



## Financial Statements

Aboriginal Coalition to End Homelessness  
Society

March 31, 2021

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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, 2021, 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 Aboriginal Coalition to End Homelessness Society as at March 31, 2021, 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.

### Emphasis of Matter – Comparative Information

We draw attention to Note 2 in the financial statements which describes that the Society adopted Canadian accounting standards for not-for-profit organizations on April 1, 2020 with a transition date of April 1, 2019. These standards were applied retrospectively by management to the comparative information in these financial statements, including the balance sheets as at March 31, 2020, and the statement of revenue over expenses and cash flows for the year ended March 31, 2020, and related disclosures. Our opinion is not modified in respect of this matter. We were not engaged to report on the comparative information, and as such, it is unaudited.

### 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  
July 22, 2021



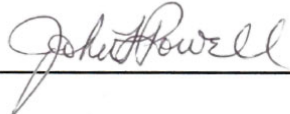
# Aboriginal Coalition to End Homelessness Society

## Statement of Financial Position

March 31	2021	2020 (Unaudited)
<b>Assets</b>		
Current		
Cash and cash equivalents	\$ 1,142,788	\$ 99,961
Accounts receivable	218,207	114,154
Government remittances receivable	9,978	857
Prepaid expenses and deposits	1,500	-
	<u>1,372,473</u>	<u>214,972</u>
Tangible capital assets (Note 4)	<u>38,255</u>	<u>-</u>
	<u>\$ 1,410,728</u>	<u>\$ 214,972</u>
<b>Liabilities</b>		
Current		
Payables and accruals	\$ 99,711	\$ 2,835
Deferred contributions (Note 6)	1,130,679	209,506
	<u>1,230,390</u>	<u>212,341</u>
<b>Net assets</b>		
Unrestricted	<u>180,338</u>	<u>2,631</u>
	<u>\$ 1,410,728</u>	<u>\$ 214,972</u>

Commitments (Note 9)

On behalf of the Board

  
 \_\_\_\_\_ Director

  
 \_\_\_\_\_ Director

See accompanying notes to the financial statements.

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

Year ended March 31	2021	2020 (Unaudited)
Balance, beginning of year	\$ 2,631	\$ (651)
Excess of revenue over expenses	<u>177,707</u>	<u>3,282</u>
Balance, end of year	<u>\$ 180,338</u>	<u>\$ 2,631</u>

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See accompanying notes to the financial statements.

## Aboriginal Coalition to End Homelessness Society Statement of Operations

Year ended March 31	2021	2020 (Unaudited)
Revenue		
Government grants (Note 5)	\$ 2,054,793	\$ 329,395
Contributions from other registered charities (Note 5)	315,797	191,609
Donations	94,753	40,626
Rental revenues	68,356	-
Membership fees	6,031	180
Interest	98	116
Other	675	-
	<b>\$ 2,540,503</b>	<b>\$ 561,926</b>
Expenses		
Wages and benefits	\$ 1,703,452	\$ 196,664
Program expenses	331,866	178,297
General administration	268,358	152,131
Professional fees	38,506	13,188
Amortization of capital assets	6,466	-
Rent	6,162	11,458
Insurance	5,964	1,736
Community and ceremonial events	1,852	4,741
Governance	170	429
	<b>2,362,796</b>	<b>558,644</b>
Excess of revenue over expenses	<b>\$ 177,707</b>	<b>\$ 3,282</b>

See accompanying notes to the financial statements.

# Aboriginal Coalition to End Homelessness Society

## Statement of Cash Flows

Year ended March 31	2021	2020 (Unaudited)
Increase (decrease) in cash and cash equivalents		
<b>Operating</b>		
Excess of revenue over expenses	\$ 177,707	\$ 3,282
Amortization	<u>6,466</u>	<u>-</u>
	<u>184,173</u>	<u>3,282</u>
Change in non-cash operating working capital		
Accounts receivable	(104,053)	(114,154)
Government remittances receivable	(9,121)	(857)
Prepaid expenses and deposits	(1,500)	-
Payables and accruals	96,876	256
Deferred contributions	<u>921,173</u>	<u>94,752</u>
	<u>903,375</u>	<u>(20,003)</u>
	<u>1,087,548</u>	<u>(16,721)</u>
<b>Investing</b>		
Purchase of tangible capital assets	<u>(44,721)</u>	<u>-</u>
	<u>(44,721)</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	1,042,827	(16,721)
Cash and cash equivalents, beginning of year	<u>99,961</u>	<u>116,682</u>
Cash and cash equivalents, end of year	<u>\$ 1,142,788</u>	<u>\$ 99,961</u>

See accompanying notes to the financial statements.



