Atira Women's Resource Society
Non-Consolidated Financial Statements
For the year ended March 31, 2024

Contents

Independent Auditor's Report

To the Members of Atira Women's Resource Society:

Report on the Audit of the Non-Consolidated Financial Statements

Opinion

We have audited the non-consolidated financial statements of Atira Women's Resource Society (the "Society"), which comprise the non-consolidated statement of financial position as at March 31, 2024, and the non-consolidated statements of operations, changes in net assets and cash flows for the year then ended, and notes to the non-consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the non-consolidated financial position of the Society as at March 31, 2024, and the results of its non-consolidated operations and its non-consolidated cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

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 Non-Consolidated 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 non-consolidated 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the non-consolidated financial statements, which indicates that the Society has a working capital deficiency of $35,055,540 (2023 - working capital deficiency of $30,715,720) and realized a deficiency of revenues over expenses of $2,267,318 during the year ended March 31, 2024. In addition, we draw attention to Note 3 which indicates that measurement uncertainty is present in relation to the accrued BCHMC receivable/payable as presented in the statement of financial position and the BCHMC recovery (expense) in the statement of operations. As stated in Note 2, these events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the Society's ability to continue as a going concern, and the Society's plans to mitigate such an event. The Society remains operational in October 2025. Our opinion is not modified in respect of these matters.

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

Management is responsible for the preparation and fair presentation of the non-consolidated 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 non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated 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 Non-Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated 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 non-consolidated 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 non-consolidated 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 non-consolidated 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 non-consolidated financial statements, including the disclosures, and whether the non-consolidated 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

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

Surrey, British Columbia

October 5, 2025

MNP LLP

Chartered Professional Accountants

Atira Women's Resource Society
Non-Consolidated Statement of Financial Position
As at March 31, 2024

	2024	2023
Assets		
Current		
Cash	**5,819,012**	7,023,427
Term deposits	**20,220**	20,220
Accounts receivable	**5,477,593**	7,404,953
Prepaid expenses and deposits	**348,963**	285,846
Accrued BCHMC receivable *(Note 3)*	**1,849,717**	-
	13,515,505	14,734,446
Restricted cash *(Note 5)*	**3,884,180**	2,748,321
Investment in related parties *(Note 6)*	**25,002**	25,002
Advances to related parties *(Note 7)*	**3,207,885**	4,051,296
Capital assets *(Note 8)*	**96,957,447**	95,624,049
	117,590,019	117,183,114
Liabilities		
Current		
Accounts payable and accruals *(Note 9)*	**17,061,454**	12,197,319
Accrued BCHMC payable *(Note 3)*	**-**	1,963,036
Deferred revenue *(Note 10)*	**530,428**	635,466
Advances from related parties *(Note 7)*	**-**	166,817
Deferred contributions *(Note 11)*	**3,180,333**	3,698,815
Security deposits	**633,535**	542,080
Current portion of long-term debt *(Note 12)*	**27,165,295**	26,246,632
	48,571,045	45,450,165
Long-term debt *(Note 12)*	**19,574,193**	19,803,666
Forgivable loans *(Note 13)*	**15,553,082**	15,963,522
Deferred capital contributions *(Note 14)*	**22,659,191**	22,648,331
	57,786,466	58,415,519
	106,357,511	103,865,684
Commitments and contingencies *(Note 15)*		
Credit facility *(Note 16)*		
Subsequent events *(Note 1), (Note 3)*		
Economic dependence *(Note 3)*		
Net Assets		
Net assets (accumulated deficit)	**(1,508,980)**	1,802,122
Invested in capital assets	**12,005,685**	10,961,900
Replacement reserve *(Note 17)*	**735,803**	553,408
	11,232,508	13,317,430
	117,590,019	117,183,114

Approved on behalf of the Board

e-Signed by Anne Kinvig
2025-10-06 11:38:42:42 PDT
Director

e-Signed by Carolyn Willick
2025-10-02 17:25:31:31 PDT
Director

The accompanying notes are an integral part of these non-consolidated financial statements

Atira Women's Resource Society
Non-Consolidated Statement of Operations
For the year ended March 31, 2024

	2024	2023
Revenue		
BC Housing	**66,455,420**	62,522,606
Rental income	**9,045,986**	8,629,662
Grant revenue *(Note 18)*	**5,131,986**	3,978,882
Health authority funding	**1,445,804**	1,434,063
Federal funding	**1,664,304**	1,663,633
Lu'ma Native Housing Society	**898,580**	898,033
Donations	**432,228**	653,772
Other income	**448,236**	371,239
Parent fees childcare	**489,599**	487,722
Interest income	**409,855**	294,356
Administration charge	**127,846**	239,600
	86,549,844	81,173,568
Operating expenses *(Schedule 1)*	**90,039,710**	81,183,856
Covid-19 and Emergency program funding *(Schedule 2)*	**(1,274,058)**	(1,472,954)
Covid-19 and Emergency program expenses *(Schedule 2)*	**977,872**	1,730,403
Deficiency of revenue over expenses before other items	**(3,193,680)**	(267,737)
Other income (expense) related to capital assets		
Amortization of forgivable loans	**680,078**	666,128
Amortization of deferred capital contributions	**921,156**	371,738
Amortization of capital assets	**(2,579,452)**	(1,619,574)
	(978,218)	(581,708)
Deficiency of revenue over expenses before the following:	**(4,171,898)**	(849,445)
BCHMC recovery (Note 3)	**(1,904,580)**	(1,620,206)
Excess (deficiency) of revenue over expenses	**(2,267,318)**	770,761

The accompanying notes are an integral part of these non-consolidated financial statements

Atira Women's Resource Society
Non-Consolidated Statement of Changes in Net Assets
For the year ended March 31, 2024

	Net assets (accumulated deficit)	*Invested in capital assets*	*Replacement reserve (Note 17)*	***2024***	*2023*
Net assets, beginning of year	**1,802,123**	**10,961,900**	**553,408**	**13,317,431**	12,507,086
Excess (deficiency) of revenue over expenses	**(1,289,098)**	**(978,220)**	**-**	**(2,267,318)**	770,761
Increase in replacement reserve	**-**	**-**	**196,040**	**196,040**	154,040
Expenses charged to replacement reserve	**-**	**-**	**(28,472)**	**(28,472)**	(120,271)
Interest earned on replacement reserve	**-**	**-**	**14,827**	**14,287**	5,815
Deferred capital contributions received	**818,262**	**(818,262)**	**-**	**-**	-
Acquisition of capital assets	**(3,912,849)**	**3,912,849**	**-**	**-**	-
Forgivable loan funding received	**383,392**	**(383,392)**	**-**	**-**	-
Proceeds from long term debt	**1,481,461**	**(1,481,461)**	**-**	**-**	-
Repayment of long term debt	**(792,271)**	**792,271**	**-**	**-**	-
Net assets, end of year	**(1,508,980)**	**12,005,685**	**735,803**	**11,231,968**	13,317,431

