



Financial Statements

Victoria Women's Sexual Assault Centre Society

March 31, 2011

# Contents

	<b>Page</b>
Independent Auditors' Report	1-2
Statements of Operations and Changes in Fund Balances	3
Statement of Financial Position	4
Statement of Cash Flows	5
Notes to the Financial Statements	6-10
Schedule of Grants, Donations and Fundraising	11
Schedule of Operating Costs	12



## Independent auditors' report

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To the members of the Victoria Women's Sexual Assault Centre Society

We have audited the accompanying financial statements of the Victoria Women's Sexual Assault Centre Society, which comprise the statement of financial position as at March 31, 2011, and the statements of operations and changes in fund balances and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's responsibility for the financial statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

**Basis for qualified opinion**

In common with many non-profit organizations, the Victoria Women's Sexual Assault Centre Society derives revenue from donations and fundraising, the completeness of which is not susceptible to 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 revenues, excess of revenue over expenses, assets and fund balances.

**Qualified opinion**

In our opinion, except for the possible effects of the matter described in the *Basis for qualified opinion* paragraph, the financial statements present fairly, in all material respects, the financial position of the Victoria Women's Sexual Assault Centre Society as at March 31, 2011, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Victoria, Canada  
June 23, 2011



Chartered accountants

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## Victoria Women's Sexual Assault Centre Society

### Statements of Operations and Changes in Fund Balances

Year Ended March 31

2011

2010

	Operating Fund (Note 13)	Restricted Funds (Note 13)	<b>Total</b>	<b>Total</b>
<b>Revenue</b>				
Contract revenue	\$ 522,472	\$ -	\$ 522,472	\$ 508,788
Grants, donations and fundraising (Page 11)	620,685	-	<b>620,685</b>	594,972
Fees and compensation	16,112	-	<b>16,112</b>	15,072
Sale of publications	236	-	<b>236</b>	878
Other	<u>3,544</u>	<u>1,002</u>	<b><u>4,546</u></b>	<u>14,105</u>
	<b><u>1,163,049</u></b>	<b><u>1,002</u></b>	<b><u>1,164,051</u></b>	<b><u>1,133,815</u></b>
<b>Expenditures</b>				
Amortization	-	6,206	<b>6,206</b>	7,788
Operating costs (Page 12)	278,460	154	<b>278,614</b>	248,774
Professional development	3,285	-	<b>3,285</b>	2,423
Project Respect direct costs	347	-	<b>347</b>	2,906
Trauma Informed Practices (T.I.P.S) direct costs	329	-	<b>329</b>	2,256
Staffing and benefits	<u>833,251</u>	<u>-</u>	<b><u>833,251</u></b>	<u>811,417</u>
	<b><u>1,115,672</u></b>	<b><u>6,360</u></b>	<b><u>1,122,032</u></b>	<b><u>1,075,564</u></b>
Excess (deficiency) of revenue over expenditures	47,377	(5,358)	<b>42,019</b>	58,251
Fund balances, beginning	154,288	108,054	<b>262,342</b>	204,091
Transfers	<u>(1,294)</u>	<u>1,294</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<b><u>\$ 200,371</u></b>	<b><u>\$ 103,990</u></b>	<b><u>\$ 304,361</u></b>	<b><u>\$ 262,342</u></b>

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See accompanying notes to the financial statements.

