



Financial Statements

Saanich Neighbourhood Place

March 31, 2024

Saanich Neighbourhood Place

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Independent Practitioner's Review Engagement Report

To the Members of
[Saanich Neighbourhood Place](#)

We have reviewed the accompanying financial statements of Saanich Neighbourhood Place that comprise the statement of financial position as at March 31, 2024, 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 Canadian accounting standards for not-for-profit organizations, 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 Saanich Neighbourhood Place as at March 31, 2024, 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.

Victoria, Canada
September 25, 2024

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

Chartered Professional Accountants

Saanich Neighbourhood Place Statement of Operations

Year ended March 31	2024	2023
Revenue		
Government funding	\$ 606,106	\$ 574,914
Licenced Childcare	1,221,339	1,120,137
Grants	103,023	77,920
Donations	98,664	86,318
Capital contribution recognized (Note 5)	73,245	73,245
Miscellaneous revenue	3,927	5,247
Rental	40,588	35,470
Interest income	3,715	2,273
	<u>2,150,607</u>	<u>1,975,524</u>
Expenditures		
Accounting and legal	21,629	7,458
Advertising and promotion	3,685	1,506
Amortization	126,013	126,204
Equipment lease	1,930	2,330
Endowment contributions (Note 8)	12,500	-
Insurance	17,344	15,262
Interest and bank charges	1,816	1,800
Interest on long-term debt	39,718	40,771
Memberships	2,128	954
Office and administration	16,761	4,161
Professional development	8,581	11,608
Program materials and supplies	86,442	77,419
Rent	21,189	35,780
Repairs and maintenance	41,175	11,564
Subscriptions, permits and licenses	882	1,372
Telephone and utilities	29,418	38,187
Volunteer recognition	224	290
Wages and benefits	1,768,705	1,589,689
	<u>2,200,140</u>	<u>1,966,355</u>
(Deficiency) excess of revenue over expenditures	\$ (49,533)	\$ 9,169

Saanich Neighbourhood Place Statement of Changes in Net Assets

Year ended March 31

	General Funds	Internally Restricted Funds	Total 2024	Total 2023
Balance, beginning of year	\$ 405,136	\$ 30,000	\$ 435,136	\$ 425,967
(Deficiency) excess of revenue over expenditures	<u>(49,533)</u>	<u>-</u>	<u>(49,533)</u>	<u>9,169</u>
Balance, end of year	<u>\$ 355,603</u>	<u>\$ 30,000</u>	<u>\$ 385,603</u>	<u>\$ 435,136</u>

Saanich Neighbourhood Place Statement of Financial Position

March 31

2024

2023

Assets

Current

Cash	\$ 609,485	\$ 633,996
Term deposits	43,328	42,168
Receivables	29,983	25,688
Prepaid expenses	11,738	13,499
Goods and services tax recoverable	<u>3,868</u>	<u>2,816</u>
	698,402	718,167

Property and equipment (Note 3)

3,083,501 3,205,015\$ 3,781,903 \$ 3,923,182**Liabilities**

Current

Payables and accruals	\$ 32,698	\$ 33,690
Wages payable	34,188	28,698
Deferred revenue (Note 4)	241,339	186,390
CEBA loan payable	-	40,000
Current portion of mortgage loans (Note 7)	<u>39,254</u>	<u>37,949</u>
	347,479	326,727

Long-term

Mortgage loans (Note 7)	1,217,706	1,256,960
Deferred capital contributions (Note 5)	<u>1,831,115</u>	<u>1,904,359</u>
	3,048,821	3,161,319
	3,396,300	3,488,046

Net assets

General Funds	355,603	405,136
Internally Restricted Funds	<u>30,000</u>	<u>30,000</u>
	385,603	435,136
	<u>\$ 3,781,903</u>	<u>\$ 3,923,182</u>

On behalf of the Board

Member_____
Member

Saanich Neighbourhood Place Statement of Cash Flows

Year ended March 31	2024	2023
Increase (decrease) in cash		
Operating		
(Deficiency) excess of revenue over expenditures	\$ (49,533)	\$ 9,169
Items not affecting cash		
Amortization	126,013	126,204
Capital contribution recognized (Note 5)	<u>(73,245)</u>	<u>(73,245)</u>
	3,235	62,128
Change in non-cash working capital items		
Receivables	(4,295)	11,968
Prepaid expenses	1,761	3,270
Goods and services tax	(1,052)	15,188
Payables and accruals	(991)	16,913
Wages payable	5,490	8,809
Deferred revenue	<u>54,949</u>	<u>65,797</u>
	<u>59,097</u>	<u>184,073</u>
Financing		
CEBA loan payable	(40,000)	-
Decrease in mortgage loans	<u>(37,949)</u>	<u>(36,897)</u>
	<u>(77,949)</u>	<u>(36,897)</u>
Investing		
Term deposits	(1,160)	(168)
Purchase of property and equipment	<u>(4,499)</u>	<u>(6,756)</u>
	<u>(5,659)</u>	<u>(6,924)</u>
(Decrease) increase in cash	(24,511)	140,252
Cash		
Beginning of year	<u>633,996</u>	<u>493,744</u>
End of year	<u>\$ 609,485</u>	<u>\$ 633,996</u>

