



Financial Statements

Victoria Women's Sexual Assault Centre Society

March 31, 2012

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Independent auditors' report

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To the members of the Victoria Women's Sexual Assault Centre Society

We have audited the accompanying financial statements of the Victoria Women's Sexual Assault Centre Society, which comprise the statement of financial position as at March 31, 2012, and the statements of operations and changes in fund balances and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, 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.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for qualified opinion

In common with many non-profit organizations, the Victoria Women's Sexual Assault Centre Society derives revenue from donations and fundraising, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Society and we were not able to determine whether any adjustments might be necessary to revenues, excess of revenue over expenses, assets and fund balances.

Qualified opinion

In our opinion, except for the possible effects of the matter described in the *Basis for qualified opinion* paragraph, the financial statements present fairly, in all material respects, the financial position of the Victoria Women's Sexual Assault Centre Society as at March 31, 2012, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Victoria, Canada

June 28, 2012



Chartered accountants

Victoria Women's Sexual Assault Centre Society

Statements of Operations and Changes in Fund Balances

Year Ended March 31 2012 2011

	<u>Operating Fund</u>	<u>Restricted Funds</u>	<u>Total</u>	<u>Total</u>
				(Note 15)
Revenue				
Bequests (Page 12)	\$ 40,000	\$ -	\$ 40,000	\$ -
Contract revenue	530,547	-	530,547	522,472
Grants, donations and fundraising (Page 12)	617,892	-	617,892	628,502
Fees and compensation	11,120	-	11,120	8,295
Sale of publications	461	-	461	236
Other	<u>5,307</u>	<u>1,300</u>	<u>6,607</u>	<u>4,546</u>
	<u>1,205,327</u>	<u>1,300</u>	<u>1,206,627</u>	<u>1,164,051</u>
Expenditures				
Amortization	-	7,336	7,336	6,206
Operating costs (Page 13)	284,770	594	285,364	278,614
Professional development	3,968	-	3,968	3,285
Project Respect direct costs	824	-	824	347
Trauma Informed Practices (T.I.P.S) direct costs	3,777	-	3,777	329
Staffing and benefits	<u>846,740</u>	<u>-</u>	<u>846,740</u>	<u>833,251</u>
	<u>1,140,079</u>	<u>7,930</u>	<u>1,148,009</u>	<u>1,122,032</u>
Excess (deficiency) of revenue over expenditures	65,248	(6,630)	58,618	42,019
Fund balances, beginning	200,371	103,990	304,361	262,342
Transfers	<u>(7,842)</u>	<u>7,842</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 257,777</u>	<u>\$ 105,202</u>	<u>\$ 362,979</u>	<u>\$ 304,361</u>

See accompanying notes to the financial statements.

Victoria Women's Sexual Assault Centre Society

Statement of Financial Position

March 31

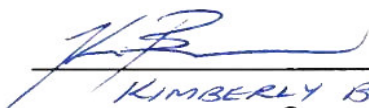
2012

2011

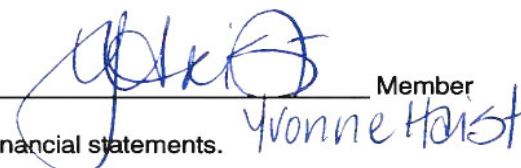
	Operating Fund	Restricted Funds	Total	Total
Assets				
Current				
Cash	\$ 393,118	\$ 96,598	\$ 489,716	\$ 444,324
Receivables (Note 4)	49,331	-	49,331	40,299
Inventories	1,520	-	1,520	1,566
Prepays	<u>3,141</u>	<u>-</u>	<u>3,141</u>	<u>6,468</u>
	447,110	96,598	543,708	492,657
Capital assets (Note 5)	<u>-</u>	<u>14,327</u>	<u>14,327</u>	<u>17,232</u>
	\$ <u>447,110</u>	\$ <u>110,925</u>	\$ <u>558,035</u>	\$ <u>509,889</u>
Liabilities				
Current				
Payables and accruals	\$ 21,207	\$ -	\$ 21,207	\$ 17,461
Accrued wages and vacation pay	50,626	-	50,626	52,323
Deferred contributions (Note 6)	117,500	-	117,500	127,204
Obligations under capital lease (Note 7)	<u>-</u>	<u>2,931</u>	<u>2,931</u>	<u>2,817</u>
	189,333	2,931	192,264	199,805
Obligations under capital lease (Note 7)	<u>-</u>	<u>2,792</u>	<u>2,792</u>	<u>5,723</u>
	<u>189,333</u>	<u>5,723</u>	<u>195,056</u>	<u>205,528</u>
Fund Balances				
Invested in capital assets	-	8,604	8,604	8,692
Unrestricted	257,777	-	257,777	200,371
Internally restricted	<u>-</u>	<u>96,598</u>	<u>96,598</u>	<u>95,298</u>
	<u>257,777</u>	<u>105,202</u>	<u>362,979</u>	<u>304,361</u>
	\$ <u>447,110</u>	\$ <u>110,925</u>	\$ <u>558,035</u>	\$ <u>509,889</u>

Commitments, economic dependence and contingency (Notes 10, 13 and 14)

On behalf of the Board


KIMBERLY BROWN

Member


Yvonne Haist

Member

See accompanying notes to the financial statements.

