



Financial Statements

Victoria Sexual Assault Centre Society

March 31, 2023

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Independent Auditors' Report

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To the members of the Victoria Sexual Assault Centre Society

Opinion

We have audited the financial statements of Victoria Sexual Assault Centre Society ("the Society"), which comprise the statement of financial position as at March 31, 2023, and the consolidated 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 Victoria Sexual Assault Centre Society as at March 31, 2023, and its results of its 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.

Auditor's 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, these accounting principles have been applied on a basis consistent with that of the preceding year.

Victoria, Canada
August 28, 2023



Chartered Professional Accountants

Victoria Sexual Assault Centre Society

Statement of Operations

Year ended March 31

| | Operating Funds | | Restricted Funds | | Total | |
|--|-----------------|--------------|------------------|-------------|--------------|--------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| Revenue | | | | | | |
| Grants, donations and fundraising | \$ 1,397,106 | \$ 1,588,075 | \$ - | \$ - | \$ 1,397,106 | \$ 1,588,076 |
| Bequests | - | 34,409 | - | - | - | 34,409 |
| Contract revenue | 753,815 | 729,170 | - | - | 753,815 | 729,170 |
| Fees and compensation | 1,989 | 1,370 | - | - | 1,989 | 1,370 |
| Other | 35,611 | 8,869 | - | - | 35,611 | 8,869 |
| | 2,188,521 | 2,361,893 | - | - | 2,188,521 | 2,361,894 |
| Expenditures | | | | | | |
| Operating costs (Page 13) | 2,235,004 | 2,188,120 | 19,265 | 20,082 | 2,254,269 | 2,208,202 |
| Excess (deficiency) of revenue over expenditures before amortization | (46,483) | 173,773 | (19,265) | (20,082) | (65,748) | 153,692 |
| Amortization | - | - | 29,620 | 29,169 | 29,620 | 29,169 |
| Excess (deficiency) of revenue over expenditures | \$ (46,483) | \$ 173,773 | \$ (48,885) | \$ (49,251) | \$ (95,368) | \$ 124,523 |

See accompanying notes to the financial statements.

Victoria Sexual Assault Centre Society

Statement of Financial Position

Year ended March 31

2023

2022

| | Operating Fund | Restricted Funds | Total | Total |
|---|-------------------|---------------------|---------------------|---------------------|
| Assets | | | | |
| Current | | | | |
| Cash | \$ 738,514 | \$ 225,000 | \$ 963,514 | \$ 1,154,484 |
| Receivables (Note 3) | 8,193 | - | 8,193 | 61,032 |
| Prepays | 9,711 | - | 9,711 | 9,261 |
| Term deposit | - | 100,000 | 100,000 | 100,000 |
| | <u>756,418</u> | <u>325,000</u> | <u>1,081,418</u> | <u>1,324,777</u> |
| Capital assets (Note 4) | - | 565,251 | 565,251 | 594,870 |
| | <u>\$ 756,418</u> | <u>\$ 890,251</u> | <u>\$ 1,646,669</u> | <u>\$ 1,919,647</u> |
| Liabilities | | | | |
| Current | | | | |
| Payables and accruals | \$ 57,014 | \$ - | \$ 57,014 | \$ 35,374 |
| Accrued wages and vacation pay | 60,897 | - | 60,897 | 116,064 |
| Deferred contributions (Note 6) | 369,872 | - | 369,872 | 495,743 |
| Current portion of long-term debt (Note 5) | - | 408,279 | 408,279 | 17,996 |
| | <u>487,783</u> | <u>408,279</u> | <u>896,062</u> | <u>665,177</u> |
| Long term debt (Note 5) | - | - | - | 408,495 |
| | <u>487,783</u> | <u>408,279</u> | <u>896,062</u> | <u>1,073,672</u> |
| Net Assets | | | | |
| Invested in capital assets | - | 156,972 | 156,972 | 168,379 |
| Unrestricted | 268,635 | - | 268,635 | 352,596 |
| Internally restricted | - | 325,000 | 325,000 | 325,000 |
| | <u>268,635</u> | <u>481,972</u> | <u>750,607</u> | <u>845,975</u> |
| | <u>\$ 756,418</u> | <u>\$ 890,251</u> | <u>\$ 1,646,669</u> | <u>\$ 1,919,647</u> |

