

DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION

Financial Statements

Year Ended March 31, 2023

DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION
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Year Ended March 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Members of Downtown Eastside Women's Centre Association

Report on the Financial Statements

Qualified Opinion

We have audited the financial statements of Downtown Eastside Women's Centre Association (the Society), which comprise the statement of financial position as at March 31, 2023, and the statements of revenues and expenditures, 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, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2023, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO)

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Society derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Society. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2023, current assets and net assets as at March 31, 2023. The predecessor auditor's opinion on the financial statements for the year ended March 31, 2022 was modified accordingly because of the possible effects of this limitation of scope.

In common with many charitable organizations, the Society derives revenues from fundraising activities and events, the completeness of which is not susceptible of satisfactory audit verification. Our verification of these revenues was limited to the amounts recorded in the records of the Society. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenues, excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2023, current assets and net assets as at March 31, 2023. The audit opinion on the financial statements for the year ended March 31, 2022 was modified accordingly because of the possible effect of this limitation of scope.

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 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.

Other Matter

The financial statements for the year ended March 31, 2022 were audited by another auditor who expressed a qualified opinion on those financial statements on August 31, 2022 for the reasons described in the *Basis for Qualified Opinion* section.

(continues)

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, 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

Independent Auditor's Report to the Members of Downtown Eastside Women's Centre Association
(continued)

As required by the Societies Act of British Columbia, we report that, in our opinion, the accounting policies applied in preparing and presenting the financial statements in accordance with Canadian accounting standards for not-for profit organizations have been applied on a basis consistent with that of the preceding year.

Vancouver, British Columbia
September 19, 2023

A handwritten signature in black ink that reads "Areti". The signature is fluid and cursive, with the 'A' being particularly large and stylized.

Areti CPA Inc.
Chartered Professional Accountants

DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION
Statement of Financial Position
March 31, 2023

	2023	2022
	\$	\$
ASSETS		
CURRENT		
Cash and cash equivalents	759,147	1,808,116
Term deposits (Note 3)	50,234	88,373
Accounts receivable	233	1,731
Grants receivable	486,522	374,069
Goods and services tax recoverable	57,223	114,349
Prepaid expenses	127,700	63,136
	1,481,059	2,449,774
TANGIBLE CAPITAL ASSETS (Note 5)	4,794,360	4,617,514
Restricted cash (Notes 3, 4)	1,566,131	1,187,528
	7,841,550	8,254,816
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	279,549	348,693
Goods and services tax payable	-	178,750
Wages payable	529,897	477,568
Government remittances payable	-	78,094
Deferred contributions (Note 6)	326,418	1,023,007
Current portion of long term debt (Note 8)	102,162	99,266
	1,238,026	2,205,378
Long term debt (Note 8)	1,257,576	1,359,957
Deferred contributions for tangible capital assets (Note 7)	1,573,928	757,846
	4,069,530	4,323,181
NET ASSETS (Note 2)		
NET ASSETS		
Internally restricted net assets	294,627	294,627
Legacy fund	50,234	49,035
Invested in tangible capital assets	1,860,696	2,400,445
Capital maintenance	1,566,463	1,187,528
	3,772,020	3,931,635
	7,841,550	8,254,816

ON BEHALF OF THE BOARD


 Katy Allen (Sep 27, 2023 19:25 PDT)

Director


 Bita Jenab

Director

DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION
Statement of Revenues and Expenditures
Year Ended March 31, 2023

	2023	2022
	\$	\$
REVENUES		
Grants and contracts (Note 10)	7,988,373	7,529,431
Donations	1,242,732	1,165,177
Charity and community groups (Note 12)	253,649	625,062
Foundation revenue (Note 11)	1,091,182	560,074
Amortization of deferred contributions on tangible capital assets	212,279	229,846
Gaming grant	140,000	140,000
Donations in-kind	72,158	101,048
Fundraising	99,693	57,657
Interest and other income	27,306	18,461
Memorial fund (Note 13)	14,966	7,431
	<u>11,142,338</u>	<u>10,434,187</u>
EXPENSES		
Salaries and compensation (Note 17)	7,099,932	6,285,608
Food	1,646,733	971,214
Program costs	752,269	1,098,201
Facilities	730,667	500,806
Human resources	393,029	365,496
Amortization	239,597	287,885
Office	234,857	151,288
Professional fees	84,916	93,157
Event expenses	64,698	45,116
Insurance	31,416	21,019
Travel	15,844	12,067
Fee and dues	7,995	2,541
	<u>11,301,953</u>	<u>9,834,398</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS	(159,615)	599,789
OTHER INCOME		
Government subsidies	-	24,782
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(159,615)	624,571

