



Financial Statements

Aboriginal Coalition to End Homelessness
Society

March 31, 2022

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Independent Auditors' Report

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To the members of Aboriginal Coalition to End Homelessness Society

Opinion

We have audited the accompanying financial statements of Aboriginal Coalition to End Homelessness Society ("the Society"), which comprise the statement of financial position as at March 31, 2022, and the statements of operations and 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 Aboriginal Coalition to End Homelessness Society as at March 31, 2022, 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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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
August 19, 2022



Aboriginal Coalition to End Homelessness Society

Statement of Financial Position

March 31	2022	2021
Assets		
Current		
Cash and cash equivalents	\$ 983,568	\$ 1,142,788
Accounts receivable	304,338	218,207
Government remittances receivable	29,952	9,978
Prepaid expenses and deposits	<u>22,969</u>	<u>1,500</u>
	1,340,827	1,372,473
Tangible capital assets (Note 3)	<u>52,685</u>	<u>38,255</u>
	\$ 1,393,512	\$ 1,410,728
Liabilities		
Current		
Payables and accruals	\$ 317,058	\$ 99,711
Deferred contributions (Note 5)	<u>937,085</u>	<u>1,130,679</u>
	1,254,143	1,230,390
Net assets		
Unrestricted	<u>139,369</u>	<u>180,338</u>
	\$ 1,393,512	\$ 1,410,728

Commitments (Note 9)

On behalf of the Board

Gordon S. Anna Director

John Powell Director

See accompanying notes to the financial statements.

Aboriginal Coalition to End Homelessness Society Statement of Operations and Changes in Net Assets

Year ended March 31	2022	2021
Revenue		
Government grants (Note 4)	\$ 3,548,978	\$ 2,054,793
Contributions from other registered charities (Note 4)	394,157	315,797
Donations	93,239	94,753
Rental revenues	118,835	68,356
Membership fees	120	6,031
Interest	-	98
Other	-	675
	<u>\$ 4,155,329</u>	<u>\$ 2,540,503</u>
Expenses		
Wages and benefits	\$ 3,185,153	\$ 1,703,452
General administration	415,733	268,358
Program expenses	388,205	331,866
Rent	134,072	6,162
Professional fees	49,769	38,506
Amortization	18,405	6,466
Insurance	4,519	5,964
Community and ceremonial events	442	1,852
Governance	-	170
	<u>4,196,298</u>	<u>2,362,796</u>
(Deficiency) excess of revenue over expenses	<u>\$ (40,969)</u>	<u>\$ 177,707</u>
Net assets, beginning of year	\$ 180,338	\$ 2,631
Net assets, end of year	<u>\$ 139,369</u>	<u>\$ 180,338</u>

See accompanying notes to the financial statements.

Aboriginal Coalition to End Homelessness Society Statement of Cash Flows

Year ended March 31	2022	2021
Increase (decrease) in cash and cash equivalents		
Operating		
Excess of revenue over expenses	\$ (40,969)	\$ 177,707
Amortization	<u>18,405</u>	<u>6,466</u>
	<u>(22,564)</u>	<u>184,173</u>
Change in non-cash operating working capital		
Accounts receivable	(86,131)	(104,053)
Government remittances receivable	(19,974)	(9,121)
Prepaid expenses and deposits	(21,469)	(1,500)
Payables and accruals	217,347	96,876
Deferred contributions	<u>(193,594)</u>	<u>921,173</u>
	<u>(103,821)</u>	<u>903,375</u>
	<u>(126,385)</u>	<u>1,087,548</u>
Investing		
Purchase of tangible capital assets	<u>(32,835)</u>	<u>(44,721)</u>
	<u>(32,835)</u>	<u>(44,721)</u>
Net increase (decrease) in cash and cash equivalents	(159,220)	1,042,827
Cash and cash equivalents, beginning of year	<u>1,142,788</u>	<u>99,961</u>
Cash and cash equivalents, end of year	<u>\$ 983,568</u>	<u>\$ 1,142,788</u>

See accompanying notes to the financial statements.