The accompanying notes are an integral part of these non-consolidated financial statements

Atira Women's Resource Society
Non-Consolidated Statement of Cash Flows
For the year ended March 31, 2024

	2024	2023
Cash provided by (used for) the following activities		
Operating		
Excess (deficiency) of revenue over expenses	**(2,267,318)**	770,761
Amortization of forgivable loans related to capital assets	**(680,078)**	(666,128)
Amortization of deferred capital contributions	**(921,156)**	(371,738)
Amortization of capital assets	**2,579,452**	1,619,574
Bad debt expense	**755,753**	280,399
	(533,347)	1,632,868
Changes in working capital accounts		
Accounts receivable	**1,171,607**	(1,438,148)
Prepaid expenses and deposits	**(63,118)**	108,756
Accounts payable and accruals	**4,864,136**	1,417,159
Accrued BCHMC receivable/payable	**(3,812,753)**	(1,620,084)
Security deposits	**91,455**	91,357
Deferred revenue	**(105,038)**	(95,846)
Deferred contributions	**(518,482)**	(4,028,922)
	1,094,460	(3,932,860)
Financing		
Deferred capital contributions received	**818,262**	6,924,254
Advances of forgivable loans	**383,392**	464,364
Advances of long-term debt related to capital assets	**1,481,461**	13,944,933
Repayment of long-term debt related to capital assets	**(792,271)**	(1,026,382)
	1,890,844	20,307,169
Investing		
Proceeds on disposal of term deposits	**-**	254,988
Investment in related party	**-**	(25,000)
Purchase of capital assets	**(3,912,849)**	(19,839,731)
Advances to and from related parties, net	**676,594**	3,998,219
Net increase in replacement reserve	**182,395**	39,584
	(3,053,860)	(15,571,940)
Increase (decrease) in cash resources	**(68,556)**	802,369
Cash resources, beginning of year	**9,771,748**	8,969,379
Cash resources, end of year	**9,703,192**	9,771,748
Cash resources are composed of:		
Cash	**5,819,012**	7,023,427
Restricted cash	**3,884,180**	2,748,321
	9,703,192	9,771,748

The accompanying notes are an integral part of these non-consolidated financial statements

1. Herstory and nature of the organization

Atira Women's Resource Society (the “Society”) was incorporated on March 10, 1983 under the Society Act of British Columbia. The Society transitioned to the British Columbia Societies Act on March 7, 2018. The Society is a registered charity under the Income Tax Act (Canada) and is accordingly exempt from income taxes.

The Society is a not-for-profit organization dedicated to supporting women and children affected by violence by offering safe and supportive housing and by delivering education and advocacy aimed at ending all forms of gendered violence. The Society operates from three core principles: we are feminist identified, operate within an anti-oppression framework and utilize harm reduction principles in all our work. We are trauma informed and gender responsive.

In 1987, the Society opened its first transition house, Durrant House (formerly known as Atira House), in the South Surrey/White Rock community. The Society began expanding its services in 1993 and today has more than forty-two housing programs, two community daycare programs and more than a dozen support programs, located across the Lower Mainland. In addition, the Society is the sole shareholder of two for- profit social-purpose businesses, Atira Property Management Inc. ("APMI") and The Painter Sisters Painting Company ("TPSPC"), launched in 2002 and 2008, respectively, and supports three controlled not-for-profit organizations, Atira Development Society ("ADS"), Atira Women’s Arts Society ("AWAS") and Atira Women's Housing Cooperative ("AWHC") (Note 6).

The COVID-19 virus had significant impact on economic and social activity through the restrictions put in place by various levels of government regarding travel, business operations, and public gatherings. Management has implemented various cost saving measures to reduce costs and manage cash flows and has accessed certain wage subsidy programs available from the Federal government and specific COVID-19 grants or subsidies from various government organizations (Schedule 2).

During the fiscal 2024 year end, the Society’s main funder, the British Columbia Housing Management Commission ("BCHMC"), underwent a Financial Systems and Operational Review performed by a third party consulting company on behalf of the Provincial Government of British Columbia (the "Province"). As a result of the findings reported, and, in addition to the ongoing operational review of the Society by the Province, both BCHMC and the Society have established new leadership executive teams. Along with a renewed Board of Directors, the Society's executive team have been working with external consultants on a series of reviews of all aspects of the organization including governance, with a goal to improve transparency, accountability and performance throughout the organization and to its funders and donors.

In addition, management has undertaken a review of the Society's operations and assets to ensure alignment with its core purpose, strategic plan, and ultimately the safety of its clients. As a result of this review, management has made the decision to divest itself of certain programs allowing the Society to focus resources on initiatives that are central to its mission and long-term sustainability. Management continues to monitor and evaluate the Society's operations and assets for further changes.

Subsequent to year-end, on March 31, 2025, the Society’s related entity APMI sold its property management business after the resignation of APMI’s Managing Broker on February 21, 2025. BC Financial Services Authority (“BCFSA”) mandates that all brokerages must have a licensed managing broker in place at all times.

With the approval of the Society and APMI Boards, management approved the following Letters of Interest (LOI):

- Korecki Real Estate Services Inc. (“KRESI”) to assume APMI’s strata, rental, and referral properties.
- Red Door Management Corp. (“Red Door”) to assume APMI’s non-profit and seniors’ properties.

Both KRESI and Red Door were chosen for their ability to assume the properties in a short timeframe, their alignment with APMI’s mission, and their commitment to taking on key APMI staff members. The Single-Room Occupancy programs (SROs), which were previously managed by APMI are now managed by the Society effective April 1, 2025.

The Society continues to rely on the continued support of its funders, donors and lenders; any material change to these relationships would create a material uncertainty with respect to the Society being a going concern.

2. Going concern

These non-consolidated financial statements have been prepared on a going concern basis which presumes that the Society will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the normal course of its operations.

As at March 31, 2024, the Society has a working capital deficiency of $35,055,540 (2023 - $30,715,720) and during the year ended March 31, 2024 the Society incurred a deficiency of revenue over expenses of $2,267,318. The working capital deficiency includes the debt associated with a development project that was substantially completed in December 2022 totaling $26,352,115, for which the associated mortgage has not yet been finalized (Note 12). As such, there is a material uncertainty related to these events and conditions that may cast significant doubt on the Society’s ability to continue as a going concern and, therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business.

To remain a going concern, the Society is dependent upon the support of its members, donors, creditors, BCHMC and other government funding agencies. The Society works closely with BCHMC to develop budgets, taking into account all available information including future expectations up to at least one year from the date of the statement of financial position, that will enable the continued operation of the Society's programs. In addition, the Society works with its lenders to meet the terms of its mortgages and, has, subsequent to year-end, successfully refinanced the mortgages which have matured (note 12). These non-consolidated financial statements do not reflect the adjustments or reclassification of assets and liabilities which would be necessary if the Society were unable to continue its operations.