See notes to financial statements

DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION

Statement of Changes in Net Assets

Year Ended March 31, 2023

	Unrestricted net assets \$	Internally restricted net assets \$	Legacy fund \$	Invested in tangible capital assets \$	Capital maintenance \$	2023 \$	2022 \$
NET ASSETS - BEGINNING OF YEAR	-	294,627	49,035	2,400,445	1,187,528	3,931,635	3,307,064
Excess (Deficiency) of revenues over expenses	(159,615)	-	-	-	-	(159,615)	624,571
Allocation of interest income	(1,199)	-	1,199	-	-	-	-
Purchase of tangible capital assets	(63,083)	-	-	416,443	(353,360)	-	-
Principal repayments of mortgage financing	(99,485)	-	-	99,485	-	-	-
Amortization of tangible capital assets	239,597	-	-	(239,597)	-	-	-
Deferred contributions on tangible capital assets	1,028,359	-	-	(1,028,359)	-	-	-
Amortization of deferred contributions on tangible capital assets	(212,279)	-	-	212,279	-	-	-
Transfer of unrestricted net assets	(732,295)	-	-	-	732,295	-	-
NET ASSETS - END OF YEAR	-	294,627	50,234	1,860,696	1,566,463	3,772,020	3,931,635

See notes to financial statements

DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION**Statement of Cash Flows****Year Ended March 31, 2023**

	2023	2022
	\$	\$
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	(159,615)	624,571
Items not affecting cash:		
Amortization of tangible capital assets	239,597	287,885
Amortization of deferred contributions on tangible capital assets	(212,279)	(229,846)
	<u>(132,297)</u>	<u>682,610</u>
Changes in non-cash working capital:		
Accounts receivable	1,498	702
Grants receivable	(112,453)	191,877
Goods and services tax recoverable	57,126	(94,092)
Prepaid expenses	(64,564)	(20,674)
Accounts payable and accrued liabilities	(69,142)	141,324
Goods and services tax payable	(178,750)	178,750
Wages payable	52,329	163,281
Government remittances payable	(78,094)	29,491
Deferred contributions	(696,589)	220,057
	<u>(1,088,639)</u>	<u>810,716</u>
Cash flow from (used by) operating activities	<u>(1,220,936)</u>	<u>1,493,326</u>
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(416,443)	(4,375,325)
Deferred contributions related to tangible capital assets	1,028,359	621,400
Purchase of term deposits	38,139	(573,664)
Restricted cash	(378,603)	2,097,763
	<u>271,452</u>	<u>(2,229,826)</u>
Cash flow from (used by) investing activities	<u>271,452</u>	<u>(2,229,826)</u>
FINANCING ACTIVITIES		
Proceeds from long term debt	-	1,500,000
Repayment of long term debt	(99,485)	(40,777)
	<u>(99,485)</u>	<u>1,459,223</u>
Cash flow from (used by) financing activities	<u>(99,485)</u>	<u>1,459,223</u>
INCREASE (DECREASE) IN CASH FLOW	(1,048,969)	722,723
Cash - beginning of year	<u>1,808,116</u>	<u>1,085,393</u>
CASH - END OF YEAR	<u>759,147</u>	<u>1,808,116</u>
CASH CONSISTS OF:		
Cash and cash equivalents	<u>759,147</u>	<u>1,808,116</u>

See notes to financial statements

DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION

Notes to Financial Statements

Year Ended March 31, 2023

1. PURPOSE OF THE SOCIETY

The Downtown Eastside Women's Centre Association (the "Society"), was incorporated on March 21, 1978 under the laws of the Society Act of British Columbia as a not-for-profit organization. As a registered charity the Society is exempt from the payment of income tax under Subsection 149(1) of the Income Tax Act.