Commitments and economic dependence (Notes 9 and 11)

On behalf of the Board



Director



Digitally signed by Sara Beam
Date: 2023.09.05 17:15:13
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Director

See accompanying notes to the financial statements.

Victoria Sexual Assault Centre Society

Statement of Changes in Net Assets

Year Ended March 31

2023

2022

| | | Restricted Funds | | | |
|--|-------------------|-----------------------------------|----------------------------------|--------------------------|-------------------|
| | Operating Fund | Internally Restricted Funds | Invested in Capital Assets | Total | Total |
| Net assets, beginning of year | \$ 352,596 | \$ 325,000 | 168,379 | \$ 845,975 | \$ 721,452 |
| Excess (deficiency) of revenue over expenditures | (46,483) | - | (48,885) | (95,368) | 124,523 |
| Interfund transfers (Note 14) | <u>(37,478)</u> | <u>-</u> | <u>37,478</u> | <u>-</u> | <u>-</u> |
| Net assets, end of year | \$ <u>268,635</u> | \$ <u>325,000</u> | \$ <u>156,972</u> | \$ <u>750,607</u> | \$ <u>845,975</u> |

See accompanying notes to the financial statements.

Victoria Sexual Assault Centre Society

Statement of Cash Flows

Year ended March 31

2023

2022

Increase (decrease) in cash and cash equivalents

Operating

| | | |
|--|-----------------|----------------|
| Excess (deficiency) of revenue over expenditures | \$ (95,368) | \$ 124,523 |
| Amortization | 29,620 | 29,169 |
| | <u>(65,748)</u> | <u>153,692</u> |

| | | |
|---|------------------|----------------|
| Change in non-cash operating working capital (Note 7) | <u>(107,009)</u> | <u>170,187</u> |
|---|------------------|----------------|

(172,757) 323,879

Financing

| | | |
|-----------------------------|----------|----------|
| Repayment of long term debt | (18,213) | (17,392) |
|-----------------------------|----------|----------|

Investing

| | | |
|----------------------------|----------|----------------|
| Purchase of capital assets | - | (8,443) |
| | <u>-</u> | <u>(8,443)</u> |

Net increase in cash (190,970) 298,044

Cash, beginning of year 1,154,484 856,440

Cash, end of year \$ 963,514 \$ 1,154,484

Supplemental cash flow information

| | | |
|---------------|-----------|-----------|
| Interest paid | \$ 19,265 | \$ 20,082 |
|---------------|-----------|-----------|

See accompanying notes to the financial statements.

Victoria Sexual Assault Centre Society

Notes to the Financial Statements

March 31, 2023

1. Purpose of the Society

The purpose of the Victoria Sexual Assault Centre Society (the "Society") is to support, empower and advocate for women and trans* community members who are survivors of sexual assault and sexual abuse; and to work towards the prevention of (sexual) violence.

The Society is incorporated under the Society Act of British Columbia and has been approved by Revenue Canada Taxation as a registered charity under paragraph 149(1)(f) of the Income Tax Act of Canada, subject to compliance with the rules contained therein.

Effective February 21, 2014, the Society legally changed its name from "Victoria Women's Sexual Assault Centre Society" to "Victoria Sexual Assault Centre Society".

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 ("ASNPO").

The Society follows the deferral method of accounting for contributions and records its activities in the following funds:

The *Operating Fund* accounts for the Society's fundraising grant and program operations.

The *Restricted Funds* include the following:

- The General Contingency Fund provides for unforeseen expenditures that may be necessary to maintain the Society's obligations to its clients and staff.
- The Capital Fund reports transactions related to the Society's capital assets.

