



Financial Statements

Victoria Sexual Assault Centre Society

March 31, 2016

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Independent Auditors' Report

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To the members of the Victoria Sexual Assault Centre Society

We have audited the accompanying financial statements of the Victoria Sexual Assault Centre Society, which comprise the statement of financial position as at March 31, 2016, and the statements of operations, changes in net assets and 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 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.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audits 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 evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Victoria Sexual Assault Centre Society as at March 31, 2016 and the results of its operations and cash flows for the year then ended in accordance with accounting standards for not-for-profit organizations.

Victoria, Canada

August 22, 2016



Chartered Professional Accountants

Victoria Sexual Assault Centre Society

Statement of Operations

Year ended March 31

	Operating Funds		Restricted Funds		Total	
	2016	2015	2016	2015	2016	2015
Revenue						
Grants, donations and fundraising (Page 13)	\$ 681,986	\$ 734,145	\$ -	\$ -	\$ 681,986	\$ 734,145
Bequests	19,239	-	-	-	19,239	-
Contract revenue	534,142	540,427	-	-	534,142	540,427
Fees and compensation	19,311	7,650	-	-	19,311	7,650
Other	9,295	9,634	-	-	9,295	9,634
Sale of publications	-	217	-	-	-	217
	<u>1,263,973</u>	<u>1,292,073</u>	<u>-</u>	<u>-</u>	<u>1,263,973</u>	<u>1,292,073</u>
Expenditures						
Operating costs (Page 14)	<u>1,250,199</u>	<u>1,231,250</u>	<u>20,412</u>	<u>21,073</u>	<u>1,270,611</u>	<u>1,252,323</u>
Excess (deficiency) of revenue over expenditures before amortization	13,774	60,823	(20,412)	(21,073)	(6,638)	39,750
Amortization	<u>-</u>	<u>-</u>	<u>35,244</u>	<u>28,315</u>	<u>35,244</u>	<u>28,315</u>
Excess (deficiency) of revenue over expenditures	<u>\$ 13,774</u>	<u>\$ 60,823</u>	<u>\$ (55,656)</u>	<u>\$ (49,388)</u>	<u>\$ (41,882)</u>	<u>\$ 11,435</u>

See accompanying notes to the financial statements.

Victoria Sexual Assault Centre Society

Statement of Financial Position

March 31

2016

2015

	Operating Fund	Restricted Funds	Total	Total
Assets				
Current				
Cash	\$ 171,904	\$ -	\$ 171,904	\$ 314,900
Receivables	132,668	-	132,668	226,248
Prepays	10,272	-	10,272	17,011
Term deposit	98,400	100,000	198,400	100,000
	<u>413,244</u>	<u>100,000</u>	<u>513,244</u>	<u>658,159</u>
Capital assets (Note 3)	<u>-</u>	<u>770,048</u>	<u>770,048</u>	<u>731,118</u>
	<u>\$ 413,244</u>	<u>\$ 870,048</u>	<u>\$ 1,283,292</u>	<u>\$ 1,389,277</u>
Liabilities				
Current				
Payables and accruals	\$ 31,130	\$ -	\$ 31,130	\$ 42,171
Accrued wages and vacation pay	40,014	-	40,014	40,917
Deferred contributions (Note 4)	282,659	-	282,659	344,088
Deferred capital contributions (Note 4)	23,850	-	23,850	-
Current portion of long-term debt (Note 5)	-	14,856	14,856	14,288
	<u>377,653</u>	<u>14,856</u>	<u>392,509</u>	<u>441,464</u>
Long term debt (Note 5)	<u>-</u>	<u>507,635</u>	<u>507,635</u>	<u>522,783</u>
	<u>377,653</u>	<u>522,491</u>	<u>900,144</u>	<u>964,247</u>
Net Assets				
Invested in capital assets	-	247,557	247,557	194,047
Unrestricted	35,591	-	35,591	130,983
Internally restricted	<u>-</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
	<u>35,591</u>	<u>347,557</u>	<u>383,148</u>	<u>425,030</u>
	<u>\$ 413,244</u>	<u>\$ 870,048</u>	<u>\$ 1,283,292</u>	<u>\$ 1,389,277</u>

Commitments and economic dependence (Notes 8 and 10)

On Behalf of the Board




Director Director

See accompanying notes to the financial statements.