The Society operates to provide a comfortable environment for women in the Downtown Eastside area of Vancouver, which includes an alternative to poor housing, recreation, and self help rehabilitation programs; to provide resource referrals; to educate the general public as to conditions and issues concerning women in the area, and to work toward constructive social change.

The Society's continued activities are dependent on the year-to-year renewal of grants and contracts with government entities. Under the contracts, those entities may recover surplus funds to the extent that they are not required to meet approved planned expenditures. During the year, the Society's revenue included \$8,338,650 (2022 - \$7,904,278) from government entities which represented 75% (2022- 76%) of total revenues.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO) and, in management's opinion, with consideration of materiality and within the framework of the following accounting policies:

Revenue recognition

The Downtown Eastside Women's Centre Association follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Contributions towards expenditures that will be incurred in future years are reported as deferred contributions. 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 investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Interest and other income is recognized as earned.

Government wage subsidies related to COVID-19 have been recognized in income in the same period as the related expenses have been incurred.

Net assets

- a) Unrestricted net assets comprise the excess of revenue over expenses accumulated by the organization each year, net of transfers, and are available for general purposes.
- b) Net assets invested in tangible capital assets represents the organization's net investment in tangible capital assets which is comprised of the unamortized amount of tangible capital assets purchased with restricted funds, less deferred contribution for tangible capital assets and related financing.
- c) In 2010, the 10 year trust with the Vancity Community Foundation expired and the funds were transferred in to the operating bank account of the Society. The Board of Directors established a Legacy account for this fund, in order that the original purpose of the monies be maintained. The purpose of the fund is to help build financial independence. The fund is therefore restricted and cannot be used for the day to day operational costs.

(continues)

DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION

Notes to Financial Statements

Year Ended March 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

- d) Internally restricted net assets have been restricted by the Board of Directors to provide financial safeguard for the Society to continuously sustain support of its programs and services to the community in the event of unforeseen circumstances involving issues of legal liability, funding loss, and emergencies. This amount is not available for other purposes without the approval of the board of directors.
- e) Capital maintenance funds have been restricted by the Board of Directors for the acquisition, development and future maintenance of real property for the Society's use.

Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives at the following rates and methods:

Building	30 years	straight-line method
Leasehold improvements	5 years	straight-line method
Telephone system	5 years	straight-line method
Shelter - furniture and equipment	20%	declining balance method
Computer equipment	30%-55%	declining balance method
Furniture and fixtures	20%	declining balance method

Allocation of expenses

The Society incurs a number of general support expenses that are common to the administration of the Society and each of its projects. The Society allocates its general support expenses by identifying the appropriate basis of each component expense, and applies the basis consistently each year. The expenses allocated to the projects are on the basis of the percentage of time that management estimates was spent in support of the projects.

Note 15 contains further details on allocation of expenses.

Contributed services

The operations of the Society depend on the contribution of time by volunteers. The fair value of donated services cannot be reasonably determined and are therefore not reflected in these financial statements.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. The Society's principal estimates are useful life of tangible capital assets, and collectibility of grants receivable. Actual results could differ from these estimates.

3. TERM DEPOSITS

Term deposits consists of amounts held with a federal credit union with date of maturity between May 5, 2023 and October 6, 2023 bearing interest between 1.80% to 3.50% (2022 - 0.20% to 1.40%)

DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION

Notes to Financial Statements

Year Ended March 31, 2023

4. RESTRICTED CASH

	2023	2022
	\$	\$
Cash and cash equivalents	732,295	-
Term deposits	833,836	1,187,528
	1,566,131	1,187,528

5. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
	\$	\$	\$	\$
Land	2,655,633	-	2,655,633	2,655,633
Buildings	1,513,036	-	1,513,036	1,159,675
Telephone system	64,798	46,157	18,641	23,302
Computer equipment	214,133	150,665	63,468	44,179
Shelter - furniture and equipment	282,266	176,022	106,244	132,805
Leasehold improvements	1,057,796	723,219	334,577	493,215
Furniture and fixtures	431,637	328,876	102,761	108,705
	6,219,299	1,424,939	4,794,360	4,617,514