3. Economic dependence

The Society's primary source of revenue is government funding from BCHMC and other government agencies. The Society's ongoing operations depend on the renewal of annual funding agreements with various government agencies. For the year ended March 31, 2024, the Society's revenue consists of approximately 87% (2023 - 85%) from BCHMC and other government agencies.

The Society has accrued a receivable of $1,849,717 (2023 - $1,963,036 payable) due from BCHMC as at March 31, 2024. This amount is comprised of the anticipated result of BCHMC's financial review of the year ended March 31, 2024, and adjustments from previous years, and subsequent negotiations between the Society and BCHMC for the years ended March 31, 2020 through March 31, 2024 as follows:

March 31, 2020 - estimated payable due to BCHMC	(448,268)
March 31, 2021 - estimated payable due to BCHMC	(975,924)
March 31, 2022 - estimated payable due to BCHMC	(250,878)
March 31, 2023 - estimated due from BCHMC	1,620,206
March 31, 2024 - estimated due from BCHMC	1,904,580
	$ 1,849,717

Management has based its estimate for the year ended March 31, 2024 on a number of factors, including the causes of adjustments in previous financial reviews and the results of negotiations with BCHMC during the year. However, the actual results of BCHMC’s financial review for the year ended March 31, 2024 could materially differ from the amount estimated by management.

In addition to the amounts above, the Society has accrued receivables from BCHMC for recovery of extraordinary expenses totaling $2,157,102 (2023 - $975,155) which are included in accounts receivable.

4. Significant accounting policies

The non-consolidated financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

Cash and restricted cash

Cash and cash equivalents include cash, term deposits and marketable securities with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Investment in subsidiaries and controlled not-for-profit organizations

The Society's non-consolidated financial statements do not include the accounts of [Name(s) of NPO subsidiary(ies)], which is controlled by the Society. The required disclosures have been provided in Note [#].

All transactions with the subsidiary are disclosed as related party transactions.

The Society owns 100% of the issued and outstanding share capital of APMI and TPSPC which are for-profit corporations. APMI and TPSPC's results are not consolidated; they are reported using the cost method of accounting for investments and providing the disclosure recommended under Part III of the CPA Canada Handbook - Accounting.

The Society controls ADS, a not-for-profit organization, through common directors and management. ADS's results are not consolidated; they are reported by providing the disclosures required under Part III of the CPA Canada Handbook - Accounting.

The Society also controls AWAS, a not-for-profit organization through common directors and management. AWAS's results are not consolidated; they are reported by providing the disclosures required under Part III of the CPA Canada Handbook - Accounting.

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined. When fair value cannot be reasonably determined, capital assets have been recorded at nominal value.

The Society amortizes its capital assets using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives.

	Rate
Buildings	10 - 60 years
Automotive	3 years
Computer equipment	3 years
Computer software	3 years
Equipment	3 - 25 years
Furniture and fixtures	3 years
Building renovations	10 - 15 years

Land leasehold interests are amortized over the respective lease term on a straight-line basis ranging from 25 to 40 years. Building improvements are amortized straight-line over the lesser of the remaining life of the building or their estimated useful lives of 5 to 15 years.

Capital assets under construction are presented as development costs and are not amortized until the completed capital assets are available for use.

Long-lived assets

Long-lived assets consist of capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Society writes down long-lived assets held for use when conditions indicate that the asset no longer contributes to the Society's ability to provide goods and services. The asset is also written-down when the value of future economic benefits or service potential associated with the asset is less than its net carrying amount. When the Society determines that a long-lived asset is impaired, its carrying amount is written down to the asset's fair value.

4. Significant accounting policies *(Continued from previous page)*

Leases

A lease that transfers substantially all of the benefits and risks of ownership is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair market value. Assets under capital leases are amortized on a declining balance basis, over their estimated useful lives estimated useful lives. All other leases are accounted for as operating leases and rental payments are expensed as incurred.

An arrangement contains a lease where the arrangement conveys a right to use the underlying tangible asset, and whereby its fulfillment is dependent on the use of the specific tangible asset. After the inception of the arrangement, a reassessment of whether the arrangement contains a lease is made only in the event that:

- there is a change in contractual terms;
- a renewal option is exercised or an extension is agreed upon by the parties to the arrangement;
- there is a change in the determination of whether the fulfillment of the arrangement is dependent on the use of the specific tangible asset; or
- there is a substantial physical change to the specified tangible asset.

Revenue recognition

The Society follows the deferral method of accounting for contributions. 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.

Contributions restricted for the construction or purchase of capital assets are deferred and amortized into revenue on a straight-line basis, at a rate corresponding with the amortization rate for the related capital asset. Contributions for land are recognized as direct increases to net assets.

Deferred contributions represent restricted funding received in the current period that is related to a subsequent period or designated for a specific expenditure that has not yet occurred.

Deferred revenue represents income received in the current period that relates to a subsequent period.

Government assistance

Government assistance in the form of wage premiums is treated in accordance with that of a contribution and recognized in the period the funding is received or becomes receivable.

Forgivable loans

Forgivable loans used to acquire capital assets are accounted for in the same manner as a contribution restricted for the same purpose, whereby revenue is recognized on the same basis as the amortization expense related to the acquired capital assets, notwithstanding that the terms of forgiveness in the loan agreement may differ. For contributions restricted for the purchase of a capital asset that will not be amortized, the contribution us recorded as direct increase to net assets.

Replacement reserve

In accordance with the agreement between the Society and BCHMC, a replacement reserve fund has been established. The replacement reserve is funded from the Society's operating budget through an annual transfer to the reserve. The amount to be transferred is approved annually by BCHMC and is restricted for the replacement or repair of the Society's capital assets.

Employee future benefits

The Society's employee future benefit program consists of a defined contribution pension plan. Accordingly, contributions to the plan are recognized as an expense during the year.

Financial instruments

The Society recognizes financial instruments when the Society becomes party to the contractual provisions of the financial instrument.

4. Significant accounting policies *(Continued from previous page)*

Financial instruments *(Continued from previous page)*

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm’s length transaction (“arm’s length financial instruments”) are initially recorded at their fair value.

At initial recognition, the Society may irrevocably elect to subsequently measure any arm’s length financial instrument at fair value. The Society has not made such an election during the year.

The Society subsequently measures investments in equity instruments quoted in an active market at fair value. Fair value is determined by published price quotations. All other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess of revenues over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Related party financial instruments

The Society initially measures financial instruments originated/acquired or issued/assumed in a related party transaction at cost on initial recognition. When the financial instrument and the consideration transferred both do not have repayment terms, the cost is equal to the carrying or exchange amount of the consideration transferred or received.

The Society subsequently measures related party financial instruments using the cost method less any reduction for impairment.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of related party financial instruments are immediately recognized in excess of revenues over expenses.

