



Financial Statements

Greater Victoria Police Victim Services
Society

March 31, 2020

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Independent Practitioner's Review Engagement Report

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To the Members of
[Greater Victoria Police Victim Services Society](#)

We have reviewed the accompanying financial statements of Greater Victoria Police Victim Services Society that comprise the statement of financial position as at March 31, 2020, 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 organization, 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.

Practitioner's responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Greater Victoria Police Victim Services Society as at March 31, 2020, 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.

Report on other legal and regulatory requirements

As required by the Societies Act (British Columbia), we report that, in our opinion, the accounting principles in the Canadian accounting standards for not-for-profit organizations have been applied on a consistent basis with that of the preceding year.

Victoria, Canada
September 8, 2020

A stylized, handwritten-style signature of "Grant Thornton LLP" in black ink.

Chartered Professional Accountants

Greater Victoria Police Victim Services Society

Statement of Operations

Year ended March 31	2020	2019
Revenue		
Grants (Note 4)	\$ 493,438	\$ 498,618
Donations (Note 8)	22,718	27,485
Interest and miscellaneous	<u>2,717</u>	<u>3,457</u>
	<u>518,873</u>	<u>529,560</u>
Expenses		
Administration	51,096	57,940
Amortization	4,655	5,140
Interest and bank charges	1,709	1,128
Professional fees	6,996	9,468
Training and development	23,845	20,775
Transportation	16,712	13,594
Volunteer support	306	71
Wages and benefits	<u>418,167</u>	<u>391,316</u>
	<u>523,486</u>	<u>499,432</u>
(Deficiency) excess of revenue over expenses from operations	(4,613)	30,128
Other item		
Loss on disposal of tangible capital assets	<u>(436)</u>	<u>(392)</u>
(Deficiency) excess of revenue over expenses	<u>\$ (5,049)</u>	<u>\$ 29,736</u>

Greater Victoria Police Victim Services Society

Statement of Changes in Net Assets

Year ended March 31

	Unrestricted Fund	Invested in Tangible Capital Assets	Internally Restricted Funds	Total 2020	Total 2019
Balance, beginning of year	\$ 329,035	\$ 18,830	\$ 120,000	\$ 467,865	\$ 438,129
(Deficiency) excess of revenue over expenses	42	(5,091)	-	(5,049)	29,736
Invested in tangible capital assets	<u>(8,510)</u>	<u>8,510</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance, end of year	<u>\$ 320,567</u>	<u>\$ 22,249</u>	<u>\$ 120,000</u>	<u>\$ 462,816</u>	<u>\$ 467,865</u>

Greater Victoria Police Victim Services Society


Statement of Financial Position

March 31	2020	2019
Assets		
Current		
Cash and cash equivalents	\$ 268,057	\$ 283,112
Accounts receivable	70,812	68,925
Inventory	4,791	-
Prepaid expenses	3,113	5,966
Goods and services tax receivable	<u>1,734</u>	<u>1,403</u>
	<u>348,507</u>	<u>359,406</u>
Long-term		
Restricted cash (Note 5)	120,000	120,000
Tangible capital assets (Note 6)	<u>22,249</u>	<u>18,830</u>
	<u>142,249</u>	<u>138,830</u>
	<u>\$ 490,756</u>	<u>\$ 498,236</u>
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 27,940	\$ 27,135
Deferred revenue	<u>-</u>	<u>3,236</u>
	<u>27,940</u>	<u>30,371</u>
Fund balances		
Unrestricted fund	320,567	329,035
Invested in tangible capital assets	22,249	18,830
Internally restricted funds	<u>120,000</u>	<u>120,000</u>
	<u>462,816</u>	<u>467,865</u>
	<u>\$ 490,756</u>	<u>\$ 498,236</u>

Commitments (Note 7)