6. DEFERRED CONTRIBUTIONS

	Opening Balance	Received	Recognized	Ending Balance
	\$	\$	\$	\$
Vancouver Coastal Health	-	548,487	409,746	138,741
BC Housing	447,280	5,092,440	5,475,219	64,501
Ending Violence Association of BC	50,364	154,865	141,845	63,384
BC Ministry of Social Development and Poverty Reduction	55,000	-	51,200	3,800
Women's Memorial March	19,668	29,372	14,966	34,074
Canadian Womens Foundation	-	20,000	-	20,000
City of Vancouver	287,314	19,070	306,384	-
Elders Counsel Fund	1,918	-	-	1,918
Ministry of Indigenous Relations and Reconciliation	10,000	-	10,000	-
Other funders	120,000	115,000	235,000	-
Ministry of Public Safety & Solicitor General	-	208,093	208,093	-
Restricted donations	18,141	12,090	30,231	-
Women and Gender Equality Canada	13,322	118,618	131,940	-
	1,023,007	6,318,035	7,014,624	326,418

Deferred contributions represents unspent amounts which have been externally restricted for the delivery of specified programs.

DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION

Notes to Financial Statements

Year Ended March 31, 2023

7. DEFERRED CONTRIBUTIONS ON TANGIBLE CAPITAL ASSETS

	Opening Balance \$	Received \$	Recognized \$	Ending Balance \$
BC Ministry of Social Development and Poverty Reduction	-	600,000	-	600,000
Service Canada	278,076	214,764	77,301	415,539
City of Vancouver	292,364	83,596	90,815	285,145
Agriculture and Agri-Food Canada	100,000	-	-	100,000
Federal Government	-	100,000	-	100,000
BC Housing	85,361	-	42,162	43,199
Other funders	2,045	30,000	2,001	30,044
	<u>757,846</u>	<u>1,028,360</u>	<u>212,279</u>	<u>1,573,927</u>

8. LONG TERM DEBT

	2023 \$	2022 \$
Vancouver City Savings Credit Union ("Vancity") mortgage loan bearing interest at 2.75% per annum, repayable in monthly blended payments of \$11,513. The loan matures on October 8, 2026 and is secured by property located at 161 E Pender St, Vancouver which has a carrying value of \$3,815,308.	1,359,738	1,459,223
Amounts payable within one year	(102,162)	(99,266)
	<u>1,257,576</u>	<u>1,359,957</u>

Principal repayment terms are approximately:

	\$
2024	102,162
2025	105,145
2026	107,980
2027	110,970
Thereafter	933,481
	<u>1,359,738</u>

9. CREDIT FACILITY

The Society has an authorized line of credit in the amount of \$50,000 (2022 - \$50,000) with a federal credit union. Advances on the line of credit are payable on demand and bear interest at prime plus 1.5% (2022 - 1.5%) per annum. No balance has been drawn on the line of credit at year end.

DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION**Notes to Financial Statements****Year Ended March 31, 2023****10. GRANTS AND CONTRACTS**

	2023	2022
	\$	\$
BC Housing	5,477,719	4,929,239
Service Canada - Reaching Home	1,169,594	1,412,800
Vancouver Coastal Health	409,746	420,684
City of Vancouver	352,131	287,478
Ministry of Public Safety & Solicitor General	238,093	238,093
Other provincial grants	160,645	184,751
Other federal grants	180,444	56,386
	7,988,372	7,529,431

