

THE DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION

Financial Statements

Year Ended March 31, 2019

THE DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION

Index to Financial Statements

Year Ended March 31, 2019

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Operations	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 13
BC Housing Management Commission (<i>Schedule 1</i>)	14
Greater Vancouver Regional District ("Metro Vancouver") Housing - Service Canada - HPS (<i>Schedule 2</i>)	15
BC Housing Management Commission - Shelter Renovation (<i>Schedule 3</i>)	16

INDEPENDENT AUDITOR'S REPORT

To the Members of The Downtown Eastside Women's Centre Association

Report on the Financial Statements

Qualified Opinion

We have audited the financial statements of The Downtown Eastside Women's Centre Association (the "Society"), which comprise the statement of financial position as at March 31, 2019, and the 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, 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, 2019, and the 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 Qualified Opinion

In common with many charitable organizations, the Society derives revenue from donations and fundraising activities, the completeness of which is not susceptible of 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 contributions, excess of revenues over expenses, current assets and net assets. The predecessor auditor's opinion on the financial statements for the year ended March 31, 2018 was qualified accordingly because of the possible effects 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 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 those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Other Matter

The financial statements for the year ended March 31, 2018 were audited by another auditor who expressed a modified opinion on those statements on September 19, 2018.

We draw attention to Note 3 to the financial statements, which explains that certain comparative information for the year ended March 31, 2018 has been restated.

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 that is consistent with that of the preceding period.

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 Canadian accounting standards for not-for-profit organizations, and for such internal control as management

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

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 relating 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.



Vancouver, BC
September 5, 2019

CHARTERED PROFESSIONAL ACCOUNTANTS

THE DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION

Statement of Financial Position

March 31, 2019

	2019	2018 <i>Restated</i>
ASSETS		
Current		
Cash	\$ 478,194	\$ 472,866
Term deposits (Note 4)	172,244	171,483
Amounts receivable	4,867	1,749
Grants receivable	422,481	353,393
Goods and services tax recoverable	13,547	20,181
Prepaid expenses	17,283	8,531
	1,108,616	1,028,203
Tangible capital assets (Note 5)	607,566	310,360
Term deposits (Note 4)	300,397	300,170
Legacy fund (Note 2)	47,286	46,712
	\$ 2,063,865	\$ 1,685,445
LIABILITIES AND NET ASSETS		
Current		
Accounts payable and accrued liabilities	\$ 394,026	\$ 219,841
Wages payable	242,909	196,122
Government remittances payable	28,364	7
Deferred contributions (Note 6)	215,264	249,835
	880,563	665,805
Deferred contributions for tangible capital assets (Note 7)	257,935	211,946
	1,138,498	877,751
Net Assets		
Unrestricted net assets (Note 2)	74,360	208,478
Internally restricted net assets (Note 2)	454,090	454,090
Legacy fund (Note 2)	47,286	46,712
Invested in tangible capital assets (Note 2)	349,631	98,414
	925,367	807,694
	\$ 2,063,865	\$ 1,685,445

CREDIT FACILITY (Note 8)

LEASE COMMITMENTS (Note 18)

ON BEHALF OF THE BOARD

_____ Director

_____ Director

THE DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION

Statement of Operations
Year Ended March 31, 2019

	2019	2018 <i>Restated</i>
REVENUES		
Grants and contracts <i>(Note 9)</i>	\$ 3,845,793	\$ 3,423,640
Donations	477,413	327,823
Foundation revenue <i>(Note 10)</i>	293,926	181,162
Gaming grant	142,500	140,000
Charity and community groups <i>(Note 11)</i>	113,647	210,788
Amortization of deferred contributions for tangible capital assets	84,244	21,795
Fundraising	78,468	73,471
Donations in-kind	20,157	4,494
Interest and other income	12,220	6,583
Memorial fund <i>(Note 12)</i>	3,307	3,488
	<u>5,071,675</u>	<u>4,393,244</u>
EXPENSES		
Fee and dues	7,726	5,786
Insurance	9,953	7,688
Event expenses	23,362	21,498
Professional fees	47,427	42,401
Travel	51,136	36,163
Office	85,259	52,553
Facilities	139,351	117,094
Amortization	143,860	63,235
Human resources	189,578	183,644
Endowment fund <i>(Note 15)</i>	340,000	200,000
Program costs	518,670	566,220
Food	645,472	586,935
Salaries and compensation <i>(Note 16)</i>	2,752,208	2,404,467
	<u>4,954,002</u>	<u>4,287,684</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 117,673</u>	<u>\$ 105,560</u>

