



Financial Statements

Aboriginal Coalition to End Homelessness
Society

March 31, 2023

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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, 2023, 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, 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.

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
September 7, 2023



Chartered Professional Accountants

Aboriginal Coalition to End Homelessness Society

Statement of Financial Position

March 31	2023	2022
Assets		
Current		
Cash and cash equivalents	\$ 1,303,740	\$ 983,568
Accounts receivable	606,866	304,338
Government remittances receivable	19,169	29,952
Prepaid expenses and deposits	<u>28,942</u>	<u>22,969</u>
	1,958,717	1,340,827
Tangible capital assets (Note 3)	<u>37,329</u>	<u>52,686</u>
	\$ 1,996,046	\$ 1,393,513
Liabilities		
Current		
Payables and accruals	\$ 344,445	\$ 317,058
Deferred contributions (Note 5)	<u>1,508,877</u>	<u>937,085</u>
	1,853,322	1,254,143
Net assets		
Unrestricted	<u>142,724</u>	<u>139,370</u>
	\$ 1,996,046	\$ 1,393,513

Commitments (Note 9)

On behalf of the Board

 Director

 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	2023	2022
Revenue		
Government grants (Note 4)	\$ 4,495,639	\$ 3,548,978
Contributions from other registered charities (Note 4)	689,919	394,157
Donations	174,677	93,239
Rental revenues	95,043	118,835
Program revenues	6,329	-
Membership fees	165	120
	<u>5,461,772</u>	<u>4,155,329</u>
	\$	\$
Expenses		
Wages and benefits	\$ 4,137,337	\$ 3,185,153
General administration	481,641	391,751
Program expenses	543,507	446,420
Rent	237,724	98,264
Professional fees	10,613	49,769
Amortization	24,617	18,405
Governance	11,627	521
Insurance	8,498	6,013
Community and ceremonial events	2,854	-
	<u>5,458,418</u>	<u>4,196,297</u>
Excess (deficiency) of revenue over expenses	\$ <u>3,354</u>	\$ <u>(40,968)</u>
Net assets, beginning of year	\$ 139,370	\$ 180,338
Net assets, end of year	<u>\$ 142,724</u>	<u>\$ 139,370</u>

See accompanying notes to the financial statements.

Aboriginal Coalition to End Homelessness Society Statement of Cash Flows

Year ended March 31	2023	2022
Increase (decrease) in cash and cash equivalents		
Operating		
Excess (deficiency) of revenue over expenses	\$ 3,354	\$ (40,969)
Amortization	<u>24,617</u>	<u>18,405</u>
	<u>27,971</u>	<u>(22,564)</u>
Change in non-cash operating working capital		
Accounts receivable	(302,528)	(86,131)
Government remittances receivable	10,783	(19,974)
Prepaid expenses and deposits	(5,973)	(21,469)
Payables and accruals	27,387	217,347
Deferred contributions	<u>571,792</u>	<u>(193,594)</u>
	<u>301,462</u>	<u>(103,821)</u>
	<u>329,433</u>	<u>(126,385)</u>
Investing		
Purchase of tangible capital assets	<u>(9,261)</u>	<u>(32,835)</u>
	<u>(9,261)</u>	<u>(32,835)</u>
Net increase (decrease) in cash and cash equivalents	320,172	(159,220)
Cash and cash equivalents, beginning of year	<u>983,568</u>	<u>1,142,788</u>
Cash and cash equivalents, end of year	<u>\$ 1,303,740</u>	<u>\$ 983,568</u>

See accompanying notes to the financial statements.

Aboriginal Coalition to End Homelessness Society

Notes to the Financial Statements

March 31, 2023

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, 2023

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, 2023

3. Tangible capital assets				<u>2023</u>	<u>2022</u>
		<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net book value</u>	<u>Net book value</u>
Automobiles	\$ 49,490	\$ 31,514	\$ 17,976	\$ 32,852	
Computer equipment	22,517	10,568	11,949	9,467	
Furniture and equipment	7,085	3,543	3,542	4,960	
Kitchen equipment	<u>7,724</u>	<u>3,862</u>	<u>3,862</u>	<u>5,407</u>	
	<u>\$ 86,816</u>	<u>\$ 49,487</u>	<u>\$ 37,329</u>	<u>\$ 52,686</u>	

Aboriginal Coalition to End Homelessness Society

Notes to the Financial Statements

March 31, 2023

4. Government grants and contributions from other charities

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

	<u>2023</u>	<u>2022</u>
Government grants		
British Columbia Housing Management Commission	\$ 2,874,397	\$ 2,314,032
Union of British Columbia Municipalities	456,066	87,088
Island Health	236,716	149,933
Department of Women and Gender Equity	187,037	-
University of Victoria	180,776	107,252
Capital Regional District	169,788	500,744
First Nations Health Authority	163,633	296,922
City of Victoria	100,000	3,470
Department of Justice	74,670	-
Government of Canada	52,558	74,812
Province of British Columbia	-	14,725
	<u>\$ 4,495,639</u>	<u>\$ 3,548,978</u>
Contributions from other registered charities		
Victoria Foundation	\$ 161,568	\$ 174,906
Victoria Native Friendship Centre	136,929	
Canadian Women's Foundation	130,738	65,520
Vancouver Native Friendship Centre	49,940	-
Indigenous Services Canada	43,331	-
Canada Housing and Mortgage Corporation	39,852	-
The Social Planning and Research Council of B.C.	29,173	33,533
AVI Health & Community Services	25,974	-
BC Association of Aboriginal Friendship Centres	15,207	-
Real Estate Foundation of BC	13,353	33,067
Other	13,341	675
BC Alliance for Healthy Living Society	9,009	-
National Association of Friendship Centres	8,944	-
Community Food Centres Canada	5,852	14,148
United Way of Greater Victoria	4,663	41,629
Oasis Society for Spiritual Healing	2,045	2,685
Indigenous Peoples Resilience Fund	-	12,069
Rotary Club of Victoria	-	9,000
Greater Victoria Coalition to End Homelessness Society	-	6,925
	<u>\$ 689,919</u>	<u>\$ 394,157</u>

Aboriginal Coalition to End Homelessness Society

Notes to the Financial Statements

March 31, 2023

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>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 937,085	\$ 1,130,679
Received during the year	<u>5,757,350</u>	<u>3,749,541</u>
	6,694,435	4,880,220
Less: recognized as revenue during the year	<u>(5,185,558)</u>	<u>(3,943,135)</u>
Balance, end of year	<u>\$ 1,508,877</u>	<u>\$ 937,085</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 three employees met this criterion, who were paid total remuneration of \$ 277,386.

Aboriginal Coalition to End Homelessness Society

Notes to the Financial Statements

March 31, 2023

9. Commitments

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

2024	\$ 178,482
2025	178,482
2026	181,639
2027	184,796
2028	120,811

10. Related parties

The Company purchased accounting services totaling \$24,806 from a company controlled by one of the Board of Directors. The amounts purchased are part of the normal course of operations and are measured at the exchange amount.