11. FOUNDATION REVENUE

	2023	2022
	\$	\$
Other Foundations	538,505	102,844
Lotte & John Hecht Memorial Foundation	97,500	67,500
Canadian Women's Foundation	95,000	97,453
Canadian Online Giving Foundation	59,502	-
Houssian Foundation	50,000	40,000
The Espiritu Foundation	43,800	-
Charitable Impact	45,243	38,614
Charitable Gift Funds Canada Foundation	32,700	2,500
PayPal Giving Fund Canada	23,728	44,720
Young Foundation	22,500	-
Philantra - St Martin Family Fund	15,000	-
Raven Foundation	10,000	10,000
Djavad Mowafaghian Foundation	10,000	-
Vancouver Foundation	7,714	41,000
Moffat Family Fund held at The Winnipeg Foundation	7,000	30,000
Benefaction Foundation	7,000	2,000
Vancity Community Foundation	9,607	12,825
RBC Foundation	5,000	-
Mazon Canada	3,400	3,100
Andrew Mahon Foundation	3,000	4,500
Enterprise Holdings Foundation	2,000	-
Grimco, Inc	1,983	-
The Ben & Ester Dayson Charitable Foundation	1,000	-
Private Giving Foundation	-	1,000
MakeWay Foundation	-	7,500
Katherine Lesack Family Foundation	-	1,770
KSBK Charitable Foundation	-	10,000
Ghai Charitable Foundation	-	5,000
Deux Mille Foundation	-	5,000
Charities Aid Foundation	-	1,141
Calgary Foundation	-	6,500
The Wheelbarrow Fund	-	20,000
Strategic Charitable Giving Foundation	-	5,107
	1,091,182	560,074

DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION**Notes to Financial Statements****Year Ended March 31, 2023**

12. CHARITIES AND COMMUNITY GROUPS

	2023	2022
	\$	\$
CanadaHelps	91,044	132,357
Community Impact Real Estate Society	63,360	181,279
Other Charities and Community Groups	45,972	97,878
Benevity Community Impact Fund	14,512	35,962
United Way	10,500	21,873
The Fed. of Comm. Social Services of BC	9,851	-
Greater Vancouver Food Bank	5,000	-
Arts Undergraduate Society	4,821	-
Vancouver Fraser Port Authority	4,389	-
Embers Eastside Works	3,000	-
St. Mark's Lutheran Church of Vancouver	1,200	-
North West Indigenous Council	-	69,319
Vancouver Community Network	-	51,394
Community Food Centres Canada	-	25,000
Canadian Union of Public Employees	-	5,000
Congregation of The Sisters of St. Joseph Canada	-	5,000
	253,649	625,062

13. WOMEN'S MEMORIAL MARCH FUND

	2023	2022
	\$	\$
Receipts		
City of Vancouver	8,500	5,000
Donations	20,872	7,431
Total receipts	29,372	12,431
Expenses		
Subcontractors	(5,588)	(5,210)
Human resources	(1,000)	-
Program supplies	(8,226)	(2,221)
Travel	(151)	-
Total expenses	(14,965)	(7,431)

The Women's Memorial March Fund is set aside for the annual Memorial March which commemorates the missing women of the Downtown Eastside. As at March 31, 2023, there are deferred contributions of \$34,074 (2022 - \$19,668) available to be spent for a future project.

14. ELDERS COUNCIL FUND

The Elder's Council Fund is set aside for the Elder's Council. This fund is derived directly from the efforts of members of the Elders Council through the sale of their arts and crafts. During the year there was no activity in this fund as disclosed in Note 6.

DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION

Notes to Financial Statements

Year Ended March 31, 2023

15. ALLOCATION OF ADMINISTRATION AND FACILITIES EXPENSES

	2023	2022
	\$	\$
Other projects	1,023,304	925,960
BC Housing Management Commission (Schedule 1)	384,700	442,505
	1,408,004	1,368,465

16. ENDOWMENT FUNDS

Under the terms of an agreement dated June 2, 2016, the Society established an endowment fund with Vancouver Foundation. The monies contributed to this fund are available for request after a five year investment period with the Vancouver Foundation and the annual income earned from the contributed principal is reinvested to the capital fund.

During the current year, the Society did not contribute any amount directly to the Vancouver Foundation Fund. Since inception of the program the Society has contributed an aggregate amount of \$640,000.

As at March 31, 2023, the fair market value of the endowment fund was \$1,001,456 (2022 - \$899,634). During the year, investment income of \$45,222 (2022 - \$37,098) has been reinvested into the fund during the year.