Financial asset impairment

The Society assesses impairment of all its financial assets measured at cost or amortized cost. The Society groups assets for impairment testing when there are numerous assets affected by the same factor. Management considers whether there has been a breach in contract, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Society determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

With the exception of related party debt instruments and related party equity instruments initially measured at cost, the Society reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

For related party debt instruments initially measured at cost, the Society reduces the carrying amount of the asset (or group of assets), to the highest of: the undiscounted cash flows expected to be generated by holding the asset, or group of similar assets, excluding the interest and dividend payments of the instrument; the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

For related party equity instruments initially measured at cost, the Society reduces the carrying amount of the asset (or group of assets), to the amount that could be realized by selling the asset(s) at the statement of financial position date.

Any impairment, which is not considered temporary, is included in current year excess of revenues over expenses.

The Society reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess of revenues over expenses in the year the reversal occurs.

4. Significant accounting policies *(Continued from previous page)*

Measurement uncertainty (use of estimates)

The preparation of non-consolidated financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable and advances to related parties are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets. The amounts recorded as accrued payables due to BCHMC and certain other amounts recorded as accrued liabilities are subject to management's estimates.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the periods in which they become known.

5. Restricted cash

	2024	*2023*
Restricted replacement reserves	**675,371**	463,654
Security deposits	**577,029**	474,760
420 Hawks	**414,085**	397,602
Transition House Cumulative surplus	**840,791**	1,291,269
Development of The Alex project	**1,375,277**	119,474
Bountiful	**1,627**	1,562
	3,884,180	2,748,321

6. Investment in related parties

The Society holds investments in the following subsidiaries, which are accounted for using the cost method:

	2024	*2023*
APMI	**1**	1
TPSPC	**1**	1
East Van Roasters ("EVR")	**25,000**	25,000
	25,002	25,002

6. Investment in related parties *(Continued from previous page)*

APMI

APMI is a wholly owned subsidiary of the Society. It provides property management services across Vancouver and the Lower Mainland. Any net income generated by APMI is used to support the Society's objectives through donations. APMI has a March 31 year-end and its financial information is prepared on a cash basis with the inclusion of certain accruals.

The Society has paid property management fee expense of $1,910,906 (2023 - $1,656,960), rent of $19,200 (2023 - $19,200), and wages and benefits of $253,673 (2023 - $201,849) to APMI. In addition, the Society received a donation of $5,000 (2023 - $5,000) from APMI.

Summary financial information of APMI as at March 31, 2024 is as follows:

	2024	*2023*
Financial Position		
Total assets	**567,528**	564,365
Total liabilities	**2,299,260**	1,386,069
Total shareholder's equity (deficit)	**(1,731,732)**	(821,704)
Results of Operations		
Total revenue	**4,759,410**	17,065,210
Total expenses	**5,669,438**	17,572,404
Net loss	**(910,028)**	(507,194)

The Society is identified as a guarantor in lending agreements between APMI and Vancouver City Savings Credit Union ("VanCity"). The lending agreements provide APMI with a variable rate term loan of up to $194,578 (2023 - $194,578) and a demand operating loan of up to $50,000 (2023 - $50,000). As at March 31, 2024, the outstanding balance of the loan was $21,743 (2023 - $25,825). The Society has pledged security in connection with these loans in the form of a general security agreement, a guarantee and postponement of claim by the Society with respect to the assets and liabilities of APMI, and by a third mortgage and an assignment of related rents on a Society's property located at 13733 92 Ave, Surrey, BC.

Under its lending agreements with VanCity, APMI is subject to a debt service coverage ratio, as defined of not less than 1:1. As at March 31, 2024, the financial information required to calculate the debt covenant was not readily available and accordingly the covenant was indeterminable as at APMI's engagement report date (2023 - in compliance).

6. Investment in related parties *(Continued from previous page)*

TPSPC

TPSPC is a wholly owned subsidiary of the Society which is currently operationally inactive. Previously, TPSPC provided job training and client skills development through the provision of painting services throughout the Lower Mainland. TPSPC has a March 31 year end and its financial information is prepared on a cash basis with the inclusion of certain accruals.

Summary financial information of TPSPC as at March 31, 2024 is as follows:

	2024	*2023*
Financial Position		
Total assets	**7,745**	7,745
Total liabilities	**5,911**	5,911
Total shareholder's equity	**1,834**	1,834
Results of Operations		
Total expenses	**-**	30
Net loss	**-**	(30)

AWAS

AWAS is a controlled not-for-profit organization of the Society. The purpose of AWAS is to provide economic opportunities for women through teaching, making and selling arts and crafts. AWAS has a March 31 year end, is prepared in accordance with ASNPO and its financial information is prepared on a cash basis with the inclusion of certain accruals.

Summary financial information of AWAS as at March 31, 2024 is as follows:

	2024	*2023*
Financial Position		
Total assets	**367,928**	290,560
Total liabilities	**765,939**	363,978
Net assets (accumulated deficit)	**(398,011)**	(73,418)
Results of Operations		
Total revenue	**501,319**	529,662
Total expenses	**805,913**	712,267
Excess (deficiency) of revenue over expenses	**(304,594)**	(182,605)

6. Investment in related parties *(Continued from previous page)*

ADS

ADS is a controlled not-for-profit organization of the Society. The purpose of ADS is to act as a development arm for the Society by purchasing housing units for social redevelopment. The objectives of the redeveloped properties include providing low income housing to those in need and supporting the programs operated by the Society. In addition, ADS operates two housing programs and provides continuous concierge services and a community animator for each program, ADS has a January 31 year end, is prepared in accordance with ASNPO and its significant accounting policies are consistent with those of the Society.

The Society has a year-end date of March 31, 2024 and the ADS has a year-end date of January 31, 2024. It is not possible to prepare financial statements of ADS for the same period as the Society's financial statements. Therefore, the Society uses ADS's year-end financial statements to account for their interest in ADS's financial results.

Summary financial information of ADS as at January 31, 2024 is as follows:

	2024	*2023*
Financial Position		
Total assets	**62,350,941**	64,615,173
Total liabilities	**55,212,570**	56,956,866
Net assets	**7,138,371**	7,658,307
Results of Operations		
Total revenue	**6,755,472**	12,278,493
Total expenses	**6,797,713**	7,404,471
Excess (deficiency) of revenues over expenses	**(42,241)**	4,874,022

On April 1, 2021, ADS purchased 323 and 369 Alexander Street, Vancouver, BC, for a purchase price of $28,750,000 for the purpose of developing the land into further rental units. This purchase was funded by $25,885,000 from the operating line of credit facilitated by Vancouver City Savings Credit Union ("VanCity") until other arrangements could be finalized, with the remaining $3,205,000 being funded by the Society. ADS accepted an offer to purchase this property in the amount of $35,800,000 which closed in September 2022. The operating line of credit was repaid in full, and the facility is no longer available to ADS. In September 2022, ADS repaid the $3,205,000 advance in full subsequent to the sale of the properties located at 323 and 369 Alexander Street, Vancouver, BC.