Victoria Women's Sexual Assault Centre Society
Statement of Cash Flows

Year Ended March 31

2012

2011

Increase (decrease) in cash and cash equivalents

Operating		
Excess of revenue over expenditures	\$ 58,618	\$ 42,019
Amortization	7,336	6,206
Interest paid on capital lease	<u>594</u>	<u>154</u>
	66,548	48,379
Change in non-cash operating working capital (Note 8)	<u>(13,314)</u>	<u>16,151</u>
	53,234	64,530
Financing and investing		
Purchase of capital assets	(4,431)	-
Payments on capital lease	<u>(3,411)</u>	<u>(1,294)</u>
	(7,842)	(1,294)
Net increase in cash	45,392	63,236
Cash, beginning of year	<u>444,324</u>	<u>381,088</u>
Cash, end of year	\$ <u>489,716</u>	\$ <u>444,324</u>

See accompanying notes to the financial statements.

Victoria Women's Sexual Assault Centre Society

Notes to the Financial Statements

March 31, 2012

1. Purpose of the Society

The purpose of the Society is to support, empower and advocate for women who are survivors of sexual assault and sexual abuse; and to work towards the prevention of (sexual) violence against women.

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.

2. Summary of significant accounting policies

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 Labour Issues Contingency Fund provides for unforeseen expenditures that may be necessary to maintain the Society's labour relation obligations.
- 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.

Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis.

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.

Victoria Women's Sexual Assault Centre Society

Notes to the Financial Statements

March 31, 2012

2. Summary of significant accounting policies (continued)

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:

Computer equipment	– 5 years, straight-line
Furniture & equipment	– 5 years, straight-line
Leasehold improvements	– over the term of the lease

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. Actual results could differ from these estimates.

Financial instruments

The Society's financial instruments consist of cash, receivables, payables and accruals, accrued wages and vacation pay and obligations under capital lease.

Cash is classified as held for trading and carried at fair value, any changes in fair value is recorded in the Statement of Operations in the period in which they arise. Receivables and obligations under capital lease are classified as loans and receivables, with payables and accruals and accrued wages and vacation pay classified as other financial liabilities. Both categories are carried at amortized cost, using the effective interest method.

Unless otherwise noted, it is management's opinion that the Society is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

3. Future change in accounting policies

Effective April 1, 2012, the Society will adopt Canadian accounting standards for not-for-profit organizations. These accounting policies are included as Part III of the CICA handbook. The transition to these new standards is expected to have a minimal impact on the financial statements of the Society.

Victoria Women's Sexual Assault Centre Society

Notes to the Financial Statements

March 31, 2012

4. Receivables	<u>2012</u>	<u>2011</u>
Accounts receivable	\$ 32,851	\$ 28,374
GST/HST recoverable	<u>16,480</u>	<u>11,925</u>
	<u>\$ 49,331</u>	<u>\$ 40,299</u>

5. Capital assets	<u>2012</u>			<u>2011</u>	
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	\$	<u>Net Book Value</u>
Computer equipment	\$ 26,927	\$ 18,424	\$ 8,503	\$	10,492
Furniture & equipment	9,745	5,931	3,814		2,721
Leasehold improvements	<u>10,046</u>	<u>8,036</u>	<u>2,010</u>		<u>4,019</u>
	<u>\$ 46,718</u>	<u>\$ 32,391</u>	<u>\$ 14,327</u>	\$	<u>17,232</u>

Included in computer equipment is \$9,680 of equipment under capital lease and related accumulated amortization of \$2,743.

6. Deferred contributions	<u>2012</u>	<u>2011</u>
Changes in the deferred contributions balance are as follows:		
Balance, beginning of year	\$ 127,204	\$ 103,025
Restricted contributions received	117,500	127,204
Recognition of deferred contributions	<u>(127,204)</u>	<u>(103,025)</u>
Balance, end of year	<u>\$ 117,500</u>	<u>\$ 127,204</u>

Victoria Women's Sexual Assault Centre Society

Notes to the Financial Statements

March 31, 2012

7. Obligations under capital lease

The Society entered into a lease agreement for computer equipment during 2011 that has been capitalized as there is a bargain purchase option present in the agreement. The lease has been recorded at the present value of the minimum lease payments. The following is a schedule of future minimum lease payments under capital lease:

2013	\$	2,931
2014		<u>2,792</u>
	\$	<u>5,723</u>

These payments are also included in the future minimum lease payments disclosed in Note 10.

