



## Financial Statements

Aboriginal Coalition to End Homelessness  
Society

March 31, 2024

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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, 2024, 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, 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.

## 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:

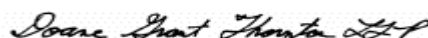
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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  
October 7, 2024



Chartered Professional Accountants


# Aboriginal Coalition to End Homelessness Society

## Statement of Financial Position


March 31	2024	2023
<b>Assets</b>		
Current		
Cash and cash equivalents	\$ 2,161,083	\$ 1,303,740
Accounts receivable	532,419	606,866
Government remittances receivable	55,717	19,169
Prepaid expenses and deposits	<u>50,174</u>	<u>28,942</u>
	<b>2,799,393</b>	<b>1,958,717</b>
Tangible capital assets (Note 3)	<u>1,293,123</u>	<u>37,329</u>
	<b>\$ 4,092,516</b>	<b>\$ 1,996,046</b>
<b>Liabilities</b>		
Current		
Payables and accruals (Note 4)	\$ 433,334	\$ 344,445
Deferred contributions (Note 6)	2,465,547	1,508,877
Current portion of long-term debt (Note 7)	<u>16,846</u>	<u>-</u>
	<b>2,915,727</b>	<b>1,853,322</b>
Long-term debt (Note 7)	866,110	-
	<u>3,781,837</u>	<u>1,853,322</u>
<b>Net assets</b>		
Unrestricted	<u>310,679</u>	<u>142,724</u>
	<b>\$ 4,092,516</b>	<b>\$ 1,996,046</b>

Commitments (Note 11)

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	2024	2023
<b>Revenue</b>		
Government grants (Note 5)	\$ 5,597,252	\$ 4,495,639
Contributions from other registered charities (Note 5)	921,935	689,919
Donations	114,821	174,677
Rental revenues	644,071	95,043
Other	32,918	6,329
Membership fees	<u>205</u>	<u>165</u>
	<b>\$ 7,311,202</b>	<b>\$ 5,461,772</b>
<b>Expenses</b>		
Wages and benefits	\$ 4,772,692	\$ 3,868,990
General administration	804,461	723,504
Program expenses	1,008,504	543,507
Rent	318,560	237,724
Professional fees	130,257	33,927
Amortization	45,979	24,617
Interest and bank charges	30,405	3,170
Insurance	25,966	8,498
Community and ceremonial events	3,520	2,854
Governance	<u>2,903</u>	<u>11,627</u>
	<b>7,143,247</b>	<b>5,458,418</b>
Excess of revenue over expenses	<b>\$ 167,955</b>	<b>\$ 3,354</b>
Net assets, beginning of year	<b>\$ 142,724</b>	<b>\$ 139,370</b>
Net assets, end of year	<b>\$ 310,679</b>	<b>\$ 142,724</b>

See accompanying notes to the financial statements.

## Aboriginal Coalition to End Homelessness Society Statement of Cash Flows

Year ended March 31	2024	2023
Increase (decrease) in cash and cash equivalents		
<b>Operating</b>		
Excess (deficiency) of revenue over expenses	\$ 167,955	\$ 3,354
Amortization	45,979	24,617
	<u>213,934</u>	<u>27,971</u>
Change in non-cash operating working capital		
Accounts receivable	74,447	(302,528)
Government remittances receivable	(36,548)	10,783
Prepaid expenses and deposits	(21,232)	(5,973)
Payables and accruals	88,889	27,387
Deferred contributions	956,670	571,792
	<u>1,062,226</u>	<u>301,462</u>
	<u>1,276,160</u>	<u>329,433</u>
<b>Financing</b>		
Proceeds from long-term debt	892,500	-
Repayment of long-term debt	(9,544)	-
	<u>882,956</u>	<u>-</u>
<b>Investing</b>		
Purchase of tangible capital assets	(1,301,773)	(9,261)
	<u>(1,301,773)</u>	<u>(9,261)</u>
Net increase (decrease) in cash and cash equivalents	857,343	320,172
Cash and cash equivalents, beginning of year	<u>1,303,740</u>	<u>983,568</u>
Cash and cash equivalents, end of year	\$ <u>2,161,083</u>	\$ <u>1,303,740</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, 2024

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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. 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, 2024

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### 2. Summary of significant accounting policies (continued)

#### Tangible capital assets

Automobiles, building, computer equipment, furniture and equipment and kitchen equipment are stated at cost. Amortization is provided at the following rates:

Automobiles	3 years straight line
Building	4% declining balance
Computer equipment	3 years straight line
Furniture and equipment	5 years straight line
Kitchen equipment	5 years straight line

#### 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.

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## Aboriginal Coalition to End Homelessness Society

### Notes to the Financial Statements

March 31, 2024

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#### 3. Tangible capital assets

			<u>2024</u>	<u>2023</u>
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net book value</u>	<u>Net book value</u>
Automobiles	\$ 146,846	\$ 60,570	\$ 86,276	\$ 17,976
Building	168,000	6,720	161,280	-
Computer equipment	25,680	17,810	7,870	11,949
Furniture and equipment	7,085	4,960	2,125	3,542
Land	1,033,255	-	1,033,255	-
Kitchen equipment	<u>7,724</u>	<u>5,407</u>	<u>2,317</u>	<u>3,862</u>
	<u>\$ 1,388,590</u>	<u>\$ 95,467</u>	<u>\$ 1,293,123</u>	<u>\$ 37,329</u>

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#### 4. Payables and accruals

There are \$46,328 of government remittances included in payables and accruals (2023-\$10,770).