On January 31, 2022, ADS purchased 303 Columbia Street, Vancouver, BC, for a purchase price of $16,000,000 to be utilized as additional housing units. This purchase was funded by a $13,500,000 mortgage from VanCity with the remainder being funded by the Society. In April 2022, ADS repaid $1,400,000 and in May 2023, ADS repaid $2,020,940 to the Society, thereby paying the advance in full pertaining to the property located at 303 Columbia Street, Vancouver, BC. The Society is identified as a co-guarantor with APMI and 1336142 BC Ltd., a company controlled by an employee of the Society, in lending agreements between ADS and Vancouver City Savings Credit Union ("VanCity"). The lending agreements provide ADS with three mortgages. As at January 31, 2024, the outstanding balances of the three mortgages were $32,468,626 (2023 - $33,302,822).

The Society has pledged security in connection with these lending agreements in the form of a general security agreement, a guarantee and postponement of claim by the Society with respect to the assets and liabilities of ADS.

Under its lending agreements with VanCity, ADS is subject to a combined debt service coverage ratio calculated with the Society and APMI, as defined of not less than 1:1. For the fiscal years ended 2024, VanCity agreed not to apply the covenants as financial information for the three group entities was not available (2023 - debt covenant non-compliance waived by VanCity).

ADS's current credit facilities may be reviewed by VanCity at any time prior or subsequent to this date. The terms of the agreements are anticipated to remain as described in the original lending agreements until such time that a review is completed.

6. Investment in related parties *(Continued from previous page)*

The Society and ADS signed a commercial lease assignment agreement (the "Agreement") for real property located at 40 Powell Street, Vancouver, BC with a term beginning on January 30, 2023 and ending on June 30, 2024. Under the terms of the Agreement, rent is $45,500 per month.

AWHC

AWHC was incorporated under the BC Cooperative Association Act on April 27, 2022 as a new related party to the Society. The purpose of AWHC is to provide housing for some of the Society's employees. AWHC has a January 31 year end and its financial information is prepared on a cash basis with the inclusion of certain accruals.

7. Advances to related parties

Amounts due from the following parties, related by virtue of common board of directors, are unsecured, non-interest bearing and have no specified terms of repayment.

	2024	*2023*
Advances to ADS	**2,073,074**	3,883,572
Advances to AWAS	**404,604**	145,908
Advances to APMI	**548,298**	-
Advances to APMI - SRO	**174,135**	20,749
Advances to AWHC	**5,929**	-
Advances to TPSPC	**1,067**	1,067
Advances to EVR	**778**	-
	3,207,885	4,051,296

Advances from related parties

	2024	*2023*
Advances from APMI - Operating	**-**	166,817

8. Capital assets

	Cost	***Accumulated amortization***	***2024 Net book value***	*2023 Net book value*
Land	**19,214,051**	**-**	**19,214,051**	19,214,051
Buildings	**78,470,352**	**8,659,808**	**69,810,544**	68,378,123
Automotive	**39,109**	**39,109**	**-**	4,888
Computer equipment	**588,134**	**260,884**	**327,250**	506,388
Computer software	**171,238**	**91,866**	**79,372**	136,192
Equipment	**106,728**	**90,623**	**16,105**	25,206
Furniture and fixtures	**196,816**	**113,660**	**83,156**	107,517
Leasehold improvements	**1,777,137**	**575,475**	**1,201,662**	1,302,362
Building renovations	**8,635,748**	**2,627,413**	**6,008,335**	5,856,410
Development costs	**216,972**	**-**	**216,972**	92,912
	109,416,285	**12,458,838**	**96,957,447**	95,624,049

Buildings include $968,940 (2023 - $968,940) related to a facility on land leased from The Synod of the Diocese of New Westminster. The land has been leased for an amount of $10 per annum (2023 - $10), and the term of the lease expires on December 31, 2055. Upon expiration of the lease, the building and all fixtures become property of the landlord.

8. Capital assets *(Continued from previous page)*

Development costs include $10 (2023 - $10) related to a facility under development on land leased from The Metro Vancouver Regional District. The land has been leased until June 22, 2078. Upon expiration of the lease, the building and all fixtures become property of the landlord.

During the year ended March 31, 2024, the projects relating to capital assets under construction of $2,860,049 (2023 - $45,829,167) were substantially completed and transferred from development costs to buildings. Amortization on the related capital assets commenced upon substantial completion.

9. Accounts payable and accruals

	2024	*2023*
Accounts payable and accruals	**12,814,604**	8,472,860
Wages payable	**1,808,444**	1,597,021
Vacation payable	**1,003,241**	876,814
Government agencies payable	**1,435,165**	1,250,624
	17,061,454	12,197,319

10. Deferred revenue

Deferred revenue represents unrecognized rental income received in the year. Deferred revenue recognized to revenue is recorded as rent on the statement of operations.

11. Deferred contributions

During the year ended March 31, 2024, the Society received deferred contributions of $50,108,124 (2023 - $56,278,522) and recognized deferred contributions into revenue of $50,626,606 (2022 - $65,114,601). The balance of the deferred contributions at year end consists of the following:

	2024	*2023*
British Columbia Housing Management Commission	**1,297,683**	1,289,235
Vancouver Coastal Health	**558,007**	665,400
Other deferred contributions	**539,737**	483,682
Ministry of Children and Family Development	**333,917**	225,360
City of Vancouver	**78,526**	89,929
Gaming	**-**	105,497
Women's Shelter Canada	**-**	328,126
Law Foundation of BC	**14,830**	156,464
Vancouver Aboriginal Child and Family Services Society	**-**	36,497
Affordable Housing	**264,275**	249,938
Maria Marina Foundation	**28,525**	28,525
Ministry of Public Safety and Solicitor General	**54,833**	29,069
United Way	**10,000**	10,000
Fraser Health Authority	**-**	1,093
	3,180,333	3,698,815