Victoria Sexual Assault Centre Society

Statement of Changes in Net Assets

Year Ended March 31

2016

2015

	Restricted Funds			Total	Total
	Operating Fund	Internally Restricted Funds	Invested in Capital Assets		
Net assets, beginning of year	\$ 130,983	\$ 100,000	\$ 194,047	\$ 425,030	\$ 413,595
Excess (deficiency) of revenue over expenditures	13,774	-	(55,656)	(41,882)	11,435
Amounts transferred	<u>(109,166)</u>	<u>-</u>	<u>109,166</u>	<u>-</u>	<u>-</u>
Net assets, end of year	\$ <u>35,591</u>	\$ <u>100,000</u>	\$ <u>247,557</u>	\$ <u>383,148</u>	\$ <u>425,030</u>

See accompanying notes to the financial statements.

Victoria Sexual Assault Centre Society

Statement of Cash Flows

Year ended March 31

2016

2015

Increase (decrease) in cash and cash equivalents

Operating

Excess (deficiency) of revenue over expenditures	\$	(41,882)	\$	11,435
Amortization		<u>35,244</u>		<u>28,315</u>
		(6,638)		39,750
Change in non-cash operating working capital (Note 6)		<u>50,796</u>		<u>29,301</u>
		<u>44,158</u>		<u>69,051</u>

Financing

Repayment of long term debt		(14,580)		(13,918)
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Investing

Investment in term deposit		(98,400)		(100,000)
Purchase of capital assets		<u>(74,174)</u>		<u>(12,428)</u>
		<u>(172,574)</u>		<u>(112,428)</u>

Net decrease in cash		(142,996)		(57,295)
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Cash, beginning of year		<u>314,900</u>		<u>372,195</u>
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Cash, end of year	\$	<u>171,904</u>	\$	<u>314,900</u>
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Supplemental cash flow information

Interest paid	\$	<u>20,412</u>	\$	<u>21,073</u>
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See accompanying notes to the financial statements.

Victoria Sexual Assault Centre Society

Notes to the Financial Statements

March 31, 2016

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.

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 Sexual Assault Centre Society

Notes to the Financial Statements

March 31, 2016

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:

Building	- 25 years, straight-line
Computer equipment	- 5 years, straight-line
Furniture and equipment	- 5 years, straight-line
Website	- 3 years, straight-line
Clinic 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. Actual results could differ from these 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, 2016

3. Capital assets				<u>2016</u>	<u>2015</u>
	<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	53,174	\$	481,158	502,535
Website	1,949	974		975	1,624
Computer equipment	45,390	34,952		10,438	13,062
Furniture and equipment	14,027	11,052		2,975	4,347
Leasehold improvements	<u>82,225</u>	<u>17,273</u>		<u>64,952</u>	<u>-</u>
	<u>\$ 887,473</u>	<u>\$ 117,425</u>	\$	<u>770,048</u>	<u>\$ 731,118</u>

4. Deferred contributions				<u>2016</u>	<u>2015</u>
Balance, beginning of year			\$	344,088	\$ 343,415
Restricted contributions received				821,032	775,628
Recognition of deferred contributions				<u>(882,461)</u>	<u>(774,955)</u>
Balance, end of year			\$	<u>282,659</u>	\$ <u>344,088</u>

Deferred capital contributions

Balance, beginning of year		\$	-	\$	-
Restricted contributions received			26,500		-
Recognition of deferred contributions			<u>(2,650)</u>		<u>-</u>
Balance, end of year		\$	<u>23,850</u>	\$	<u>-</u>

The Society used capital contributions for leasehold improvements on the Clinic. The balance of the deferred capital contribution will be brought into income evenly over the five year amortization period.