Revenue recognition

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions are recognized as revenues in the year in which the related expenses are incurred. Contributions restricted for the purpose of acquiring capital assets are recorded as deferred capital contributions and are amortized into revenue over the useful lives of the corresponding assets acquired.

Victoria Sexual Assault Centre Society

Notes to the Financial Statements

March 31, 2023

2. Summary of significant accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks, net of bank overdrafts, and highly liquid temporary money market instruments with original maturities of three months or less. Bank borrowings are considered to be financing activities.

Amortization

Rates and bases applied to write off the cost less estimated salvage value of capital assets over their estimated useful lives are as follows:

| | |
|-------------------------|---------------------------|
| Building | - 25 years, straight-line |
| Website | - 3 years, straight-line |
| Computer equipment | - 5 years, straight-line |
| Furniture and equipment | - 5 years, straight-line |
| Leasehold improvements | - 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 period. Such estimates include accrual of receivables, amortization of capital assets and accrual of payables and accruals. Actual results could differ from these estimates. estimates

Financial instruments

The Society's financial instruments consist of cash and cash equivalents, receivables, payables and accruals, accrued wages and vacation pay and long term debt. Financial instruments are recorded at fair value on initial recognition. Investments that are quoted in an active market are subsequently measured at fair value. All other financial instruments 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.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Society determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Society expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

Victoria Sexual Assault Centre Society

Notes to the Financial Statements

March 31, 2023

| 3 Capital assets | | | | 2023 | 2022 |
|-------------------------|-------------------|-------------------------------------|-----------|---------------------------|---------------------------|
| | <u>Cost</u> | <u>Accumulated amortization</u> | | <u>Net book value</u> | <u>Net book value</u> |
| Land | \$ 209,550 | \$ - | \$ | 209,550 | \$ 209,550 |
| Building | 534,332 | 202,786 | | 331,546 | 352,920 |
| Website | 1,949 | 1,949 | | - | - |
| Computer equipment | 88,757 | 74,885 | | 13,872 | 20,079 |
| Furniture and equipment | 31,920 | 21,639 | | 10,281 | 12,321 |
| Leasehold improvements | 82,225 | 82,225 | | - | - |
| | <u>\$ 948,733</u> | <u>\$ 383,484</u> | <u>\$</u> | <u>565,249</u> | <u>\$ 594,870</u> |

| 4 Long term debt | | 2022 | 2021 |
|--|--|------------------|-------------------|
| VanCity Savings Credit Union mortgage, interest at 4.65%, repayable in blended monthly instalments of principal and interest of \$3,123, due July 2023, secured by a first mortgage on property located at 201-3060 Cedar Hill Road, Victoria, BC. | | \$ 408,279 | \$ 426,491 |
| Less: current portion | | <u>(408,279)</u> | <u>(17,996)</u> |
| | | <u>\$ -</u> | <u>\$ 408,495</u> |

The Society is required to have a minimum debt service coverage ratio of 1.10 in effect at all times. As of March 31, 2023, the Society is off side on this requirement.

| 5 Deferred contributions | | 2023 | 2022 |
|---------------------------------------|----|-----------------------|--------------------|
| Balance, beginning of year | \$ | 495,743 | \$ 446,893 |
| Restricted contributions received | | 1,440,132 | 1,424,360 |
| Recognition of deferred contributions | | <u>(1,562,960)</u> | <u>(1,375,510)</u> |
| Balance, end of year | \$ | <u>369,872</u> | <u>\$ 495,743</u> |

Victoria Sexual Assault Centre Society

Notes to the Financial Statements

March 31, 2023

| 6 Supplemental cash flow information | 2023 | 2022 |
|---|---------------------|-------------------|
| Change in non-cash operating working capital: | | |
| Receivables | \$ 52,839 | \$ 114,323 |
| Prepays | (450) | 253 |
| Payables and accruals | (33,527) | 6,761 |
| Deferred contributions | (125,871) | 48,850 |
| | <u>\$ (107,009)</u> | <u>\$ 170,187</u> |

7. Contributions

The Society is the income beneficiary of the Victoria Sexual Assault Centre Society Endowment established by The Victoria Foundation.

