



Financial Statements

Aboriginal Coalition to End Homelessness
Society

March 31, 2025

Contents

	Page
Independent Auditors' Report	1-2
Statement of Financial Position	3
Statement of Operations and Changes in Net Assets	4
Statement of Cash Flows	5
Notes to the Financial Statements	6-13

Independent Auditors' Report

Doane 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 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, 2025, 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, 2025, 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 25, 2025

Doane Grant Thornton LLP

Chartered Professional Accountants

Aboriginal Coalition to End Homelessness Society

Statement of Financial Position

March 31	2025	2024
Assets		
Current		
Cash and cash equivalents	\$ 390,195	\$ 2,161,083
Short term investments	2,910,000	-
Accounts receivable	503,722	532,419
GST receivable	23,628	55,717
Prepaid expenses and deposits	76,504	50,174
	3,904,049	2,799,393
Tangible capital assets (Note 3)	1,295,593	1,293,123
	\$ 5,199,642	\$ 4,092,516
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 4)	\$ 703,791	\$ 433,334
Deferred contributions (Note 6)	2,496,863	2,465,547
Current portion of long-term debt (Note 7)	17,356	16,846
	3,218,010	2,915,727
Long-term debt (Note 7)	848,997	866,110
	4,067,007	3,781,837
Net assets		
Unrestricted	1,132,635	310,679
	\$ 5,199,642	\$ 4,092,516

Commitments (Note 11)

On behalf of the Board



Director

Ruth Young



Director

Britt Goud

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	2025	2024
Revenue		
Government grants (Note 5)	\$ 6,446,149	\$ 5,597,400
Contributions from other registered charities and funders (Note 5)	2,245,808	921,787
Rental revenues	979,413	644,071
Donations	105,733	114,821
Interest	85,345	-
Other	39,325	32,918
Membership fees	<u>160</u>	<u>205</u>
	\$ 9,901,933	\$ 7,311,202
Expenses		
Wages and benefits	\$ 5,912,993	\$ 4,772,692
Program expenses	1,916,923	1,008,504
General administration	647,906	804,461
Rent	310,937	318,560
Professional fees	139,725	130,257
Amortization	60,477	45,979
Interest and bank charges	51,970	30,405
Insurance	29,039	25,966
Governance	7,461	2,903
Community and ceremonial events	<u>2,546</u>	<u>3,520</u>
	9,079,977	7,143,247
Excess of revenue over expenses	\$ 821,956	\$ 167,955
Net assets, beginning of year	\$ 310,679	\$ 142,724
Net assets, end of year	\$ 1,132,635	\$ 310,679

See accompanying notes to the financial statements.

Aboriginal Coalition to End Homelessness Society

Statement of Cash Flows

Year ended March 31	2025	2024
Increase (decrease) in cash and cash equivalents		
Operating		
Excess (deficiency) of revenue over expenses	\$ 821,956	\$ 167,955
Amortization	60,477	45,979
	<u>882,433</u>	<u>213,934</u>
Change in non-cash operating working capital		
Accounts receivable	28,697	74,447
Government remittances receivable	32,089	(36,548)
Prepaid expenses and deposits	(26,330)	(21,232)
Accounts payable and accrued liabilities	270,457	88,889
Deferred contributions	31,316	956,670
	<u>336,229</u>	<u>1,062,226</u>
	<u>1,218,662</u>	<u>1,276,160</u>
Financing		
Proceeds from long-term debt	-	892,500
Repayment of long-term debt	(16,604)	(9,544)
	<u>(16,604)</u>	<u>882,956</u>
Investing		
Purchase of short term investments	(2,910,000)	-
Purchase of tangible capital assets	(62,946)	(1,301,773)
	<u>(2,972,946)</u>	<u>(1,301,773)</u>
Net (decrease) increase in cash and cash equivalents	(1,770,888)	857,343
Cash and cash equivalents, beginning of year	<u>2,161,083</u>	<u>1,303,740</u>
Cash and cash equivalents, end of year	\$ <u>390,195</u>	\$ <u>2,161,083</u>

See accompanying notes to the financial statements.

Aboriginal Coalition to End Homelessness Society

Notes to the Financial Statements

March 31, 2025

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 the 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.

Interest income from term deposits is recognized in the period that it is earned.

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.

Short term investments

Short term investments are comprised of term deposits with original maturities greater than three months. The Society holds excess cash in these investments to generate interest income for operations.

Aboriginal Coalition to End Homelessness Society

Notes to the Financial Statements

March 31, 2025

2. Summary of significant accounting policies (continued)

Tangible capital assets

Tangible capital assets are accounted for at cost and subsequently measured at cost less accumulated amortization. Contributed tangible capital assets are recorded at their fair values as at the date of contribution.

Amortization is recognized 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

Impairment of long-lived assets

The Society tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

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 considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The Society accounts for the following as financial instruments:

- cash and cash equivalents
- short term investments
- accounts receivable
- accounts payable and accrued liabilities

Aboriginal Coalition to End Homelessness Society

Notes to the Financial Statements

March 31, 2025

2. Summary of significant accounting policies (continued)

Financial instruments (continued)

Initial measurement

The Society initially measures financial assets and financial liabilities originating, acquired, issued or assumed in arm's length transactions at fair value.

Subsequent measurement

In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost and assessed for indicators of impairment at each reporting date. Financing fees and transaction costs related to the origination, acquisition, issuance or assumption of financial assets and financial liabilities, subsequently measured at cost or amortized cost, are included as part of the adjusted fair value of the financial asset or financial liability on initial measurement. Subsequent to initial measurement the fees and costs are amortized into net income on a straight-line basis over the term of the related debt. All other transaction costs are recognized in net income in the period incurred.