# Victoria Women's Sexual Assault Centre Society

## Statement of Financial Position

March 31

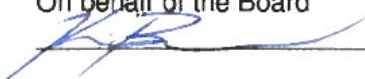
2011

2010

	Operating Fund	Restricted Funds	<b>Total</b>	<b>Total</b>
<b>Assets</b>				
Current				
Cash	\$ 349,026	\$ 95,298	\$ 444,324	\$ 381,088
Receivables (Note 3)	40,299	-	40,299	40,682
Inventories	1,566	-	1,566	1,748
Prepays	6,468	-	6,468	1,603
	<u>397,359</u>	<u>95,298</u>	<u>492,657</u>	<u>425,121</u>
Capital assets (Note 4)	-	17,232	17,232	13,759
	<u>\$ 397,359</u>	<u>\$ 112,530</u>	<u>\$ 509,889</u>	<u>\$ 438,880</u>
<b>Liabilities</b>				
Current				
Payables and accruals	\$ 17,461	\$ -	\$ 17,461	\$ 17,519
Accrued wages and vacation pay	52,323	-	52,323	55,994
Deferred contributions (Note 5)	127,204	-	127,204	103,025
Obligations under capital lease (Note 6)	-	2,817	2,817	-
	<u>196,988</u>	<u>2,817</u>	<u>199,805</u>	<u>176,538</u>
Obligations under capital lease (Note 6)	-	5,723	5,723	-
	<u>196,988</u>	<u>8,540</u>	<u>205,528</u>	<u>176,538</u>
<b>Fund Balances</b>				
Invested in capital assets	-	8,692	8,692	13,759
Unrestricted	200,371	-	200,371	154,287
Internally restricted	-	95,298	95,298	94,296
	<u>200,371</u>	<u>103,990</u>	<u>304,361</u>	<u>262,342</u>
	<u>\$ 397,359</u>	<u>\$ 112,530</u>	<u>\$ 509,889</u>	<u>\$ 438,880</u>

Commitments and economic dependence (Note 9 and 12)

On behalf of the Board



Member



Member

See accompanying notes to the financial statements.

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## Victoria Women's Sexual Assault Centre Society

### Statement of Cash Flows

Year Ended March 31

2011

2010

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Increase (decrease) in cash and cash equivalents

	2011	2010
<b>Operating</b>		
Excess of revenue over expenditures	\$ 42,019	\$ 58,251
Amortization	6,206	7,788
Interest paid on capital lease	<u>154</u>	<u>-</u>
	48,379	66,039
Change in non-cash operating working capital (Note 7)	<u>16,151</u>	<u>5,522</u>
	64,530	71,561
<b>Financing and investing</b>		
Payments on capital lease	<u>(1,294)</u>	<u>-</u>
Net increase in cash	63,236	71,561
Cash, beginning of year	<u>381,088</u>	<u>309,527</u>
Cash, end of year	\$ <u>444,324</u>	\$ <u>381,088</u>

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See accompanying notes to the financial statements.

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# Victoria Women's Sexual Assault Centre Society

## Notes to the Financial Statements

March 31, 2011

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### 1. Purpose of the Society

The purpose of the Society is to support, empower and advocate for women who are survivors of sexual assault and sexual abuse; and to work towards the prevention of (sexual) violence against women.

The Society is incorporated under the Society Act of British Columbia and has been approved by Revenue Canada Taxation as a registered charity under paragraph 149(1)(f) of the Income Tax Act of Canada, subject to compliance with the rules contained therein.

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### 2. Summary of significant accounting policies

The Society follows the deferral method of accounting for contributions and records its activities in the following funds:

The *Operating Fund* accounts for the Society's fundraising grant and program operations.

The *Restricted Funds* include the following:

- The General Contingency Fund provides for unforeseen expenditures that may be necessary to maintain the Society's obligations to its clients and staff.
- The Labour Issues Contingency Fund provides for unforeseen expenditures that may be necessary to maintain the Society's labour relation obligations.
- The Capital Fund reports transactions related to the Society's capital assets.

#### Revenue recognition

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

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

#### Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis.

#### Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks, net of bank overdrafts, and highly liquid temporary money market instruments with original maturities of three months or less. Bank borrowings are considered to be financing activities.

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# Victoria Women's Sexual Assault Centre Society

## Notes to the Financial Statements

March 31, 2011

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### 2. Summary of significant accounting policies (continued)

#### Amortization

Rates and bases applied to write off the cost less estimated salvage value of capital assets over their estimated useful lives are as follows:

Computer equipment	– 5 years, straight-line
Furniture & equipment	– 5 years, straight-line
Leasehold improvements	– over the term of the lease

#### Use of estimates

In preparing the Society's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

#### Financial instruments

The Society's financial instruments consist of cash, receivables, payables and accruals, accrued wages and vacation pay and obligations under capital lease.