8. Supplemental cash flow information

	<u>2012</u>	<u>2011</u>
Change in non-cash operating working capital:		
Receivables	\$ (9,032)	\$ 383
Inventories	46	182
Prepays	3,327	(4,865)
Payables and accruals	2,049	(3,728)
Deferred contributions	<u>(9,704)</u>	<u>24,179</u>
	\$ <u>(13,314)</u>	\$ <u>16,151</u>

9. Contributions

The Society is the income beneficiary of the Women's Sexual Assault Centre 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.

The fair market value of the endowment fund held by the Victoria Foundation as at March 31, 2012 is \$31,521 (2011: \$16,020).

Victoria Women's Sexual Assault Centre Society

Notes to the Financial Statements

March 31, 2012

10. Commitments

The company leases premises, computer equipment and a photocopier under multi-year operating leases payable on the first of each month. Future minimum lease payments for the next four years are as follows:

2013	\$	43,949
2014		6,203
2015		3,356
2016		<u>2,517</u>
	\$	<u>56,025</u>

11. Capital management

The capital structure of the Society consists of a net investment in capital assets, restricted and unrestricted net assets which include a large cash balance. The primary objective of the Society's capital management is to ensure that it maintains short and long term operations of the Society with the ability to offer adequate counselling services to those in need. The Society manages its capital structure with the primary goal of minimizing risk to the stability of cash flow from operations. The Society has met all its objectives in ensuring the current and long term operations of the Society.

12. 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 \$41,742 (2011: \$39,514) on behalf of the employees. Based on the most recent actuarial valuation as of December 2009, the Municipal Pension Plan has an unfunded liability which is being addressed through increased employer and employee contribution rates effective July 1, 2011. Portions of any surplus or deficiency are not attributed to individual employers.

13. 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 44% (2011: 45%) of the Society's revenues. These contracts have both been renewed for the 2013 fiscal year.

Victoria Women's Sexual Assault Centre Society

Notes to the Financial Statements

March 31, 2012

14. Contingency

During the 2012 fiscal year, the Society changed employee benefits service providers. The former service provider, HealthCare Benefit Trust, has invoiced the Society for exit levies totaling \$36,713. These levies represent an allocation of actuarial shortfalls relating to prior years' service. The Society disputes this charge and is not planning on paying the exit levies.

No amount has been accrued in these financial statements for this contingent liability as it cannot be reasonably determined if or when the Society might be required to pay the amount invoiced.

15. Comparative figures

Certain 2011 comparative figures have been reclassified to conform to the presentation adopted in the current year.

Victoria Women's Sexual Assault Centre Society

Schedule of Grants, Donations, Fundraising and Bequests

Year Ended March 31

2012

2011

		(Note 15)
Grants		
Ministry of Public Safety and Solicitor General (Gaming) \$	125,000	\$ 100,000
Provincial Employees' Community Services Fund	51,807	54,195
United Way of Greater Victoria – Project Respect	29,995	30,000
Service Club Donations (Gaming)	3,828	600
RBC Foundation – Project Respect	10,000	5,000
YIP – Victoria High School Endowment Fund through the Victoria Foundation	750	-
Henry & Marian Thiel Family Trust through the Victoria Foundation	200	-
Victoria Foundation, Trauma Informed Practices (T.I.P.S)	-	4,902
BC Recreation and Parks Association, Walk BC Grant	-	1,000
	<u>221,580</u>	<u>195,697</u>
Donations	190,634	182,218
Telemarketing campaign	141,383	174,453
Events	<u>64,295</u>	<u>76,134</u>
	\$ <u>617,892</u>	\$ <u>628,502</u>
Bequest – Estate of Anthony Gerard Peetz	\$ <u>40,000</u>	\$ <u>-</u>

Victoria Women's Sexual Assault Centre Society

Schedule of Operating Costs

Year Ended March 31	2012	2011
Accounting	\$ 9,000	\$ 9,200
Advertising	1,670	1,329
Bookkeeping	-	128
Contract services	28,285	8,851
Contributions (Note 8)	200	425
Direct fundraising	115,687	123,032
Interest on capital lease	594	154
Meetings	858	902
Office	18,756	22,567
Rent and occupancy costs	92,398	91,341
Repairs and maintenance	104	1,278
Telephone and utilities	13,926	13,149
Travel	<u>3,886</u>	<u>6,258</u>
	<u>\$ 285,364</u>	<u>\$ 278,614</u>