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# Aboriginal Coalition to End Homelessness Society

## Notes to the Financial Statements

March 31, 2021

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### 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.

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### 2. Impact of adopting accounting standards for not-for-profit organizations

Effective April 1, 2020 the Society adopted Canadian accounting standards for not-for-profit organizations ("ASNPO") with a transition date of April 1, 2019. These financial statements are the first prepared in accordance with these standards. The adoption of the ASNPO standards resulted in no adjustments to the previously reported assets, liabilities, net assets, excess of revenue over expenses and cash flows of the Society.

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### 3. 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.

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# Aboriginal Coalition to End Homelessness Society

## Notes to the Financial Statements

March 31, 2021

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### 3. 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, 2021

4. Tangible capital assets			<u>2021</u>	2020 (Unaudited)
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net book value</u>	<u>Net book value</u>
Automobiles	\$ 22,000	\$ 3,666	\$ 18,334	\$ -
Computer equipment	7,911	1,318	6,593	-
Furniture and equipment	7,085	709	6,376	-
Kitchen equipment	<u>7,724</u>	<u>772</u>	<u>6,952</u>	<u>-</u>
	<u>\$ 44,720</u>	<u>\$ 6,465</u>	<u>\$ 38,255</u>	<u>\$ -</u>

### 5. Grants

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

	<u>2021</u>	2020 (Unaudited)
<b>Government grants</b>		
British Columbia Housing Management Commission	\$ 1,373,479	\$ 63,555
Capital Regional District	407,983	70,791
First Nations Health Authority	184,536	8,147
Government of Canada	72,534	102,926
Island Health	6,084	-
Province of British Columbia	5,102	83,976
City of Victoria	2,100	-
University of Victoria	<u>2,975</u>	<u>-</u>
	<u>\$ 2,054,793</u>	<u>\$ 329,395</u>
<b>Contributions from other registered charities</b>		
Victoria Foundation	\$ 171,509	\$ 61,605
United Way of Greater Victoria	46,932	-
Greater Victoria Coalition to End Homelessness Society	37,381	-
The Social Planning and Research Council of B.C.	24,995	-
Cool Aid Society	20,806	6,678
Oasis Society for Spiritual Healing	4,465	-
First Peoples Cultural Council	3,793	24,839
LUSH Charity Pot	3,062	9,338
Other	<u>2,854</u>	<u>89,149</u>
	<u>\$ 315,797</u>	<u>\$ 191,609</u>

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# Aboriginal Coalition to End Homelessness Society

## Notes to the Financial Statements

March 31, 2021

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### 6. 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>2021</u>	<u>2020</u>
Balance, beginning of year	\$ 209,506	\$ 114,754
Received during the year	<u>3,291,763</u>	<u>482,636</u>
	<b>3,501,269</b>	597,390
Less: recognized as revenue during the year	<u>(2,370,590)</u>	<u>(387,884)</u>
Balance, end of year	<u>\$ 1,130,679</u>	<u>\$ 209,506</u>

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### 7. 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.

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### 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 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.

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### 9. 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 one employee met this criterion, who was paid total remuneration of \$114,987.

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# Aboriginal Coalition to End Homelessness Society

## Notes to the Financial Statements

March 31, 2021

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### 10. Commitments

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

2022	\$13,112
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### 11. COVID-19 Impact

The outbreak of a novel strain of coronavirus ("COVID-19") was declared a global pandemic by the World Health Organization in March 2020. COVID-19 has severely impacted many economies around the globe. In many countries, including Canada, businesses were forced to cease or limit operations for long periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

In response to the spread of COVID-19, the Society required some employees to work remotely and some program operations were modified by adapting the model in which they are operated to be compliant with government guidelines. Furthermore, additional funding was received to carry out programs created to respond to the impact of COVID-19.

The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of operations of the Society for future periods.

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### 12. Comparative information

Certain comparative information has been reclassified to conform with the financial statement presentation adopted in the current year.

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