured by Harrison Place land and building. The agreement provides for a 35 year term that commenced in 2007, the loan is forgivable provided the Society fulfills the terms of the agreement. Forgiveness of the loan commenced in the 11th year, and will be reduced by 1/25 each year. These terms include provision of a minimum of 23 units of affordable housing at this premises. The Society expects to meet this condition over the 35 year period and has therefore recorded the loan amount as a deferred capital contribution which is being amortized over the useful life of the building. Should the property cease to be used for its intended purpose, the loan will become due and interest will be calculated from that date at bank prime plus 2%.

Included in deferred capital contributions is \$100,000 for an elevator. As of March 31, 2024 these funds have not been spent (2023: Nil spent).

Victoria Women's Transition House

Notes to the Financial Statements

March 31, 2024

8. Internally restricted funds

The Society has established a contingency reserve in order to finance operations in case of emergency. At March 31, 2024, the board approved a transfer of \$710,450 (2023: \$150,000) from net assets to the Sustainability Reserve. This amount is to be used to finance the approved budget deficit for fiscal 2025.

The Society has established four capital reserves to fund future additions to capital assets. This includes capital assets for the Community Offices, Harrison Place, Victoria Shelter and the addition of a second stage facility currently in development (Westshore). At March 31, 2024, the Board approved the transfer of \$240,000 from the net assets to the capital reserve for the second stage facility to create signage (\$10,000), develop an Indigenous gathering space (\$180,000), and procure IT related assets and telephone infrastructure (\$50,000).

The closing balances in the funds are as follows:

	<u>2024</u>	<u>2023</u>
General Fund		
Operating and Sustainability Reserve	\$ 1,445,450	\$ 735,000
Capital Fund		
Westshore Reserve	240,000	-
Community Office Reserve	150,000	150,000
Shelter Reserve	298,000	298,000
Harrison Place Reserve	327,000	327,000
	<u>1,015,000</u>	<u>775,000</u>
	<u>\$ 2,460,450</u>	<u>\$ 1,510,000</u>

9. The Victoria Foundation and Charitable Gift Funds Canada Foundation

The Society holds an endowment known as the "Victoria Women's Transition House Society Fund" ("the Fund") at the Victoria Foundation. The Society is the beneficiary of grants from the Fund which are made from time to time according to the Foundation's distribution policy and following recommendations from the Society and approval of the Foundation's Board of Directors. The endowment is not reflected in the Society's assets on the statement of financial position.

The Society also holds a fund known as the "RBC Charitable Gift Fund" ("the Gift Fund") at the Charitable Gift Funds Canada Foundation. The Society is the beneficiary of grants from the Gift Fund which are made from time to time according to the agreement with the Foundation and following recommendations approved by the Board of Directors of the Society. The fund is not reflected in the Society's assets on the statement of financial position.

Victoria Women's Transition House

Notes to the Financial Statements

March 31, 2024

10. Employee pension plan

The Society and certain of its employees contribute to the Municipal Pension Plan. The Plan is a multi-employer defined benefit plan. The British Columbia Pension Corporation administers the Plan, including the payment of pension benefits on behalf of employers and employees in accordance with the Public Sector Pension Plans Act and the Municipal Pension Plan Rules. The risks and rewards associated with the Plan's unfunded liability or surplus are shared between the employers and the Plan's members and may be reflected in their future contributions.

During the year, the Society contributed \$266,131 (2023: \$203,541) on behalf of the employees. Based on the most recent actuarial valuation as of December 31, 2018, the Municipal Pension Plan has a surplus. Portions of any surplus or deficiency are not attributed to individual employers.

11. Commitments

Future minimum payments for strata and lease costs the Society has committed to for the next five years are:

2025	72,617
2026	72,974
2027	73,330
2028	73,706
2029	<u>73,706</u>
	<u>\$ 366,333</u>

Victoria Women's Transition House

Notes to the Financial Statements

March 31, 2024

12. Risk management

The Society's main financial instrument risk exposure is detailed as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. This risk is mitigated by the fact accounts receivable are not concentrated with any single party.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Society does not face significant currency risk exposure.

Interest rate risk

Interest rate risk arises from changes in market interest rates that may affect the fair value or future cash flows from the Society's financial assets or liabilities.

Liquidity risk

The Society's liquidity risk represents the risk that the Society could encounter difficulty in meeting obligations associated with its financial liabilities. The Society is, therefore, exposed to liquidity risk with respect to its payables and accruals, government remittances, and long term debt.

Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The Society's main market risk is in the investments held which are traded in the public market. The Society manages this risk by maintaining a conservative investment policy and holding the majority of funds in mutual funds.

13. Employee remuneration

During the year, the Society paid a total of \$2,024,002 (2023: \$1,057,563) in remuneration to the twenty one (2023: eleven) employees whose remuneration during the fiscal year was at least \$75,000. The Society did not pay Directors during the period. No contractors earned fees equal to or greater than \$75,000 during the period.

14. Comparative Figures

Comparative figures have been adjusted to conform to changes in the current year presentation.