Saanich Neighbourhood Place

Notes to the Financial Statements

March 31, 2024

1. Nature of operations

Saanich Neighbourhood Place was incorporated under the Canada Corporations Act as a not-for-profit organization on January 27, 1997. The Society is a community-based Society and a registered charity (Charitable Taxation No. 886149236 RR0001). The Society operates as a family resource centre providing programs and support services for families, children and youth. Under the provisions of the Income Tax Act, the Society is exempt from tax.

2. Basis of accounting and significant accounting policies

Basis of presentation

The Society has elected to apply the standards of Part III of the CPA Handbook in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO").

Revenue recognition

Saanich Neighbourhood Place follows the deferral method of accounting for contributions. Restricted contributions, by designated funders, are recognized as revenue in the year in which the related expenses are incurred. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a basis consistent with the amortization rate of the related capital assets.

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.

Licensed childcare and other course fees are recognized into revenue as the related services are fulfilled.

Property and equipment

Each class of capital assets is carried at cost less, where applicable, any accumulated amortization and impairment losses.

Property and equipment are amortized on the basis of their useful life using straight line amortization at the following rates:

Leasehold building	28 years
Equipment & furniture	5 years
Leasehold improvements	5 years
Computer equipment	5 years
Website	5 years

Impairment of long-lived assets

The Society tests long-lived assets for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

Saanich Neighbourhood Place

Notes to the Financial Statements

March 31, 2024

2. Basis of accounting and significant accounting policies (continued)

Financial instruments

Financial instruments in arm's length transactions

The Society considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The Society accounts for the following as financial instruments:

- cash and cash equivalents
- receivables
- payables and accruals
- loans and mortgages

A financial asset or liability is recognized when the Society becomes party to contractual provisions of the instrument.

Financial assets or liabilities obtained in arm's length transactions are initially measured at their fair value. In the case of a financial asset or liability not being subsequently measured at fair value, the initial fair value will be adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption.

Financial assets are tested for impairment when there are indicators of impairment. The Society determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset.

Financial instruments in related party transactions

Financial assets or liabilities obtained in related party transactions are measured in accordance with the accounting policy for related party transactions except for those transactions that are with a person or entity whose sole relationship with the Society is in the capacity of management in which case they are accounted for in accordance with financial instruments.

Saanich Neighbourhood Place

Notes to the Financial Statements

March 31, 2024

2. Basis of accounting and significant accounting policies (continued)

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. Estimates used in these financial statements relate to amortization and the estimated useful lives of capital assets. Actual results could differ from these estimates.

Internally restricted funds

The Society has internally restricted funds of \$30,000 (2023: \$30,000) earmarked for future extraordinary operations. Spending from these funds must be approved in advance by the Board of Directors.

Donated material and services

Donated material and services are recorded in the financial statements at fair value on the date of the donation.

3. Property and equipment

			<u>2024</u>	<u>2023</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Leasehold building	\$ 3,447,038	\$ 369,142	\$ 3,077,896	\$ 3,201,012
Equipment & furniture	37,795	34,195	3,600	476
Leasehold improvements	24,455	24,455	-	-
Computer equipment	17,526	15,521	2,005	3,527
Website	3,645	3,645	-	-
	<u>\$ 3,530,459</u>	<u>\$ 446,958</u>	<u>\$ 3,083,501</u>	<u>\$ 3,205,015</u>

Saanich Neighbourhood Place

Notes to the Financial Statements

March 31, 2024

4. Deferred revenue

Deferred revenue includes funds received from the following:

	2023 Ending Balance	Revenue Recognized During the Year	Revenue Deferred During the Year	2024 Ending Balance
BC Gaming Commission	\$ 76,800	\$ (76,800)	\$ 76,800	\$ 76,800
Ministry of Children and Family Development	50,182	(50,182)	17,487	17,487
Sovereign Order of St John of Jerusalem	11,000	(11,000)	-	-
Municipality of Saanich	5,408	(2,560)	-	2,848
Vancouver Island Health Authority	5,400	(5,400)	43,013	43,013
Transcare	5,000	(2,050)	8,750	11,700
Charitable impact	5,000	(5,000)	-	-
Western Communities Foundation	5,000	(5,000)	-	-
Telus future friendly	2,500	(2,500)	-	-
BC Council for Families	1,000	(1,000)	-	-
Attendant fees	539	(539)	611	611
Canada Helps	100	(100)	-	-
Ecclesiastical	-	-	19,500	19,500
Colibri	-	-	525	525
Capital Daily	-	-	28,210	28,210
Pay it Forward	3,446	-	5,898	9,344
Childcare Fees	10,264	(6,108)	-	4,156
Shared Assessment	1,067	(461)	-	606
EY Table Fund	3,684	(470)	-	3,214
Westshore Feasability Fund	-	(11,675)	35,000	23,325
Totals	<u>\$ 186,390</u>	<u>\$ (180,845)</u>	<u>\$ 235,794</u>	<u>\$ 241,339</u>