Cash is classified as held for trading and carried at fair value, any changes in fair value is recorded in the Statement of Operations in the period in which they arise. Receivables and obligations under capital lease are classified as loans and receivables, with payables and accruals and accrued wages and vacation pay classified as other financial liabilities. Both categories are carried at amortized cost, using the effective interest method.

Unless otherwise noted, it is management's opinion that the Society is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

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<b>3. Receivables</b>	<b><u>2011</u></b>	<b><u>2010</u></b>
Accounts receivable	\$ 28,374	\$ 35,210
GST/HST recoverable	<u>11,925</u>	<u>5,472</u>
	<b>\$ <u>40,299</u></b>	<b>\$ <u>40,682</u></b>

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# Victoria Women's Sexual Assault Centre Society

## Notes to the Financial Statements

March 31, 2011

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4. Capital assets			<u>2011</u>	<u>2010</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Computer equipment	\$ 25,440	\$ 14,948	\$ 10,492	\$ 3,650
Telephone	6,801	4,080	2,721	4,081
Leasehold improvements	<u>10,046</u>	<u>6,027</u>	<u>4,019</u>	<u>6,028</u>
	<u>\$ 42,287</u>	<u>\$ 25,055</u>	<u>\$ 17,232</u>	<u>\$ 13,759</u>

Included in computer equipment is \$9,680 of equipment under capital lease and related accumulated amortization of \$807.

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5. Deferred contributions	<u>2011</u>	<u>2010</u>
Changes in the deferred contributions balance are as follows:		
Balance, beginning of year	\$ 103,025	\$ 122,633
Restricted contributions received	127,204	103,025
Recognition of deferred contributions	<u>(103,025)</u>	<u>(122,633)</u>
Balance, end of year	<u>\$ 127,204</u>	<u>\$ 103,025</u>

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### 6. Obligations under capital lease

The Society entered into a lease agreement for computer equipment during the year that has been capitalized as there is a bargain purchase option present in the agreement. The lease has been recorded at the present value of the minimum lease payments. The following is a schedule of future minimum lease payments under capital lease:

2012	\$ 2,817
2013	2,931
2014	<u>2,792</u>
	8,540
Less: current portion	<u>2,817</u>
	<u>\$ 5,723</u>

These payments are also included in the future minimum lease payments disclosed in Note 9.

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# Victoria Women's Sexual Assault Centre Society

## Notes to the Financial Statements

March 31, 2011

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<b>7. Supplemental cash flow information</b>	<u>2011</u>	<u>2010</u>
Change in non-cash operating working capital:		
Receivables	\$ 383	\$ 11,988
Inventories	182	394
Prepays	(4,865)	1,171
Payables and accruals	(3,728)	11,577
Deferred contributions	<u>24,179</u>	<u>(19,608)</u>
	<u>\$ 16,151</u>	<u>\$ 5,522</u>

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### 8. Contributions

The Society is the income beneficiary of the Women's Sexual Assault Centre Endowment established by The Victoria Foundation.

The Society transfers funds to The Victoria Foundation to be maintained in the Endowment Fund, the net income from which is distributed to the Society semi-annually.

The fair market value of the endowment fund held by the Victoria Foundation at March 31, 2011 is \$16,020 (2010: \$14,669).

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### 9. Commitments

The company leases premises, computer equipment, photocopier and telephone service under multi-year operating leases payable on the first of each month. Future minimum lease payments for the next five years are as follows:

2012	\$ 98,741
2013	43,949
2014	6,203
2015	3,356
2016	<u>2,517</u>
	<u>\$ 154,766</u>

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### 10. Capital management

The capital structure of the Society consists of a net investment in capital assets, restricted and unrestricted net assets which include a large cash balance. The primary objective of the Society's capital management is to ensure that it maintains short and long term operations of the Society with the ability to offer adequate counselling services to those in need. The Society manages its capital structure with the primary goal of minimizing risk to the stability of cash flow from operations. The Society has met all its objectives in ensuring the current and long term operations of the Society.