On behalf of the board


 _____ Member
 Julie Adams, Board President


 _____ Member
 Willa Forbes, Board Treasurer

Greater Victoria Police Victim Services Society

Statement of Cash Flows

Year ended March 31	2020	2019
Increase (decrease) in cash		
Operating		
(Deficiency) excess of revenue over expenses	\$ (5,049)	\$ 29,736
Items not affecting cash		
Amortization	4,655	5,140
Loss on disposal of tangible capital assets	<u>436</u>	<u>392</u>
	42	35,268
Change in non-cash working capital items		
Accounts receivable	(1,887)	(1,350)
Inventory	(4,791)	-
Prepaid expenses	2,853	(1,157)
Goods and services tax	(331)	(188)
Accounts payable and accrued liabilities	805	(7,571)
Deferred revenue	<u>(3,236)</u>	<u>(18,592)</u>
	(6,545)	6,410
Investing		
Purchase of tangible capital assets	<u>(8,510)</u>	<u>(823)</u>
(Decrease) increase in cash	(15,055)	5,587
Cash		
Beginning of year	<u>403,112</u>	<u>397,525</u>
End of year	<u>\$ 388,057</u>	<u>\$ 403,112</u>
Cash consists of:		
Cash and cash equivalents	\$ 268,057	\$ 283,112
Restricted cash	<u>120,000</u>	<u>120,000</u>
	<u>\$ 388,057</u>	<u>\$ 403,112</u>

Greater Victoria Police Victim Services Society

Notes to the Financial Statements

March 31, 2020

1. Purpose of the Society

Greater Victoria Police Victim Services Society (the "Society") is a local organization whose purpose involves working with police to help people impacted by crime and trauma. Mandated services include critical incident response, criminal justice information and support, safety planning, emotional and practical support, information and referrals, and networking, public awareness and education. Greater Victoria Police Victim Services Society is incorporated under the Societies Act of British Columbia as a not-for-profit organization and is a registered charity under the Income Tax Act.

2. Significant accounting policies

The organization applies the Canadian accounting standards for not-for-profit organizations.

Cash and cash equivalents

Cash and cash equivalents consists of cash on hand, term deposits with a maturity of less than 12 months and balances with banks.

Fund accounting

Greater Victoria Police Victim Services Society follows the deferral method of accounting for contributions.

The Society records its activities in the following funds:

The Unrestricted Fund accounts for the Society's program delivery and general operations of the Society. This fund reports unrestricted and restricted operating grants.

The Invested in Tangible Capital Assets Fund accounts for transactions relating to tangible capital assets.

The Internally Restricted Fund accounts for funds internally restricted by the Society.

Revenue recognition

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. 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.

Pledges from donors are recorded when payment is received by the Society. Bequests are recognized in the year that the assets are received by the Society.

Greater Victoria Police Victim Services Society

Notes to the Financial Statements

March 31, 2020

2. Significant accounting policies (continued)

Tangible capital assets

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

Equipment	20% Declining balance
Computer equipment	30% Declining balance
Computer software	100% Declining balance
Website	30% Declining balance

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

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 include the collectability of accounts receivable, accrual of accounts payable and useful life of tangible capital assets and are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Donated goods

The Society records donated goods in those cases where:

- the Society controls the way they are used;
- there is a measurable basis for arriving at fair value; and
- the goods are essential and would normally be purchased and paid for if not donated.

During the year \$21,250 in goods were donated (2019 - \$25,250).

Contributed services

The Society is grateful for the many hours contributed by generous volunteers that allow it to carry out its activities in the community. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Greater Victoria Police Victim Services Society

Notes to the Financial Statements

March 31, 2020

2. Significant accounting policies (continued)

Financial instruments

The Society's financial instruments consist of cash, restricted cash and investments, accounts receivable, and accounts payable and accrued liabilities. Accounts receivable are classified as loans and receivables. Accounts payable and accrued liabilities are classified as other financial liabilities. Financial instruments are initially recorded at fair value except for term deposits or Guaranteed Investment Certificates, which are measured at amortized cost. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

3. Adoption of new accounting standard

On April 1, 2019, the Society adopted new accounting standard Section 4433 Tangible capital assets held by not-for-profit organizations (the "standard"). The most significant requirements include: - tangible capital assets must be separated into their component parts, when practicable, and when estimates can be made of the lives of the separate components; - tangible capital assets and intangible assets are written down to fair value or replacement cost to reflect partial impairments when conditions indicate that the assets no longer contribute to an organization's ability to provide goods and services, or that the value of future economic benefits or service potential associated with the tangible capital assets are less than their net carrying amounts; and - additional disclosures when an impairment has occurred. The adoption of the new accounting standard was applied prospectively and the figures for 2019 have not been restated. The adoption of this standard did not result in any impact on the statement of financial position as at March 31, 2020.