Saanich Neighbourhood Place Notes to the Financial Statements

March 31, 2024

5. Deferred Contributions

Deferred contributions include the following:

	2023 Ending Balance	Revenue Deferred During the Year	Revenue Recognized During the Year	2024 Ending Balance
Province of British Columbia	\$ 1,392,857	\$ -	\$ (53,571)	\$ 1,339,286
Government of Canada	73,987	-	(2,846)	71,141
Municipality of Saanich	234,934	-	(9,036)	225,898
Donations	50,972	-	(1,961)	49,012
Island Savings Credit Union	46,887	-	(1,803)	45,084
Telus	18,571	-	(714)	17,857
McLean Foundation	4,643	-	(179)	4,464
Western Community Foundation	4,643	-	(179)	4,464
Walmart	929	-	(36)	893
Hamber Foundation	1,857	-	(71)	1,786
Agriculture and Agri-Foods Canada	74,079	-	(2,849)	71,230
	<u>\$ 1,904,359</u>	<u>\$ -</u>	<u>\$ (73,245)</u>	<u>\$ 1,831,115</u>

6. Government and grant funding

The Society receives funding from government sources which include the Government of Canada, Province of British Columbia, Vancouver Island Health Authority and the BC Gaming Commission. Government funding accounted for 28% (2023: 29%) of total revenue.

The Society received project grants from other registered charities during the year including grants from the United Way of Greater Victoria, Trans Care BC, Rotary Club of Victoria - Harbourside, Ecclesiastical Insurance, Western Communities Foundation, Santas Anonymous and Sovereign Order of St John of Jerusalem.

Saanich Neighbourhood Place Notes to the Financial Statements

March 31, 2024

7. Mortgage loans	<u>2024</u>	<u>2023</u>
First West Credit Union commercial mortgage for \$1,350,000, with a fixed interest rate of 3.1%, repayable with monthly principal payments of \$6,472.29, maturing on September 1 2026	\$ 1,256,960	\$ 1,294,909
Less current portion	<u>39,254</u>	<u>37,949</u>
Due beyond one year	<u>\$ 1,217,706</u>	<u>\$ 1,256,960</u>
Estimated principal repayments are as follows:		
2025	\$ 39,254	
2026	40,489	
2027	<u>1,177,217</u>	
	<u>\$ 1,256,960</u>	

A general security agreement covering all assets of the Society has been pledged as security.

8. Funds held in Trust

The Society entered into a Hosted Organization Fund (Endowment) during the year which will provide a stable source of annual income. The Society is entitled to annual income from these funds while in operation, but cannot withdraw the principal sum; as a result the fund principal amounts are excluded from the statement of financial position.

The total contributions made to the Victoria Foundation was \$12,500

The income received for the year from the Victoria Foundation was \$Nil

Should the Society cease operation, the funds would be allocated to similar charitable organizations by the Foundation.

9. CEBA Loan

The Canada Emergency Business Account was received by the Saanich Neighbourhood Place for \$60,000. The forgivable portion of this loan was recorded in the 2021 year as other income for \$20,000 as this amount will not have to be paid back if the loan is repaid in full by January 18, 2024. The CEBA loan was repaid January 12, 2024.

10. Credit facilities

The Society has an authorized line of credit of \$100,000 with First West Credit Union bearing interest at prime plus 1%, of which \$Nil was used at year end (2023: \$Nil). This facility is secured by a general security agreement, a security agreement over the operating loan and all present and future indebtedness of the Society.

Saanich Neighbourhood Place Notes to the Financial Statements

March 31, 2024

11. Operating lease commitments

The Society's total future minimum lease payments for equipment under operating lease commitments over the next five years are as follows:

2025	\$ 1,968
2026	1,968
2027	1,830
2028	1,140
2029	1,140
Subsequent years	<u>285</u>
	<u>\$ 8,331</u>

12. Employee remuneration

On November 28, 2016 the British Columbia Societies Act came into force. Included in the new Act is a requirement to disclose remuneration paid to all directors, employees and contractors who are paid at least \$75,000 annually.

During the year, the Society paid no remuneration to board directors.

There was one employee earning over \$75,000 for a total of \$80,879 (2023: \$79,787)

There were no contractors whose remuneration was at least \$75,000.

13. Comparative figures

Certain comparative figures have been reclassified from those previously presented to conform to the presentation of the 2024 financial statements. The changes do not affect prior year earnings.