The Society transfers funds to the Victoria Foundation to be maintained in the Endowment Fund, the net income from which is distributed to the Society semi-annually.

8. Commitments

The Society is obligated to pay \$2,659 monthly towards shared building costs. Future minimum lease payments and strata fees for the next five years are as follows:

| | |
|------|------------------|
| 2024 | <u>31,908</u> |
| | <u>\$ 31,908</u> |

9. Employee pension plan

The Society and certain of its employees contribute to the Municipal Pension Plan. The Plan is a multi-employer defined benefit plan. The British Columbia Pension Corporation administers the Plan, including the payment of pension benefits on behalf of employers and employees in accordance with the Public Sector Pension Plans Act and the Municipal Pension Plan Rules. The risks and rewards associated with the Plan's unfunded liability or surplus are shared between the employers and the Plan's members and may be reflected in their future contributions.

During the year, the Society contributed \$42,496 (2022: \$45,009) on behalf of the employees. Based on the most recent actuarial valuation as of December 2018, the Municipal Pension Plan is fully funded as of that date. Portions of any surplus or deficiency are not attributed to individual employers.

Victoria Sexual Assault Centre Society

Notes to the Financial Statements

March 31, 2023

10. Economic dependence

The Society receives a substantial amount of funding from government sources and is dependent upon this funding to maintain operations at current service levels. The Stopping the Violence and Victim Services contracts with the Province of British Columbia account for 34% (2022: 31%) of the Society's revenues. These contracts have both been renewed for the 2023 fiscal year.

11. Risk management

The Society's main financial instrument risk exposure is detailed as follows:

Interest rate risk

Interest rate risk arises from changes in market interest rates that may affect the fair value or future cash flows from the Society's financial assets or liabilities. The Society will partially mitigate its exposure to interest rate changes by entering into fixed rate mortgage with VanCity Credit Union.

Liquidity risk

The Society's liquidity risk represents the risk that the Society could encounter difficulty in meeting obligations associated with its financial liabilities. The Society is, therefore, exposed to liquidity risk with respect to its payables and accruals, government remittances, and long term debt.

12. Remuneration disclosure

The British Columbia Societies Act requires the disclosure of remuneration paid to all directors, the ten highest paid employees and all contractors who are paid at least \$75,000 annually. During the year, the Society did not pay any remuneration to its directors.

During the year, the Society paid \$240,500 in remuneration to three employees or contractors whose total remuneration, during the applicable period, was at least \$75,000.

13. Interfund transfers

The Society also transferred \$37,478 from the unrestricted operating fund to the restricted fund to fund the purchase of capital assets and the repayment of long term debt.

Victoria Sexual Assault Centre Society

Schedule of Operating Costs

| Year ended March 31 | 2023 | 2022 |
|----------------------------|---------------------|---------------------|
| Accounting | \$ 19,500 | \$ 15,000 |
| Advertising | 362 | 632 |
| Contract services | 91,299 | 74,642 |
| Donations | - | 5,000 |
| Direct fundraising | 68,136 | 78,025 |
| Interest on long term debt | 19,265 | 20,082 |
| Meetings | 7,617 | 969 |
| Office | 113,205 | 135,460 |
| Professional development | 1,912 | 6,289 |
| Rent and strata costs | 69,243 | 68,524 |
| Repairs and maintenance | 1,455 | 2,844 |
| Staffing and benefits | 1,822,096 | 1,764,438 |
| Telephone and utilities | 32,558 | 33,116 |
| Travel | 7,621 | 3,181 |
| | \$ 2,254,269 | \$ 2,208,202 |