12. Long-term debt

	2024	2023
VanCity mortgage bearing interest at 2.99% per annum, repayable in monthly blended payments of $4,254. The loan matures on January 5, 2031 and is secured by a first mortgage charge and assignment of rents over property 16551 10 Avenue, Surrey, BC, and a general security agreement from the Society over all present and after acquired property.	**819,326**	845,545
VanCity facility bearing interest at 3.25% per annum, repayable in monthly blended payments of $1,689. The loan matures on July 11, 2025 and is secured by an assignment of rents and the property at 9144 135A Street, Surrey, BC.	**278,592**	289,672
Bank of Nova Scotia mortgage bearing interest at 2.315% per annum, repayable in monthly blended payments of $49,122. The mortgage matures on July 1, 2031 and is secured by property at 13733 92nd Avenue, Surrey, BC.	**10,283,413**	10,631,590
MCAP mortgage bearing interest at 2.459% per annum, repayable in monthly blended payments of $18,653. The mortgage matures on June 1, 2031 and is secured by property at 100 East Cordova Street, Vancouver, BC.	**2,367,173**	2,530,917
VanCity mortgage bearing interest at 3.90% per annum, repayable in monthly blended payments of $28,307. The loan matures on March 1, 2027 and is secured by an assignment of rents and property at 143 Dunlevy Avenue, Vancouver, BC, and a general security agreement from the Society over all present and after acquired property.	**4,399,779**	4,565,337
VanCity mortgage bearing interest at 5.55% per annum, repayable in monthly blended payments of $5,697. The mortgage matures on December 17, 2025 and is secured by a first mortgage charge and assignment of rents over property at 1010 Sperling Avenue, Burnaby, BC.	**720,621**	753,787
BCHMC mortgage secured by a first mortgage charge over property 2117 & 2121 Prairie Avenue, Port Coquitlam, BC. As of the audit report date, BCHMC has not yet finalized the terms of the mortgage.	**26,352,115**	24,870,654
Bank of Nova Scotia loan bearing interest at 5.14% per annum, repayable in monthly blended payments of $3,441. The loan matures on November 1, 2033 and is secured by property at 120 Jackson Avenue, Vancouver, BC.	**579,813**	592,912
MCAP mortgage bearing interest at 2.196% per annum, repayable in monthly blended payments of $1,539. The mortgage matures on September 1, 2029 and is secured by property at 100 East Cordova Street, Vancouver, BC.	**304,969**	316,635
VanCity mortgage bearing interest at 2.99% per annum, repayable in monthly blended payments of $2,685. The loan matures on January 5, 2031 and is secured by a general security agreement, second mortgage charge over property at 14523 16th Avenue, Surrey, BC and assignments of rents and insurance.	**517,076**	533,626
Peoples Trust Company loan bearing interest at 2.405% per annum, repayable in monthly blended payments of $487. The loan matures on May 1, 2026 and is secured by property at 100 East Cordova Street, Vancouver, BC.	**116,611**	119,623
	46,739,488	46,050,298
Less: Current portion	**27,165,295**	26,246,632
	19,574,193	19,803,666

12. Long-term debt *(Continued from previous page)*

Principal repayments on long-term debt in each of the next five years, assuming long-term debt subject to refinancing is renewed are estimated as follows:

	Principal
2025	27,165,295
2026	1,486,092
2027	2,376,061
2028	4,450,425
2029	603,494
Thereafter	10,658,121
Total	46,739,488

During the year, interest on long-term debt amounted to $1,417,122 (2023 – $1,459,404).

The VanCity lending agreements related to all of the Society's long-term debt with VanCity requires the Society to maintain certain financial and non-financial covenants, including a debt service coverage ratio equal to or greater than 1:1. As at March 31, 2024, the Society was not in compliance with the debt service coverage ratio (2023 – not in compliance with the debt service coverage ratio), which is an event of default under the agreement. As at the audit report date, VanCity has been notified of the non-compliance and has not demanded repayment of the long-term debt.

As at the audit report date, all remaining mortgage facilities with lenders have continued to be repaid in accordance with the scheduled payments.

13. Forgivable loans

Changes in forgivable loans are as follows:

	2024	*2023*
Balance, beginning of year	**15,963,522**	16,275,702
Funding received during the year	**383,392**	464,364
Less: recognized as revenue during the year	**(680,078)**	(666,128)
Transfer to deferred capital contributions (Note 14)	**(113,754)**	(110,416)
Balance, end of year	**15,553,082**	15,963,522

13. Forgivable loans *(Continued from previous page)*

	2024	*2023*
BCHMC $8,300,000 mortgage at 0% interest per annum, forgiven over 35 years beginning February 2031, repayable in full if agreed purpose changes, with interest charged at prime + 2% per annum. Unforgiven balance on March 31, 2024 is $8,300,000.	**8,300,000**	8,300,000
City of Vancouver $858,543 mortgage at 0% interest per annum, forgiven over 20 years beginning October 2020, repayable in full if agreed purpose changes. Unforgiven balance at March 31, 2024 is $768,439.	**768,439**	812,142
Canada Mortgage and Housing Corporation $2,400,000 mortgage at 0% interest per annum, forgiven over 15 years beginning November 2013, repayable in full if agreed purpose changes, secured by first mortgage charge over property at 120 Jackson Avenue, Vancouver, BC and assignment of rents. Unforgiven balance on March 31, 2023 is $440,000 and land component credited directly to net assets is $493,881 as at March 31, 2024.	**556,188**	683,262
BCHMC $5,184,875 mortgage at 0% interest per annum, forgiven over 25 years, beginning June 2027, repayable in full if the agreed purpose changes, with interest charged at prime + 2% per annum. Unforgiven balance on March 31, 2024 is $5,184,875 and land component credited directly to net assets is $3,078,875 as at March 31, 2024.	**1,699,843**	1,760,014
BCHMC $165,257 mortgage at 0% interest per annum, forgiven over 10 years beginning November 2018, repayable in full if agreed purpose changes, with interest charged at prime + 2% per annum. Unforgiven balance on March 31, 2024 is $106,040.	**106,040**	122,566
BCHMC $2,862,556 (2022 - $2,796,866) mortgage at 0% interest per annum, forgiven over 10 years beginning February 2021, repayable in full if agreed purpose changes, with interest charged at prime + 2% per annum. Unforgiven balance at March 31, 2024 is $2,099,441.	**2,099,441**	2,313,372
BCHMC $1,099,843 mortgage at 0% interest per annum, forgiven over 10 years beginning November 2018, repayable in full if agreed purpose changes, with interest charged at prime + 2% per annum. Unforgiven balance on March 31, 2024 is $476,588.	**476,588**	586,573
BCHMC $500,000 mortgage at 0% interest per annum, forgiven over 25 years beginning January 2016, repayable in full if agreed purpose changes, with interest charged at prime + 2% per annum. Unforgiven balance on March 31, 2024 is $335,000.	**335,000**	355,000
BCHMC $444,872 mortgage at 0% interest per annum, forgiven over 10 years beginning August 2018, repayable in full if agreed purpose changes, with interest charged at prime + 2% per annum. Unforgiven balance on March 31, 2024 is $222,436.	**222,436**	266,923
BCHMC $150,000 mortgage at 0% interest per annum, forgiven over 10 years beginning May 2020, repayable in full if agreed purpose changes, with interest charged at prime + 2% per annum. Unforgiven balance at March 31, 2024 is $97,500.	**97,500**	112,500
BCHMC $167,299 mortgage at 0% interest per annum, forgiven over 10 years beginning February 2020, repayable in full if agreed purpose changes, with interest charged at prime + 2% per annum. Unforgiven balance on March 31, 2024 is $83,650.	**83,650**	100,380
BCHMC $167,325 mortgage at 0% interest per annum, forgiven over 10 years beginning October 2018, repayable in full if agreed purpose changes, with interest charged at prime + 2% per annum. Unforgiven balance on March 31, 2024 is $76,687.	**76,687**	93,419
BCHMC $1,600,000 mortgage at 0% interest per annum, forgiven over 35 years beginning March 2032, repayable in full if the agreed purpose changes. Unforgiven balance at March 31, 2024 is $1,595,876 and land component credited directly to net assets is $1,530,720 as at March 31, 2024.	**65,156**	67,136