Derecognition

The Society removes financial liabilities, or a portion of, when the obligation is discharged, cancelled or expires.

Impairment

Financial assets measured at cost or amortized cost are tested for impairment when indicators of impairment exist at the end of the reporting period. Previously recognized impairment losses are reversed to the extent of the improvement provided the financial asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in net income.

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, 2025

3. Tangible capital assets

			<u>2025</u>	<u>2024</u>
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net book value</u>	<u>Net book value</u>
Automobiles	\$ 199,222	\$ 106,545	\$ 92,677	\$ 86,275
Building	168,000	13,440	154,560	161,280
Computer equipment	29,369	22,630	6,739	7,870
Furniture and equipment	11,128	6,377	4,751	2,126
Land	1,033,255	-	1,033,255	1,033,255
Kitchen equipment	<u>10,563</u>	<u>6,952</u>	<u>3,611</u>	<u>2,317</u>
	<u>\$ 1,451,537</u>	<u>\$ 155,944</u>	<u>\$ 1,295,593</u>	<u>\$ 1,293,123</u>

4. Accounts payable and accrued liabilities

There following balances are included in accounts payable and accrued liabilities:

		<u>2025</u>		<u>2024</u>
Trade payables and accruals	\$	384,360	\$	134,924
Salaries payable		255,590		252,082
Government remittances payable		<u>63,841</u>		<u>46,328</u>
	\$	<u>703,791</u>	\$	<u>433,334</u>

Aboriginal Coalition to End Homelessness Society

Notes to the Financial Statements

March 31, 2025

5. Government grants and contributions from other charities

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

	<u>2025</u>	<u>2024</u>
Government grants		
British Columbia Housing Management Commission	\$ 4,574,030	\$ 3,282,711
Island Health	662,558	513,328
First Nations Health Authority	313,199	381,809
Capital Regional District	159,417	145,833
Province of British Columbia	150,443	153,925
Department of Justice	132,103	295,984
University of Victoria	114,251	286,533
Indigenous Services Canada	106,825	-
City of Victoria	101,563	99,997
Department of Women and Gender Equity	100,653	213,019
Government of Canada	31,107	191,201
Union of British Columbia Municipalities	-	32,913
Canada Mortgage and Housing Corporation	-	148
	<u>\$ 6,446,149</u>	<u>\$ 5,597,400</u>
Contributions from other registered charities and funders		
Surrounded by Cedar Child & Family Services	\$ 1,169,601	\$ 224,629
National Indigenous Collaborative Housing Inc.	691,093	4,952
Victoria Native Friendship Centre	195,814	354,593
Other	94,806	42,840
Victoria Foundation	46,213	55,991
United Way of Greater Victoria	30,000	-
Real Estate Foundation of BC	9,506	35,798
First Peoples' Cultural Council	5,792	9,866
Indigenous Peoples Resilience Fund	2,982	20,586
The Social Planning and Research Council of B.C.	-	68,503
National Association of Friendship Centres	-	35,045
BC Alliance for Healthy Living Society	-	34,191
Federation of Canadian Municipalities	-	14,661
Vancity Community Investment Team	-	10,133
Telus	-	10,000
	<u>\$ 2,245,808</u>	<u>\$ 921,787</u>

Aboriginal Coalition to End Homelessness Society

Notes to the Financial Statements

March 31, 2025

6. Deferred contributions

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

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ 2,465,547	\$ 1,508,877
Received during the year	<u>9,320,019</u>	<u>7,546,320</u>
	11,785,566	9,055,197
Less: recognized as revenue during the year	<u>(9,288,703)</u>	<u>(6,589,650)</u>
Balance, end of year	\$ <u>2,496,863</u>	\$ <u>2,465,547</u>

7. Long-term debt

	<u>2025</u>	<u>2024</u>
Vancity Savings Credit Union, mortgage payable in weekly instalments of \$1,307 including interest at 6%. The loan matures on August 31, 2028.	\$ <u>866,353</u>	\$ <u>882,956</u>
Less: current portion	<u>17,356</u>	<u>16,846</u>
Due beyond once year	\$ <u>848,997</u>	\$ <u>866,110</u>

Estimated principal repayments are as follows:

2026	18,410
2027	19,559
2028	11,476
2029	<u>799,553</u>
	\$ <u>848,997</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 \$1,187,815.

The mortgage is subject to certain financial covenants. As of March 31, 2025, the Society was in compliance with the Debt Service Coverage ratio and the minimum deposit requirements.

Aboriginal Coalition to End Homelessness Society

Notes to the Financial Statements

March 31, 2025

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.

9. Financial instruments

The Society is exposed to various risks through its financial instruments. The following analysis provides information about the Society's risk exposure and concentration as of March 31, 2025.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Association is exposed to credit risk from tenants, however, the Society has a significant number of tenants which minimizes concentration of credit risk.

Currency risk

Currency risk is the risk to the Society's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Society does not perform significant transactions in foreign currencies and is not exposed to significant currency risk.

Interest rate risk

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.

Liquidity risk

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 accounts payable and accrued liabilities approximates fair value due to the relatively short-term maturity of these financial instruments.

Aboriginal Coalition to End Homelessness Society

Notes to the Financial Statements

March 31, 2025

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 (2024: nil). Nine employees (2024: six) met the threshold during the fiscal year, who were paid total remuneration of \$813,673 (2024: \$567,331). One contractor (2024: nil) also met the threshold during the fiscal year and received total remuneration of \$124,905 (2024: nil).

11. Commitments

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

2026	\$	90,700
2027		56,826
2028		<u>52,091</u>
	\$	<u>199,616</u>