17. REMUNERATION PAID TO EMPLOYEES AND CONTRACTORS

Under the BC Societies Act regulations, all Societies, which are not designated as a member funded Society, are required to disclose any remuneration paid to employees that earn over \$75,000, and disclose any payments made to Directors of the Society. For the year ended March 31, 2023, the Society had six (2022 - three) employees who earned over \$75,000 in total remuneration for the year of \$579,211 (2022 - \$300,495) which comprise of wages, and all other benefits including vacation pay. For year ended March 31, 2023, the Society has one (2022 - one) contractor who received remuneration of \$79,860 (2022 - \$78,757).

18. BC MUNICIPAL PENSION PLAN

The Society makes contributions to the BC Municipal Pension plan, which is a multiemployer plan, on behalf of members of its staff. The plan is a money purchase plan, with a defined benefit option available at retirement to some employees, which specifies the amount of the retirement benefit to be received based on length of service and rates of pay. However, the plan is accounted for as a defined contribution plan since insufficient information is available to account for the plan as a defined benefit plan. The Society is only one of a number of employers that participates in the plan. The financial information provided to the Society on the basis of the contractual agreements is usually insufficient to reliably measure the Society's proportionate share in the plan assets and liabilities on defined benefit accounting requirements.

The amount contributed to the plan for 2023 was \$270,491 (2022 - \$243,073). The contributions were made for current service and these have been recognized in net income.

The funding valuation shows a surplus of \$3,760,000,000 based on the most recently available financial information.

DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION

Notes to Financial Statements

Year Ended March 31, 2023

19. FINANCIAL INSTRUMENTS

The Society is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Society's risk exposure and concentration as of March 31, 2023.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Society is exposed to credit risk from amounts and grants receivable from funders. Credit risk is minimized as these receivable are substantially due from various government entities with no history of defaults.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to liquidity risk based on the timing of funding and donations received. The Society manages liquidity risk through the use of the credit facility as disclosed in Note 9.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Society manages exposure through its normal operating and financing activities.

Unless otherwise noted, it is management's opinion that the Society is not exposed to significant other price risks arising from these financial instruments.

20. CONTRACTUAL OBLIGATIONS

The Society has one photocopier lease for 60 months with total annual payments for \$9,222.

The Society has long term leases with respect to office and shelter premises at several locations. The Society is responsible for its share of common costs. The current lease expires between March 31, 2023 and April 30, 2026.

Contractual obligation repayment schedule:

	<u>\$</u>
2024	71,943
2025	5,012
2026	12
2027	1
	<u>76,968</u>

DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION**BC Housing Management Commission****(Schedule 1)****Year Ended March 31, 2023**

	2023	2022
	\$	\$
REVENUES	5,511,398	5,046,464
EXPENSES		
Salaries and compensation	3,734,862	3,316,659
Program expenses	1,009,075	982,760
Office supplies	44,986	70,991
Professional fees	9,666	-
Administration	384,700	442,505
Rent, maintenance and repairs	328,194	229,247
Human resources	57,904	126,477
Travel	1,890	5,787
	5,571,277	5,174,426
(DEFICIT)	(59,879)	(127,962)

See notes to financial statements

DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION**Service Canada - Reaching Home****(Schedule 2)****Year Ended March 31, 2023**

	2023	2022
	\$	\$
REVENUES		
Service Canada - Reaching Home	1,169,594	1,068,344
Service Canada - Reaching Home (COVID-19 Economic Response Plan)	<u>-</u>	<u>344,457</u>
	<u>1,169,594</u>	<u>1,412,801</u>
EXPENSES		
Salaries and compensation	866,930	942,346
Program expenses	160,410	1,673
Office supplies	47,181	74,996
Professional fees	16,746	12,377
Rent, maintenance and repairs	71,270	57,520
Human resources	6,635	321,500
Travel	422	2,389
	<u>1,169,594</u>	<u>1,412,801</u>
SURPLUS	<u>-</u>	<u>-</u>

DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION**Women and Gender Equality Canada****(Schedule 3)****Year Ended March 31, 2023**

	2023	2022
	\$	\$
REVENUES	131,940	60,000
EXPENSES		
Salaries and compensation	101,093	34,321
Administrative expenses	1,020	4,404
Honorariums	19,850	3,865
Travel	3,261	1,251
Office supplies	-	997
Rent, maintenance and repairs	4,235	933
Other	2,481	866
	131,940	46,637
SURPLUS	-	13,363