Forgivable loans *(Continued from previous page)*

	2024	*2023*
BCHMC $53,230 mortgage at 0% interest per annum, forgiven over 10 years beginning March 2018, repayable in full if agreed purpose changes, with interest charged at prime + 2% per annum. Unforgiven balance on March 31, 2024 is $17,814.	**17,814**	23,137
BCHMC $43,127 mortgage at 0% interest per annum, forgiven over 10 years beginning September 2020, repayable in full if agreed purpose changes, with interest charged at prime + 2% per annum. Unforgiven balance at March 31, 2024 is $28,033.	**28,033**	32,346
BCHMC $16,966 mortgage at 0% interest per annum, forgiven over 10 years beginning December 2018, repayable in full if agreed purpose changes, with interest charged at prime + 2% per annum. Unforgiven balance on March 31, 2024 is $7,917.	**7,917**	9,614
BCHMC $10,968 mortgage at 0% interest per annum, forgiven over 10 years beginning September 2021, repayable in full if agreed purpose changes. Unforgiven balance at March 31, 2024, is $8,226.	**8,226**	9,322
BCHMC $4,330,518 mortgage at 0% interest per annum, forgiven over 25 years beginning December 2028, repayable in full if agreed purpose changes, with interest charged at prime + 2% per annum. Unforgiven balance at March 31, 2024 is $4,330,518 and land component credited directly to net assets is $4,124,530 as at March 31, 2024.	**147,472**	152,557
BCHMC $10,000 mortgage at 0% interest per annum, forgiven over 10 years beginning April 2021, repayable in full if agreed purpose changes, with interest charged at prime + 2% per annum. Unforgiven balance at March 31, 2024 is $7,500.	**7,500**	8,500
BCHMC $251,639 mortgage at 0% interest per annum, forgiven over 10 years beginning September 1, 2021, repayable in full if agreed purpose changes, with interest charged at prime + 2% per annum. Unforgiven balance at March 31, 2024 is $251,639.	**251,639**	14,150
BCHMC $42,350 mortgage at 0% interest per annum, forgiven over 10 years beginning February 2023, repayable in full if agreed purpose changes, with interest charged at prime + 2% per annum. Unforgiven balance at March 31, 2024 is $37,762.	**37,762**	41,997
BCHMC $17,425 mortgage at 0% interest per annum, forgiven over 10 years beginning February 2023, repayable in full if agreed purpose changes, with interest charged at prime + 2% per annum. Unforgiven balance at March 31, 2024 is $15,682.	**15,682**	17,425
BCHMC $14,428 mortgage at 0% interest per annum, forgiven over 10 years beginning March 2023, repayable in full if agreed purpose changes, with interest charged at prime + 2% per annum. Unforgiven balance at March 31, 2024 is $12,823.	**12,823**	14,248
BCHMC $18,860 mortgage at 0% interest per annum, forgiven over 10 years beginning March 2023, repayable in full if agreed purpose changes, with interest charged at prime + 2% per annum. Unforgiven balance at March 31, 2024 is $16,674.	**16,974**	18,860
BCHMC $7,300 mortgage at 0% interest per annum, forgiven over 10 years beginning March 2023, repayable in full if agreed purpose changes, with interest charged at prime + 2% per annum. Unforgiven balance at March 31, 2024 is $6,570.	**6,570**	7,300
CHMC $90,352 mortgage at 0%, forgiven over 10 years beginning August 2018, repayable in full if agreed purpose changes, with interest charged at prime + 2% per annum. Unforgiven balance on March 31, 2024 is $31,772.	**31,772**	40,779
BCHMC $21,423 mortgage at 0% interest per annum, forgiven over 10 years beginning July 2023, repayable in full if agreed purpose changes, with interest charged at prime + 2% per annum. Unforgiven balance at March 31, 2024 is $21,243.	**21,243**	-

Forgivable loans *(Continued from previous page)*

	2024	*2023*
BCHMC $7,846 mortgage at 0% interest per annum, forgiven over 10 years beginning September 2023, repayable in full if agreed purpose changes, with interest charged at prime + 2% per annum. Unforgiven balance at March 31, 2024 is $7,846.	**7,846**	-
BCHMC $32,247 mortgage at 0% interest per annum, forgiven over 10 years beginning August 2023, repayable in full if agreed purpose changes, with interest charged at prime + 2% per annum. Unforgiven balance at March 31, 2024 is $32,247.	**32,247**	-
BCHMC $14,594 mortgage at 0% interest per annum, forgiven over 10 years beginning September 2023, repayable in full if agreed purpose changes, with interest charged at prime + 2% per annum. Unforgiven balance at March 31, 2024 is $14,594.	**14,594**	-
	15,553,082	15,963,522

14. Deferred capital contributions

Deferred capital contributions consist of the unamortized amount of contributions received for the purchase of capital assets. Recognition of these amounts as revenue is deferred to periods when the related capital assets are amortized. Changes in deferred capital contributions are as follows:

	2024	*2023*
Balance, beginning of year	**22,648,331**	15,985,398
Contributions received during the year	**818,262**	6,924,254
Transferred from forgivable loans (note 13)	**113,754**	110,416
Contributions recognized to revenue during the year	**(921,156)**	(371,737)
Balance, end of year	**22,659,191**	22,648,331

15. Commitments and contingencies

The Society has entered into various premises and equipment leases which expire on various dates through 2033. Minimum payments during the next five years, excluding operating costs, are estimated as follows:

2025	3,410,838
2026	3,528,106
2027	1,088,914
2028	475,462
2029	963,726

Subsequent to year-end, during the year ended March 31, 2025, a claim was made against the Society by a contractor seeking payment for services rendered to the Society which have not been paid. The claim relates to services provided during the year-ended March 31, 2023, March 31, 2024, and March 31, 2025. Amounts owing to the contractor, that were incurred but not paid up to March 31, 2024, are included in accounts payable and accruals.

In the normal conduct of operations, there are other pending claims by and against the Society. Litigation is subject to many uncertainties, and the outcome of individual matters is not predictable with assurance. In the opinion of management, based on the advice and information provided by its legal counsel, final determination of these other litigations will not materially affect the Society's non-consolidated financial position or results of operations.