See notes to financial statements

THE DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION

Statement of Changes in Net Assets

Year Ended March 31, 2019

	Unrestricted net assets	Internally restricted net assets	Legacy fund	Invested in tangible capital assets	2019	2018 <i>Restated</i>
NET ASSETS - BEGINNING OF YEAR	\$ 208,478	\$ 454,090	\$ 46,712	\$ 98,414	\$ 807,694	\$ 702,134
Excess of revenues over expenses	117,673	-	-	-	117,673	105,560
Allocation of interest income	(574)	-	574	-	-	-
Purchase of tangible capital assets	(441,066)	-	-	441,066	-	-
Amortization of tangible capital assets	143,860	-	-	(143,860)	-	-
Deferred contributions for tangible capital assets	45,989	-	-	(45,989)	-	-
NET ASSETS - END OF YEAR	\$ 74,360	\$ 454,090	\$ 47,286	\$ 349,631	\$ 925,367	\$ 807,694

See notes to financial statements

THE DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION

**Statement of Cash Flows
Year Ended March 31, 2019**

	2019	2018 Restated
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 117,673	\$ 105,560
Items not affecting cash:		
Amortization of tangible capital assets	143,860	63,235
Amortization of deferred contributions for tangible capital assets	<u>(84,244)</u>	<u>(21,795)</u>
	<u>177,289</u>	<u>147,000</u>
Changes in non-cash working capital:		
Amounts receivable	(3,118)	1,212
Grants receivable	(69,088)	(238,456)
Accounts payable and accrued liabilities	174,185	164,308
Deferred contributions	(34,571)	61,059
Prepaid expenses	(8,752)	18,599
Wages payable	46,787	35,549
Other government remittances payable	28,357	7
Good and services tax recoverable	<u>6,634</u>	<u>(15,212)</u>
	<u>140,434</u>	<u>27,066</u>
Cash flow from operating activities	<u>317,723</u>	<u>174,066</u>
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(441,066)	(303,476)
Deferred contributions related to tangible capital assets	130,233	217,021
Reinvestment of term deposits	<u>(1,562)</u>	<u>(3,265)</u>
Cash flow used by investing activities	<u>(312,395)</u>	<u>(89,720)</u>
INCREASE IN CASH FLOW	5,328	84,346
Cash - beginning of year	<u>472,866</u>	<u>388,520</u>
CASH - END OF YEAR	\$ 478,194	\$ 472,866

See notes to financial statements

THE DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION

Notes to Financial Statements

Year Ended March 31, 2019

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. The Society is a registered charity and is exempt from the payment of income taxes under the Income Tax Act.

The purposes of the Society are 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 \$3,988,293 (2018 - \$3,563,640) from government entities which represented 79% (2018 - 81%) 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 (ASNFPPO) 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 income is recognized as earned.

(continues)

THE DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION

Notes to Financial Statements

Year Ended March 31, 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net assets

- (a) Unrestricted net assets comprise of the excess of revenue over expenses accumulated by the organization each year, not 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.
- (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 except for the interest earned that is allocated to unrestricted funds
- (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.

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:

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

Note 14 contains further details on allocation of expenses.

Contributed services

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

(continues)

THE DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION

Notes to Financial Statements

Year Ended March 31, 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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. PRIOR PERIOD ADJUSTMENT

In previous years, excess surpluses of unrestricted funding was included in deferred contributions. These amounts have been restated to reflect these amounts as internally restricted net assets to fund operations in the subsequent period.

As a result of the prior period adjustment the following items appearing in the March 31, 2018 financial statements have been increased (decreased) by the following amounts.

	As previously reported	Adjustment	Restated
Deferred contributions	\$ 940,257	\$ (454,090)	\$ 486,167
Donations	261,156	66,666	327,822
Excess of revenues over expenses	38,894	66,666	105,560
Internally restricted net assets	3,245	454,090	457,335
Grants receivable	478,393	(125,000)	353,393
Deferred contributions for tangible capital assets	336,946	(125,000)	211,946

4. TERM DEPOSITS

Term deposits consists of amounts held with a federal credit union with date of expiry between May 5, 2019 and March 9, 2021 bearing interest between 0.9% to 2.25% (2018 - 0.9% to 2.25%)

5. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2019 Net book value	2018 Net book value
Leasehold improvements	\$ 475,813	\$ 191,151	\$ 284,662	\$ 128,373
Telephone system	57,523	20,741	36,782	11,720
Shelter - furniture and equipment	208,681	64,000	144,681	83,089
Computer equipment	105,253	74,515	30,738	12,028
Furniture and fixtures	342,133	231,430	110,703	75,150
	\$ 1,189,403	\$ 581,837	\$ 607,566	\$ 310,360

THE DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION

Notes to Financial Statements

Year Ended March 31, 2019

6. DEFERRED CONTRIBUTIONS

	Opening Balance	Received	Recognized	Ending Balance
BC Housing	\$ 132,477	\$ 2,079,382	\$ 2,040,831	\$ 171,028
Foundations	41,737	-	41,737	-
Vancouver Coastal Health	37,027	405,039	408,491	33,575
New Horizons	25,000	-	25,000	-
Women's Memorial March Fund	9,176	2,874	3,307	8,743
Elders Counsel Fund	1,918	-	-	1,918
BC Gaming	2,500	140,000	142,500	-
	<u>\$ 249,835</u>	<u>\$ 2,627,295</u>	<u>\$ 2,661,866</u>	<u>\$ 215,264</u>

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

7. DEFERRED CONTRIBUTIONS ON TANGIBLE CAPITAL ASSETS

	Opening Balance	Received	Recognized	Ending Balance
Service Canada	\$ 100,613	\$ -	\$ 21,795	\$ 78,818
City of Vancouver	111,333	14,882	50,923	75,292
BC Housing	-	180,918	79,593	101,325
Other funders	-	2,500	-	2,500
	<u>\$ 211,946</u>	<u>\$ 198,300</u>	<u>\$ 152,311</u>	<u>\$ 257,935</u>

8. CREDIT FACILITY

The Society has an authorized line of credit in the amount of \$50,000 (2018 - \$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% (2018 - 1.5%) per annum. No balance has been drawn on the line of credit at year end

9. GRANTS AND CONTRACTS

	2019	2018
BC Housing	\$ 1,667,251	\$ 1,618,387
Service Canada (HPS)	787,352	716,016
Vancouver Coastal Health	408,491	491,910
BC Housing	352,934	-
City of Vancouver	270,681	328,469
Ministry of Public Safety & Solicitor General	207,526	174,801
Government of Canada	137,558	94,057
Ministry of Indigenous Relations and Reconciliation	14,000	-
	<u>\$ 3,845,793</u>	<u>\$ 3,423,640</u>

THE DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION

Notes to Financial Statements

Year Ended March 31, 2019

10. FOUNDATION REVENUE

	<u>2019</u>	<u>2018</u>
Other Foundations	\$ 77,586	\$ 68,323
TGear Foundation	59,993	-
Lotte & John Hecht Memorial Foundation	55,000	-
Djavad Mowafaghian Foundation	25,000	20,000
Moffat Family Fund held at The Winnipeg Foundation	21,000	8,750
Newman's Own Foundation Fund at Rockefeller Philanthropy Advisors	12,833	-
Face the World Foundation	10,000	15,000
JW McConnell Family Foundation (Innoweave)	10,000	5,000
Central City Foundation	9,464	5,143
CHIMP Foundation	7,575	5,696
The Catherine Donnelly Foundation	5,000	15,000
VanCity Community Foundation	475	25,000
M.A.C. AIDS Fund	-	8,250
Al Roadburg Foundation	-	5,000
	<u>\$ 293,926</u>	<u>\$ 181,162</u>

11. CHARITIES AND COMMUNITY GROUPS

	<u>2019</u>	<u>2018</u>
Other charities and community groups	\$ 49,517	\$ 16,145
Canada Helps	43,573	149,733
The Anglican Church of Canada	14,650	11,250
United Way	5,907	33,660
	<u>\$ 113,647</u>	<u>\$ 210,788</u>

12. WOMEN'S MEMORIAL MARCH FUND

	<u>2019</u>	<u>2018</u>
Donations	\$ 3,307	\$ 3,488
Expenses:		
Program supplies	1,471	1,459
Subcontractors	1,730	850
Food expenses	-	561
Rent	-	540
Travel	106	78
	<u>\$ -</u>	<u>\$ -</u>

13. 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.