Victoria Sexual Assault Centre Society

Notes to the Financial Statements

March 31, 2016

5. Long term debt	<u>2016</u>	<u>2015</u>
VanCity Savings Credit Union mortgage, interest at 3.90%, repayable in blended monthly instalments of principal and interest of \$2,916, due July 10, 2018, secured by a first mortgage on property located at 201-3060 Cedar Hill Road, Victoria, BC	\$ 522,491	\$ 537,071
Less: current portion	<u>(14,856)</u>	<u>(14,288)</u>
	<u>\$ 507,635</u>	<u>\$ 522,783</u>

Principal repayments in each of the next three years are due as follows:

2017	\$ 14,856
2018	15,446
2019	<u>492,189</u>
	<u>\$ 522,491</u>

The Society must maintain a debt coverage ratio of 1.1 times in effect throughout the term of the agreement, tested annually.

6. Supplemental cash flow information	<u>2016</u>	<u>2015</u>
Change in non-cash operating working capital:		
Receivables	\$ 93,580	\$ 35,017
Prepays	6,739	1,697
Payables and accruals	(11,944)	(8,086)
Deferred contributions	<u>(37,579)</u>	<u>673</u>
	<u>\$ 50,796</u>	<u>\$ 29,301</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.

The fair market value of the endowment fund held by the Victoria Foundation as at March 31, 2016 is \$52,656 (2015: \$53,753).

Victoria Sexual Assault Centre Society

Notes to the Financial Statements

March 31, 2016

8. Commitments

The Society leases a photocopier under multi-year operating leases payable on the first of each month. Also during the period the Society joined a strata corporation and is obligated to pay \$1,612 monthly towards shared building costs.

Future minimum lease payments and strata fees for the next five years are as follows:

2017	\$	21,963
2018		19,352
2019		19,352
2020		19,352
2021		<u>19,352</u>
	\$	<u>99,371</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 \$45,525 (2015: \$54,218) on behalf of the employees. Based on the most recent actuarial valuation as of December 2012, the Municipal Pension Plan has an unfunded liability which is being addressed through an increased employer contribution rate effective July 1, 2015. Portions of any surplus or deficiency are not attributed to individual employers.

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 41% (2015: 42%) of the Society's revenues. These contracts have both been renewed for the 2017 fiscal year.

Victoria Sexual Assault Centre Society

Notes to the Financial Statements

March 31, 2016

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.

Victoria Sexual Assault Centre Society

Schedule of Grants, Donations and Fundraising

Year ended March 31

2016

2015

	2016	2015
Grants		
Canadian Women's Foundation - Project Respect	\$ 27,000	\$ 27,000
City of Victoria	1,250	-
Girls in Action Foundation	-	7,000
Government of Canada, Canada Summer Jobs	6,063	5,993
Horner Foundation	4,174	-
Ministry of Public Safety and Solicitor General Community G.	100,000	100,000
Province of BC - Civil Forfeiture Grant	92,400	25,000
Provincial Employees' Community Services Fund	47,801	67,321
Sarah Spencer Foundation	-	1,000
Status of Women Canada	73,365	84,559
The Student Commission	-	17,119
Thrifty Foods Smile Card	2,296	2,384
United Way of Greater Victoria	20,000	37,505
Vancity	15,000	
Vancouver Foundation	40,000	40,000
Victoria Foundation	4,160	8,333
Zonta Club of Victoria	-	5,000
	433,509	428,214
Donations	167,870	188,745
Events	25,787	47,452
Telemarketing campaign	54,820	69,734
	\$ 681,986	\$ 734,145

Victoria Sexual Assault Centre Society

Schedule of Operating Costs

Year ended March 31	2016	2015
Accounting	\$ 9,686	\$ 9,596
Administration	71,078	68,997
Advertising	815	2,639
Contract services	94,430	72,260
Contributions	-	5,250
Direct fundraising	79,316	75,796
Interest on long term debt	20,412	21,073
Meetings	2,607	3,843
Office	31,797	37,292
Professional development	1,654	1,489
Rent and strata costs	46,694	30,317
Repairs and maintenance	8,356	267
Staffing and benefits	883,751	899,581
Telephone and utilities	16,068	16,900
Travel	3,947	7,023
	<u>\$ 1,270,611</u>	<u>\$ 1,252,323</u>