Aboriginal Coalition to End Homelessness Society

Notes to the Financial Statements

March 31, 2022

1. Purpose of the Society

The Aboriginal Coalition to End Homelessness Society (the "Society") is incorporated under the British Columbia Societies Act as a not-for-profit organization and is non-taxable under Section 149 of the Income Tax Act. The Society's purposes are threefold: to develop, co-ordinate, and implement policies and practices to help provide homeless Aboriginal peoples with culturally appropriate housing and referral services; to construct, provide, maintain, lease, own and or manage affordable, culturally-supportive housing projects for Aboriginal people who are experiencing poverty; and, to educate the public about homelessness as experienced by Aboriginal peoples. The Society received status as a registered charity on April 1, 2017. Its activities are subsidized by the British Columbia Housing Management Commission ("BCHMC") and other government organizations.

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.

Rent received from tenants is recorded as revenue when housing has been provided for the period recognized.

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.

Aboriginal Coalition to End Homelessness Society

Notes to the Financial Statements

March 31, 2022

2. Summary of significant accounting policies (continued)

Amortization

Automobiles, computer equipment, furniture and equipment and kitchen equipment are stated at cost. Amortization is provided on the straight-line basis at the following rates:

Automobiles	3 years
Computer equipment	3 years
Furniture and equipment	5 years
Kitchen equipment	5 years

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.

Aboriginal Coalition to End Homelessness Society

Notes to the Financial Statements

March 31, 2022

				<u>2022</u>		<u>2021</u>		
				<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net book value</u>	<u>Net book value</u>	
Automobiles	\$	48,222	\$	15,370	\$	32,852	\$	18,334
Computer equipment		14,525		5,058		9,467		6,593
Furniture and equipment		7,085		2,126		4,959		6,376
Kitchen equipment		<u>7,724</u>		<u>2,317</u>		<u>5,407</u>		<u>6,952</u>
	\$	<u>77,556</u>	\$	<u>24,871</u>	\$	<u>52,685</u>	\$	<u>38,255</u>

Aboriginal Coalition to End Homelessness Society

Notes to the Financial Statements

March 31, 2022

4. Grants

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

	<u>2022</u>	<u>2021</u>
Government grants		
British Columbia Housing Management Commission	\$ 2,314,032	\$ 1,373,479
Capital Regional District	500,744	407,983
First Nations Health Authority	296,922	184,536
Government of Canada	74,812	72,534
Island Health	149,933	6084
Province of British Columbia	14,725	5,102
City of Victoria	3,470	2100
University of Victoria	107,252	
Union of British Columbia Municipalities	87,088	2975
	<u>\$ 3,548,978</u>	<u>\$ 2,054,793</u>
Contributions from other registered charities		
Victoria Foundation	\$ 174,906	\$ 171,509
Canadian Women's Foundation	65,520	-
United Way of Greater Victoria	41,629	46,932
The Social Planning and Research Council of B.C.	33,533	24,995
Real Estate Foundation of BC	33,067	-
Community Food Centres Canada	14,148	-
Indigenous Peoples Resilience Fund	12,069	-
Rotary Club of Victoria	9,000	-
Greater Victoria Coalition to End Homelessness Society	6,925	37,381
Oasis Society for Spiritual Healing	2,685	4,465
Other	675	2,854
Cool Aid Society	-	20,806
First Peoples Cultural Council	-	3,793
LUSH Charity Pot	-	3,062
	<u>\$ 394,157</u>	<u>\$ 315,797</u>

Aboriginal Coalition to End Homelessness Society

Notes to the Financial Statements

March 31, 2022

5. Deferred contributions

Deferred contributions consist of operating grant revenue received in advance and restricted contributions for which corresponding expenditures have not yet been incurred.

	<u>2022</u>	<u>2021</u>
Balance, beginning of year	\$ 1,130,679	\$ 209,506
Received during the year	<u>3,749,541</u>	<u>3,291,763</u>
	4,880,220	3,501,269
Less: recognized as revenue during the year	<u>(3,943,135)</u>	<u>(2,370,590)</u>
Balance, end of year	<u>\$ 937,085</u>	<u>\$ 1,130,679</u>

6. Economic dependence

The Society receives a substantial amount of its funding from government sources and is dependent upon this funding to maintain operations at current levels.

7. 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 the operations. Risks are managed within limits established by the Board of Directors and implemented by management. The carrying value of cash and cash equivalents, term deposits, accounts receivable, and payable 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.

8. Remuneration

Under the Societies Act of British Columbia, 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 and nine employees met this criterion, who were paid total remuneration of \$ 784,760.

9. Commitments

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

2023	\$ 67,639
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