# Aboriginal Coalition to End Homelessness Society

## Notes to the Financial Statements

March 31, 2024

### 5. 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>2024</u>	<u>2023</u>
<b>Government grants</b>		
British Columbia Housing Management Commission	\$ 3,282,711	\$ 2,874,397
Union of British Columbia Municipalities	32,913	456,066
Island Health	513,328	236,716
Department of Women and Gender Equity	213,019	187,037
University of Victoria	286,533	180,776
Capital Regional District	145,833	169,788
First Nations Health Authority	381,809	163,633
City of Victoria	99,997	100,000
Department of Justice	295,984	74,670
Government of Canada	191,201	52,558
Province of British Columbia	153,925	-
	<u>\$ 5,597,252</u>	<u>\$ 4,495,639</u>
<b>Contributions from other registered charities</b>		
Victoria Foundation	\$ 55,991	\$ 161,568
Victoria Native Friendship Centre	354,593	136,929
Canadian Women's Foundation	-	130,738
Vancouver Native Friendship Centre	-	49,940
Indigenous Services Canada	-	43,331
Canada Mortgage and Housing Corporation	148	39,852
The Social Planning and Research Council of B.C.	68,503	29,173
AVI Health & Community Services	-	25,974
BC Association of Aboriginal Friendship Centres	-	15,207
Real Estate Foundation of BC	35,798	13,353
Other	42,840	13,341
Telus	10,000	-
Surrounded by Cedar Child & Family Services	224,629	-
Federation of Canadian Municipalities	14,661	-
First Peoples' Cultural Council	9,866	-
Vancity Community Investment Team	10,133	-
National Indigenous Collaborative Housing Inc.	4,952	-
BC Alliance for Healthy Living Society	34,191	9,009
National Association of Friendship Centres	35,045	8,944
Community Food Centres Canada	-	5,852
United Way of Greater Victoria	-	4,663
Oasis Society for Spiritual Healing	-	2,045
Indigenous Peoples Resilience Fund	20,586	-
	<u>\$ 921,935</u>	<u>\$ 689,919</u>

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# Aboriginal Coalition to End Homelessness Society

## Notes to the Financial Statements

March 31, 2024

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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>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 1,508,877	\$ 937,085
Received during the year	<u>7,546,320</u>	<u>5,757,350</u>
	<b>9,055,197</b>	6,694,435
Less: recognized as revenue during the year	<u>(6,589,650)</u>	<u>(5,185,558)</u>
Balance, end of year	<u>\$ 2,465,547</u>	<u>\$ 1,508,877</u>

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### 7. Long-term debt

	<u>2024</u>	<u>2023</u>
Vancity Savings Credit Union, mortgage payable in monthly instalments of \$5,707 including interest at 6%, due August 31, 2028	\$ <u>882,956</u>	\$ <u>-</u>
Less: current portion	<u>16,846</u>	<u>-</u>
Due beyond once year	<u>\$ 866,110</u>	<u>\$ -</u>
Estimated principal repayments are as follows:		
2025	\$ 16,846	
2026	17,617	
2027	18,690	
2028	19,728	
2029	<u>810,075</u>	
	<u>\$ 882,956</u>	

The Vancity Savings Credit Union loan is secured by a Borrowing Resolution made by the directors of the Society, general security agreement, environmental indemnity agreement, and all indebtedness and assignment of rents on the real property located at 2584 Adelaide Avenue. The real property has a total carrying value of \$1,194,535.

The mortgage is subject to certain financial covenants. As of March 31, 2024, the Society was in compliance with the Debt Service Coverage ratio.

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# Aboriginal Coalition to End Homelessness Society

## Notes to the Financial Statements

March 31, 2024

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### 8. 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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### 9. 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.

The Society is also exposed to interest rate risk. Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Society is exposed to interest rate risk arising on its interest-bearing assets and liabilities. The Society's cash includes amounts held by financial institutions that earn interest at market rates. The Society is also exposed to interest rate cash flow risk on its long-term debt as the required cash flows to service the debt will fluctuate as a result of changes in market rates.

Unless otherwise noted, it is management's opinion that the Society is not exposed to significant currency or credit risk arising from these financial instruments.

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### 10. 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 (2023: \$nil) and six employees (2023: three) met this criterion, who were paid total remuneration of \$567,331 (2023: \$277,386).

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### 11. Commitments

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

2025	\$ 153,899
2026	78,567
2027	78,567
2028	21,741
2029	21,741

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# Aboriginal Coalition to End Homelessness Society

## Notes to the Financial Statements

March 31, 2024

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### 12. Related parties

The Company purchased accounting services totaling \$nil (2023: \$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.

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