16. Credit facility

The Society has an operating line of credit to a maximum of $215,000 (2023 - $215,000) with VanCity. Funds advanced under this line of credit bear interest at 1% (2023 - 1%) over VanCity's prime lending rate. The line of credit is secured by a general security agreement providing a charge over all of the assets of the Society. As at March 31, 2024, the line of credit was not drawn upon (2023 - not drawn upon).

17. Replacement reserve

The amount presented as replacement reserve is comprised of an externally restricted amount required by BCHMC.

18. Grant revenue

Grant revenue consists of the following:

	2024	*2023*
Ministry of Children and Family Development	**1,657,932**	1,464,063
City of Vancouver	**722,108**	755,906
Other grant revenue	**759,697**	661,635
Ministry of Public Safety and Solicitor General	**377,362**	401,463
Ministry of Education and Childcare	**963,058**	326,269
Ministry of Social Development and Social Innovation	**134,020**	125,860
Law Foundation of BC	**426,634**	137,536
Gaming	**91,175**	106,150
	5,131,986	3,978,882

19. Employee future benefits

The Society and certain of its employees contribute to Atira Women's Resource Society Registered Pension Plan (the "Plan"), a defined contribution pension plan issued by Canada Life and in accordance with the Pension Benefits Standards Act (British Columbia). The Plan has approximately 741 (2023 - 543) active plan members and no retired plan members.

On February 28, 2024, AWRS employees became unionized, and the pension plan was transitioned from Canada Life to BC Municipal Pension Plan (MPP). The Canada Life pension plan was officially terminated on April 1, 2024. As of March 31, 2024, the MPP Plan has approximately 348 active plan members.

Both pension plans provide a certified financial statement to assess the financial position of the Plan and the adequacy of Plan funding as at March 31, 2024. During the 2024 fiscal year, the Society paid employer contribution totalling $1,016,787 to Canada Life and $115,943 to the Municipal Pension Plan (MPP) (2023 - $932,532; $nil). These amounts are included in salaries and benefits (Schedule 1).

20. Employee compensation

In accordance with the Societies Act of British Columbia, the Society is required to provide the total remuneration, if any, paid by the Society to the directors in the period, and the remuneration paid by the Society in the period to the employees of the Society, and to persons under a contract for services with the Society, whose remuneration was at least $75,000.

During the year ended March 31, 2024, the Society paid total remuneration of $3,232,258 (2023 - $1,619,285) for services to 35 (2023 - 15) employees, each of whom received total annual remuneration of $75,000 or greater. No contractors received remuneration greater than $75,000 for the year (2023 - none).

No remuneration was paid to any members of the Society's Board of Directors.

21. Financial instruments

The Society, as part of its operations, carries a number of financial instruments. It is management's opinion that the Society is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed. During the year, there has been no significant change in the exposure to credit risk, liquidity risk and interest rate risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Society's financial assets that are exposed to credit risk are cash, accounts receivable and advances to related parties. Cash is held with large Canadian financial institutions where credit risk is low. The Society mitigates credit risk by proactive credit management policies that includes proactive collections of accounts receivable and regular monitoring of payments history and performance. Additionally, the Society works with its related parties to ensure that credit risk is mitigated by regularly reviewing their financial performance. The Society also maintains, if deemed necessary, a provision for potential credit losses, and any such losses to date have been within management's expectations.

Financial instruments that potentially subject the Society to concentrations of credit risk consist primarily of accounts receivable. The Society's accounts receivable is concentrated as 35% (2023 - 43%) of the balance is receivable from BCHMC and other government funding agencies.

Liquidity risk

Liquidity risk is the risk that the Society will be unable to fulfil its obligations on a timely basis or at a reasonable cost. The Society manages its liquidity risk by monitoring its operating requirements. The Society’s working capital deficiency and economic dependency on BCHMC elevate the Society’s liquidity risk. Management regularly monitors the Society’s cash flow and continues to work with BCHMC, VanCity and its other creditors to address this risk. The Society prepares budget and cash forecasts to ensure it has sufficient funds to fulfil its obligations.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Society is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Fixed-rate instruments subject the Society to a fair value risk while the floating rate instruments subject it to cash flow risk. For financial assets, the Society is exposed to fair value risks as a result of investments in term deposits bearing fixed rates of interest and long-term debt.

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

22. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.

Atira Women's Resource Society
Schedule 1 - Non-Consolidated Schedule of Expenses
For the year ended March 31, 2024

	2024	*2023*
Expenses		
Advertising and fundraising	**60,673**	230,864
Bad debts	**755,753**	280,399
Bank charges and interest	**41,921**	16,214
Computer	**507,734**	313,900
Food and kitchen supplies	**4,403,884**	4,238,025
Furniture and equipment	**346,709**	433,857
Insurance	**1,056,752**	761,350
Interest on long-term debt	**1,417,122**	1,459,404
Memberships licenses and dues	**22,161**	27,663
Miscellaneous	**502,036**	261,597
Occupancy costs	**72,325**	94,532
Office expenses	**363,904**	211,775
Professional fees	**2,298,595**	1,325,964
Program direct	**911,815**	1,264,868
Property management fees	**1,987,020**	1,745,644
Rent	**3,219,826**	2,861,445
Rent supplement	**477,536**	490,127
Repairs and maintenance	**10,689,757**	10,793,325
Replacements reserve	**196,040**	154,040
Restoration expense	**2,962,296**	4,903,624
Salaries and benefits	**53,776,857**	45,588,748
Security costs	**216,500**	182,718
Supplies	**169,436**	148,324
Telephone	**327,938**	326,237
Training and education	**181,350**	215,997
Travel	**173,525**	92,135
Utilities	**2,900,245**	2,761,080
	90,039,710	81,183,856

Atira Women's Resource Society
Schedule 2 - Non-Consolidated Schedule of Covid-19 and Emergency Funding and Expenses
For the year ended March 31, 2024

	2024	*2023*
Revenue		
BC Housing	**755,030**	828,776
Grant revenue	**86,326**	26,168
Health authority	**306,352**	451,331
Federal funding	**120,069**	111,126
Ministry of Children and Family Development	**6,281**	51,360
Other income	**-**	4,193
	1,274,058	1,472,954
Operating expenses		
Wages and employee benefits	**742,492**	868,672
Repairs and maintenance	**62,314**	124,744
Direct client expenses	**57,599**	344,617
Rent	**52,358**	52,434
Food and kitchen supplies	**41,560**	200,642
Utilities	**6,686**	7,311
Telephone	**4,175**	6,535
Insurance	**3,611**	5,353
Legal and accounting	**3,600**	6,084
Office expenses	**1,046**	5,948
Staff development	**1,010**	6,422
Security costs	**629**	1,138
Travel	**320**	3,824
Dues and membership	**291**	352
Professional fees	**181**	61,675
Restoration	**-**	34,602
Bank fees	**-**	50
	977,872	1,730,403
Deficiency of revenue over expenses related to COVID-19	**(296,186)**	257,449