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# Victoria Women's Sexual Assault Centre Society

## Notes to the Financial Statements

March 31, 2011

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### 11. Employee pension plan

The Society and certain of its employees contribute to the Municipal Pension Plan. The Plan is a multi-employer defined benefit plan. The British Columbia Pension Corporation administers the Plan, including the payment of pension benefits on behalf of employers and employees in accordance with the Public Sector Pension Plans Act and the Municipal Pension Plan Rules. The risks and rewards associated with the Plan's unfunded liability or surplus are shared between the employers and the Plan's members and may be reflected in their future contributions. During the year the Society contributed \$39,514 on behalf of the employees. Based on the most recent actuarial valuation as of December 2009, the Municipal Pension Plan has an unfunded liability which is being addressed through increased employer and employee contribution rates effective July 1, 2011. Portions of any surplus or deficiency are not attributed to individual employers.

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### 12. Economic dependence

The Society receives a substantial amount of funding from government sources and is dependent upon this funding to maintain operations at current service levels. The Stopping the Violence and Victim Services contracts with the Province of British Columbia account for 45% (2010: 44%) of the Society's revenues. These contracts have both been renewed for the 2012 fiscal year.

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### 13. Comparative figures

Certain 2010 comparative figures have been reclassified to conform to the presentation adopted in the current year. Specifically, internally restricted net assets were previously classified as the amount originally declared by the board of directors, \$77,348. Interest had been accruing on the internally restricted funds and was recognized as income of the unrestricted fund. This accrued interest is now included in the internally restricted fund balance and all future interest earned on the balance will be included as income of the internally restricted fund.

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## Victoria Women's Sexual Assault Centre Society Schedule of Grants, Donations and Fundraising

Year Ended March 31

2011

2010

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### Grants

Ministry of Public Safety and Solicitor General (Gaming)	\$	<b>100,000</b>	\$	100,000
Ministry of Finance and Corporate Relations (PECSF)		<b>54,195</b>		56,470
United Way of Greater Victoria – Project Respect		<b>30,000</b>		30,000
Victoria Foundation, Trauma Informed Practices (T.I.P.S)		<b>4,902</b>		11,645
Service Club Donations (Gaming)		<b>600</b>		6,750
RBC Foundation – Project Respect		<b>5,000</b>		5,000
BC Recreation and Parks Association, Walk BC Grant		<b>1,000</b>		4,000
Victoria Foundation, Hugh and Helen Mogensen Fund		-		1,500
Sara Spencer Foundation		-		750
United Way, Trauma Informed Practices (T.I.P.S)		-		10,000
		<u><b>195,697</b></u>		<u>226,115</u>

### Donations

Donations		<b>175,296</b>		170,987
Telemarketing campaign		<b>174,453</b>		163,623
Events		<u><b>75,239</b></u>		<u>34,247</u>
	<b>\$</b>	<u><b>620,685</b></u>	<b>\$</b>	<u>594,972</u>

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## Victoria Women's Sexual Assault Centre Society

### Schedule of Operating Costs

Year Ended March 31	2011	2010
Accounting	\$ 9,200	\$ 9,098
Advertising	1,329	552
Bookkeeping	128	308
Contract services	8,851	17,673
Contributions (Note 8)	425	381
Direct fundraising	123,032	87,921
Interest on capital lease	154	-
Meetings	902	2,208
Office	22,567	20,464
Rent and occupancy costs	91,341	87,508
Repairs and maintenance	1,278	2,808
Telephone and utilities	13,149	14,526
Travel	<u>6,258</u>	<u>5,327</u>
	<u>\$ 278,614</u>	<u>\$ 248,774</u>