4. Grants

	<u>2020</u>	<u>2019</u>
Capital Regional District	\$ 277,075	\$ 271,650
Ministry of Public Safety & Solicitor General	206,363	216,968
District of North Saanich	5,000	5,000
Other	<u>5,000</u>	<u>5,000</u>
	<u>\$ 493,438</u>	<u>\$ 498,618</u>

Greater Victoria Police Victim Services Society

Notes to the Financial Statements

March 31, 2020

5. Internally restricted funds

The balance represents funds restricted in an amount equal to internally restricted reserve funds. The funds are invested in liquid, fixed-income investments of varying terms. Interest earned on liquid, fixed-income investments is recognized in the unrestricted fund.

Contingency fund

The contingency fund is internally restricted for the purpose of providing cash reserves for a period of three months in the event of a loss of core funding, allowing the Society to seek new funding sources. At March 31, 2020 the balance in the contingency fund was \$120,000 (2019 – \$120,000).

6. Tangible capital assets

			<u>2020</u>	<u>2019</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Equipment	\$ 27,460	\$ 14,402	\$ 13,058	\$ 15,652
Computer equipment	10,511	8,431	2,080	2,972
Computer software	6,495	6,495	-	-
Website	<u>7,688</u>	<u>577</u>	<u>7,111</u>	<u>206</u>
	<u>\$ 52,154</u>	<u>\$ 29,905</u>	<u>\$ 22,249</u>	<u>\$ 18,830</u>

7. Commitments

The Society has entered into operating lease agreements for vehicles used in its operations. The operating lease payments are \$346 per month. Minimum lease payments until the expiry of the leases are as follows:

Estimated principal repayments are as follows:

2021	\$ 4,152
2022	4,152
2023	4,152
2024	<u>2,076</u>
	<u>\$ 14,532</u>

8. Donations

Charitable donation receipts were issued for \$100 (2019 - \$1,000) during the year.

Greater Victoria Police Victim Services Society

Notes to the Financial Statements

March 31, 2020

9. Income taxes

The Society is registered as a charitable organization as defined by the Income Tax Act and is exempt from income taxes. To maintain its charitable status for income tax purposes, the Society must meet minimum obligations as set out by Canada Revenue Agency.

10. Economic interest

The Society receives a major portion of its funding from various levels of government that have an interest in the operations of the Society. The ongoing operation of the Society in its present form is dependent on continuing to receive adequate levels of funding from these sources.

11. Director, employee and contractor remuneration

The British Columbia Societies Act includes a requirement to disclose the remuneration paid to all directors, the ten highest paid employees and all contractors who are paid at least \$75,000 annually.

During the year, no amount was paid to directors (2019: \$Nil) and there was one employee or contracted person who was paid \$88,569 (2019: \$93,054).

12. COVID-19 impact on operations

Since December 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses were forced to cease or limit operations for long periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions. Management has responded to the pandemic through implementing social distancing and other administrative measures to prevent the spread of COVID-19. In-person board and management meetings have also been changed to virtual online meetings. Management believes that the pandemic has not to date had a material negative effect on the Society's revenues and operations. The Society has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of, and for the year ended, March 31, 2020 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Society for future periods.

13. 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, 2020.

Greater Victoria Police Victim Services Society

Notes to the Financial Statements

March 31, 2020

13. Financial instruments (continued)

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Society does not have significant transactions with customers using credit and therefore is not exposed to significant credit risk from customers.

(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 this risk mainly in respect of its receipt of funds from its customers and other related sources, obligations under capital leases and accounts payable.

(c) Market risk

Market risk is the risk that the fair value or expected future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

(i) Currency risk

Currency risk is the risk to the company's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Society is not exposed to foreign currency exchange risk as all transactions are completed in Canadian dollars.

(ii) 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. The Society not exposed to significant interest rate risk.

(iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Society limits this risk by purchasing fixed interest rate term deposits.