THE DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION

Notes to Financial Statements

Year Ended March 31, 2019

14. ALLOCATION OF ADMINISTRATION AND FACILITIES EXPENSES

The organization incurs a number of general support expenses that are common to the administration of each project and are allocated as follows:

	<u>2019</u>	<u>2018</u>
Other projects	\$ 759,864	\$ 425,131
BC Housing Management Commission (Schedule 1)	106,705	98,056
Greater Vancouver Regional District ("Metro Vancouver")		
Housing - HPS (Schedule 2)	-	-
BC Housing Management Commissions - Shelter (Schedule 3)	-	-
	<u>\$ 866,569</u>	<u>\$ 523,187</u>

15. 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 fiscal period the Society contributed directly an amount of \$340,000 (2018 - \$200,000) to the Vancouver Foundation Fund.

Since inception of this program the Society has contributed an aggregate amount of \$640,000 (2018 - \$300,000) and other indirectly gifted amounts totaling \$1,400 (2018 - \$117,859). Investment income of \$18,191 (2018 - \$7,222) has been reinvested into the fund during the year.

16. 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, 2019, the Society had 1 (2018 - 1) employee who earned over \$75,000 for total remuneration for the year of \$90,800 (2018 - \$75,112) which comprise of wages, and all other benefits including vacation pay.

17. FINANCIAL INSTRUMENTS

Financial assets include cash and grants receivable and are measured at amortized cost as presented on the statement of financial position. Financial liabilities include accounts payable and accrued liabilities, wages payable, as well as government remittances payable and are measured at cost as presented on the statement of financial position.

The following analysis provides information about the Society's risk exposure and concentration as of March 31, 2019:

(a) 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.

(continues)

THE DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION

Notes to Financial Statements

Year Ended March 31, 2019

17. FINANCIAL INSTRUMENTS (continued)

(b) 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 8.

(c) 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.

18. CONTRACTUAL OBLIGATIONS

The Society has one photocopier lease for 60 months with total annual payments for \$4,068.

The Society renewed its premise lease on May 1, 2016 for a nominal annual rent of \$1 and entered in a new lease on September 27, 2018 for annual lease payments of \$13,788. The Society is responsible for its share of common costs. The current lease expires on April 30, 2021 and the new lease expired on December 31, 2023.

Subsequent to March 31, 2019, the Society entered into a lease for annual payments of \$52,944 plus common area costs.

Contractual obligation repayment schedule:

2020	\$	17,868
2021		17,868
2022		14,466
2023		13,788
		<hr/>
	\$	<u>63,990</u>

19. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

THE DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION

BC Housing Management Commission

(Schedule 1)

Year Ended March 31, 2019

	2019	2018
REVENUES		
BC Housing	\$ 1,957,236	\$ 1,589,985
Other community groups	-	-
Expense reimbursements	-	26,679
	<u>1,957,236</u>	<u>1,722</u>
		1,618,386
EXPENSES		
Salaries and compensation	1,144,976	921,799
Program expenses	559,423	549,739
Administration	106,705	98,056
Amortization	-	10,865
Rent, maintenance and repairs	34,164	37,598
Human resources	54,195	19,327
Office supplies	23,547	11,150
Travel	6,305	1,817
	<u>1,929,315</u>	<u>1,650,351</u>
SURPLUS (DEFICIT)	<u>\$ 27,921</u>	<u>\$ (31,965)</u>

See notes to financial statements

THE DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION
Greater Vancouver Regional District ("Metro Vancouver") Housing - Service Canada - HPS
(Schedule 2)

Year Ended March 31, 2019

	2019	2018
REVENUE		
Service Canada (HPS)	\$ 787,352	\$ 716,016
EXPENSES		
Salaries and compensation	526,463	465,701
Program expenses	222,297	-
Rent, maintenance and repairs	12,788	13,039
Office supplies	10,978	10,332
Professional fees	8,748	7,776
Travel	4,093	11,211
Human resources	1,985	2,283
Administration	-	204,858
Amortization	-	816
	<u>787,352</u>	<u>716,016</u>
SURPLUS	<u>\$ -</u>	<u>\$ -</u>

THE DOWNTOWN EASTSIDE WOMEN'S CENTRE ASSOCIATION

BC Housing Management Commission - Shelter Renovation

(Schedule 3)

Year Ended March 31, 2019

	2019	2018
REVENUE		
BC Housing	\$ 79,593	\$ -
City of Vancouver	41,805	-
	<u>121,398</u>	<u>-</u>
EXPENSES		
Amortization	62,450	-
Program expenses	35,816	-
Rent, maintenance and repairs	16,784	-
Office supplies	5,241	-
Travel	1,107	-
	<u>121,398</u>	<u>-</u>
SURPLUS	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements