



Financial Statements

Discovery House Family Violence Prevention
Society

March 31, 2024

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Independent Auditor's Report

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To the Members of
Discovery House Family Violence Prevention Society

Opinion

We have audited the financial statements of Discovery House Family Violence Prevention Society (the "Society"), which comprise the statement of financial position as at March 31, 2024, and the statements of operations, changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Discovery House Family Violence Prevention Society 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.

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 Financial Statements* section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the 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.

In preparing the 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountants

Calgary, Canada

June 18, 2024

Discovery House Family Violence Prevention Society
Statement of Financial Position
As at March 31, 2024

	Operating Fund	Bursary Fund	Building Fund	2024	2023
Assets					
Current assets					
Cash and cash equivalents	\$ 1,479,627	\$ 4,625	\$ 395,562	\$ 1,879,814	\$ 1,216,205
Short-term investments (Note 3)	1,113,176	1,194,627	927,890	3,235,693	3,510,505
Accounts receivable	3,958	-	-	3,958	14,232
Goods and services tax recoverable	18,601	-	-	18,601	23,923
Prepaid expenses	93,908	-	-	93,908	75,940
Interfund balances	(360,889)	(24,017)	384,906	-	-
	2,348,381	1,175,235	1,708,358	5,231,974	4,840,805
Long-term assets					
Capital assets (Note 4)	122,596	-	3,212,659	3,335,255	2,860,125
Total assets	\$ 2,470,977	\$ 1,175,235	\$ 4,921,017	\$ 8,567,229	\$ 7,700,930
Liabilities					
Current liabilities					
Accounts payable and accrued liabilities (Note 5)	\$ 484,536	\$ -	\$ -	\$ 484,536	\$ 455,451
Deferred contributions (Note 6)	457,847	-	83,077	540,924	758,804
Security deposits	10,275	-	-	10,275	11,735
Unearned revenue	8,511	-	-	8,511	9,130
	961,169	-	83,077	1,044,246	476,316
Long-term liabilities					
Deferred contributions related to capital assets (Note 6)	75,807	-	3,207,622	3,283,429	2,287,230
Total liabilities	1,036,976	-	3,290,699	4,327,675	3,522,350
Fund balances					
Invested in capital assets	46,789	-	405,895	452,684	572,895
Endowment (Note 8)	-	1,000,000	-	1,000,000	1,000,000
Internally restricted (Notes 7 and 9)	-	-	1,000,000	1,000,000	1,000,000
Unrestricted	1,387,212	175,235	224,423	1,786,870	1,605,685
Total fund balances	1,434,001	1,175,235	1,630,318	4,239,554	4,178,580
Total liabilities and fund balances	\$ 2,470,977	\$ 1,175,235	\$ 4,921,017	\$ 8,567,229	\$ 7,700,930

The accompanying notes are an integral part of these financial statements.

Approved by the Board of Directors

Director

Director

Discovery House Family Violence Prevention Society
Statement of Operations
Year ended March 31, 2024

	Operating Fund	Bursary Fund	Building Fund	2024	2023
Revenue					
Grants (Note 10)	\$ 3,348,092	\$ -	\$ -	\$ 3,348,092	\$ 3,324,679
Donations	954,671	-	-	954,671	778,369
Amortization of deferred contributions	29,663	-	168,696	198,359	408,539
Facility	120,014	-	-	120,014	135,630
Special events	74,301	-	-	74,301	111,470
Interest	120,135	-	17,889	138,024	76,171
Gaming	32,445	-	-	32,445	47,045
Bursary	-	19,913	-	19,913	24,231
Other	9,089	-	-	9,089	2,759
Unrealized gain on investments	-	75,187	-	75,187	-
Total revenue	4,688,410	95,100	186,585	4,970,095	4,908,893
Expenses					
Salaries and benefits	3,515,324	-	-	3,515,324	3,323,680
Direct client	485,851	-	-	485,851	568,273
Facility	376,712	-	-	376,712	400,393
Administrative	175,239	-	-	175,239	167,950
Fundraising and community development	75,149	-	-	75,149	51,639
Professional fees	40,714	-	-	40,714	38,609
Amortization	29,663	-	190,556	220,219	337,200
Impairment loss (Note 4)	-	-	-	-	85,758
Bursary	-	19,913	-	19,913	28,982
Unrealized loss on investments	-	-	-	-	13,541
Total expenses	4,698,652	19,913	190,556	4,909,121	5,016,025
(Deficiency) excess of revenue over expenses	\$ (10,242)	\$ 75,187	\$ (3,971)	\$ 60,974	\$ (107,132)

The accompanying notes are an integral part of these financial statements.

Discovery House Family Violence Prevention Society
Statement of Changes in Fund balances
For the year ended March 31, 2024

	Operating fund			Bursary fund		Building fund			2024	2023
	Invested in capital assets	Internally restricted (Note 7)	Unrestricted	Endowment	Unrestricted (Note 8)	Invested in capital assets	Internally restricted (Note 9)	Unrestricted	Total	Total
Balance - beginning of year	\$ 9,664	\$ -	\$ 1,434,579	\$ 1,000,000	\$ 100,048	\$ 563,231	\$ 1,000,000	\$ 71,058	\$ 4,178,580	\$ 4,335,712
Reclassification of funds	37,125	-	(37,125)	-	-	(135,477)	-	135,477	-	-
Restricted proceeds on non-depreciable capital assets		-	-	-	-	-	-			(50,000)
(Deficiency) excess of revenue over expenses	-	-	(10,242)	-	75,187	(21,859)	-	17,888	60,974	(107,132)
Balance - end of year	\$ 46,789	\$ -	\$ 1,387,212	\$ 1,000,000	\$ 175,235	\$ 405,895	\$ 1,000,000	\$ 224,423	\$ 4,239,554	\$ 4,178,580

The accompanying notes are an integral part of these financial statements.

Discovery House Family Violence Prevention Society
Statement of Cash Flows
Year ended March 31, 2024

	2024	2023
Cash and cash equivalents provided by (used in)		
Operating activities		
(Deficiency) excess of revenue over expenses for the year		
Operating fund	\$ (10,242)	\$ (138,688)
Bursary fund	75,187	(18,292)
Building fund	(3,971)	49,848
	<u>60,974</u>	<u>(107,132)</u>
Items not affecting cash		
Unrealized (gain) loss on investments	(75,187)	13,541
Amortization	220,219	337,200
Amortization of deferred contributions related to capital assets	(198,359)	(408,539)
Impairment loss	-	85,758
	<u>7,647</u>	<u>(79,172)</u>
Changes in non-cash working capital		
Accounts receivable	10,274	135,044
Goods and services tax recoverable	5,322	(7,524)
Prepaid expenses	(17,968)	17,535
Accounts payable and accrued liabilities	29,085	(70,596)
Security deposits	(1,460)	110
Unearned revenue	(619)	5,858
Deferred contributions related to operations	144,161	(31,921)
Deferred contributions related to endowment	-	(23,428)
	<u>176,442</u>	<u>(54,094)</u>
Investing activities		
Purchase of capital assets	(695,350)	(505,857)
Proceeds from sale of capital assets	-	392,635
Deferred contributions received related to capital assets	832,517	133,562
Proceeds from redemption of investments	2,350,000	2,276,092
Purchase of investments	(2,000,000)	(2,350,000)
	<u>487,167</u>	<u>(53,568)</u>
Increase (decrease) in cash and cash equivalents during the year	663,609	(107,662)
Cash and cash equivalents - Beginning of year	<u>1,216,205</u>	<u>1,323,867</u>
Cash and cash equivalents - End of year	\$ 1,879,814	\$ 1,216,205

The accompanying notes are an integral part of these financial statements.

Discovery House Family Violence Prevention Society

Notes to the Financial Statements

March 31, 2024

1. Purpose of the organization

Discovery House Family Violence Prevention Society (the "Society") is a not-for-profit organization established under the Societies Act of Alberta. The purpose of the Society is to provide long-term shelter and support services to women and their children who are leaving abusive relationships. The Society is a registered charity under Section 149(1) of the Income Tax Act of Canada and therefore is exempt from the payment of income taxes.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) in Part III of the CPA Canada Handbook. The Society's significant accounting policies are summarized below:

Fund accounting

The Operating Fund accounts for the Society's program delivery and administrative activities. This fund reports unrestricted resources and restricted funds related to operations.

The Bursary Fund reports the assets, liabilities, receipts and disbursements related to the endowment and bursaries. This fund reports unrestricted resources and restricted funds related to the endowment agreement.

The Building Fund reports the assets, liabilities, receipts and disbursements related to buildings and related capital assets. This fund reports unrestricted resources and restricted funds related to the building.

Revenue recognition

The Society follows the deferral method of accounting for contributions.

Restricted contributions related to program delivery and administrative expenses are recognized as revenue in the Operating Fund in the year in which the related expenses are incurred. These funds are grants received from government agencies and independent donors.

Contributions restricted for capital are deferred and amortized to revenue in the Building Fund on the same basis as the related asset. Contributions related to bursaries are recognized as revenue in the year in which the related expense is incurred in the Bursary Fund.

Unrestricted contributions are recognized as revenue of the Operating Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Interest income is recognized as revenue when earned and is recorded in the statement of operations and changes in fund balances in the appropriate fund.

Special events, facility, gaming and other revenue is recognized as services are provided or the related expense is incurred.

Discovery House Family Violence Prevention Society

Notes to the Financial Statements

March 31, 2024

2. Summary of significant accounting policies (continued)

Donations in kind

Donations in kind are recorded at fair market value only when fair market value can be reasonably estimated and when the donated goods or services would otherwise have been purchased by the Society. Volunteers contribute their time each year to assist the Society in achieving its mission. Because of the difficulty of determining the fair value, contributed volunteer services are not recognized in these financial statements. During the year, donations in kind received were valued at \$nil (2023 - \$nil).

Government assistance

The Society receives restricted contributions of financial assistance from various government agencies. These grant monies are received and recognized as revenue in the Operating Fund in the year in which the related expenses are incurred. Contributions for capital assets are deferred and amortized to revenue on the same basis as the related capital asset.

The assistance provided is based on approved annual operating budgets prepared by management and submitted to various funding agencies. In any year that the Society has revenue in excess of expenses for the programs funded, the Society may be required to refund the excess to the government agencies.

Cash and cash equivalents

Cash includes cash on hand and in banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, with original maturities of three months or less and that are subject to an insignificant risk of change in value.

Goods and services tax

Goods and services tax is recoverable at 50% as a rebate. The unrecoverable portion is recorded as an expense with the rebate treated as a receivable.

Capital assets

Capital assets are recorded at cost less accumulated amortization and any provision for impairment. The cost for contributed capital assets is considered to be fair value at the date of contribution. The cost of capital assets made up of significant separable component parts is allocated to the component parts when practical and significant and when estimates can be made of the estimated useful lives of the separate components.

Amortization is calculated on a straight line basis over the asset's estimated useful lives as follows:

Buildings	20-40 years
Furniture, fixtures and equipment	5 years
Telephone system	3 years
Vehicle	5 years

The Society performs impairment testing when conditions indicate that a capital asset no longer contributes to the Society's ability to provide goods and services, or that the value of future economic benefits or service potential associated with the capital asset is less than its net carrying amount. When conditions indicate that a capital asset is impaired, the net carrying amount of the capital asset is written down to the asset's fair value or replacement cost. The write-downs of capital assets are recognized as expenses in the statement of operations. Write-downs are not subsequently reversed should conditions change that created the original impairment.

Discovery House Family Violence Prevention Society

Notes to the Financial Statements

March 31, 2024

2. Summary of significant accounting policies (continued)

Financial instruments

The Society initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions, if any, which are measured at cost or fair value, depending on the nature of the transaction. It subsequently measures all of its financial assets and financial liabilities at amortized cost, except for investments in equity instruments and mutual funds that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized as unrealized gains or losses in the statement of operations.

The financial assets measured at amortized cost include cash and cash equivalents, non-equity investments and accounts receivable. The financial liabilities measured at amortized cost include accounts payables and accrued liabilities. The Society has no non-arm's length transactions recorded at fair value.

Transaction costs related to financial instruments measured at fair value are expensed as incurred. For all other financial instruments, the transaction costs are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the straight-line method. Any premium or discount related to an instrument measured at amortized cost is amortized over the expected life of the item using the straight-line method and recognized in the statement of operations.

With respect to financial assets measured at cost or amortized cost, the Society recognizes in the statement of operations an impairment loss, if any, when it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed in the statement of operations in the period the reversal occurs.

Use of estimates

The preparation of the Society's financial statements in accordance with ASNPO requires management 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 year. By their nature, these amounts are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant. Actual results could differ from these estimates.

Assumptions are used in estimating the collectability of accounts receivable, fair value of contributions and donations in kind, useful life and potential impairment of capital assets and accrued liabilities. Management reviews its estimates annually based on current information available.

Discovery House Family Violence Prevention Society
Notes to the Financial Statements
March 31, 2024

3. Short-term investments

The GIC investments held by the Society may be cashed at the discretion of management. As such, GICs that mature beyond one year from the year-end date are classified as current assets in the statement of financial position.

	Operating Fund	Bursary Fund	Building Fund	2024 Total	2023 Total
Mutual Funds	\$ -	\$ 1,194,627	\$ -	\$ 1,194,627	\$ 1,119,440
GIC maturing October 28, 2024 bearing interest at 5.10% per annum	-	-	353,828	353,828	-
GIC maturing May 24, 2024 bearing interest at 4.25% per annum	-	-	574,062	574,062	-
GIC maturing January 30, 2026 bearing interest at 4.90% per annum	760,064	-	-	760,064	-
GIC maturing January 30, 2025 bearing interest at 5.25% per annum	353,112	-	-	353,112	-
GIC maturing May 15, 2023 bearing interest at 3.05% per annum	-	-	-	-	564,791
GIC maturing September 7, 2023 bearing interest at 4.45% per annum	-	-	-	-	512,441
GIC maturing December 5, 2023 bearing interest at 4.95% per annum	-	-	-	-	557,420
GIC maturing January 29, 2024 bearing interest at 5.13% per annum	-	-	-	-	756,413
	<u>\$ 1,113,176</u>	<u>\$ 1,194,627</u>	<u>\$ 927,890</u>	<u>\$ 3,235,693</u>	<u>\$ 3,510,505</u>

4. Capital assets

	Cost	Accumulated Amortization	2024	2023
Operating Fund				
Furniture, fixtures and equipment	\$ 817,222	\$ 694,626	\$ 122,596	\$ 115,134
Telephone system	15,679	15,679	-	-
Vehicles	29,685	29,685	-	-
	<u>\$ 862,586</u>	<u>\$ 739,990</u>	<u>\$ 122,596</u>	<u>\$ 115,134</u>
Building Fund				
Land	\$ 220,000	\$ -	\$ 220,000	\$ 220,000
Buildings	6,807,606	4,017,823	2,789,783	2,285,954
Furniture, fixtures and equipment	496,663	293,787	202,876	239,037
	<u>\$ 7,524,269</u>	<u>\$ 4,311,610</u>	<u>\$ 3,212,659</u>	<u>\$ 2,744,991</u>
Total	<u>\$ 8,386,855</u>	<u>\$ 5,051,600</u>	<u>\$ 3,335,255</u>	<u>\$ 2,860,125</u>

As at March 31, 2024 assets not subject to amortization, as they were not available for use, aggregated \$94,435 (2023 - \$57,311) included in furniture, fixtures and equipment in the Operating Fund; \$nil (2023 - \$5,330) included in furniture, fixtures and equipment in the Building Fund; and \$1,099,140 (2023 - \$442,038) included in buildings in the Building Fund.

Discovery House Family Violence Prevention Society
Notes to the Financial Statements
March 31, 2024

5. Government remittances payable

Payroll source deductions amounting to \$5,020 (2023 - \$4,169) are owed to the Federal government as at March 31, 2024 and are included in accounts payable and accrued liabilities in the statement of financial position.

6. Deferred contributions

Related to operations

Deferred contributions reported relate to funding received in the current period for future period operations.

	Operating Fund	Bursary Fund	Building Fund	2024 Total	2023 Total
Balance - beginning of year	\$ 282,973	\$ -	\$ 475,832	\$ 758,805	\$ 633,548
Amount added during the year	3,046,362	19,913		3,066,275	2,677,517
Amount utilized/transferred during the year	<u>(2,871,488)</u>	<u>(19,913)</u>	<u>(392,755)</u>	<u>(3,284,156)</u>	<u>(2,552,261)</u>
Balance - end of year	<u>\$ 457,847</u>	<u>\$ -</u>	<u>\$ 83,077</u>	<u>\$ 540,924</u>	<u>\$ 758,804</u>

Related to capital assets

Deferred contributions related to capital assets are made up of funding received for capital asset purchases. The amounts are recognized as revenue at the same rate as the capital assets acquired are amortized. As at March 31, 2024, there were \$400,858 of unspent contributions restricted for the purchase of capital assets (2023 - \$392,635).

	Operating Fund	Building Fund	2024 Total	2023 Total
Balance - beginning of year	\$ 105,470	\$ 2,181,760	\$ 2,287,230	\$ 2,485,588
Amount added during the year	-	832,517	832,517	350,785
Amortization of deferred contributions related to tangible capital assets	(29,663)	(168,696)	(198,359)	(408,539)
Amount utilized/transferred during the year	<u>-</u>	<u>362,041</u>	<u>362,041</u>	<u>(140,604)</u>
Balance - end of year	<u>\$ 75,807</u>	<u>\$ 3,207,622</u>	<u>\$ 3,283,429</u>	<u>\$ 2,287,230</u>

7. Operating Fund - internally restricted funds

The Society established an Operational Funding Reserve to ensure that programs are able to continue should unforeseen circumstances arise. During fiscal 2020, the Board of Directors removed the internal restriction on this fund. However, management's goal continues to maintain a target reserve balance of three to nine months of budgeted operating expenditures in the Operating Fund. The target reserve balance may be reviewed on an annual basis to ensure it remains relevant as the scale of the Society's operations changes.

Discovery House Family Violence Prevention Society
Notes to the Financial Statements
March 31, 2024

8. Bursary Fund

The Society established a Bursary Fund in 2008 related to donations received from an anonymous donor to fund certain educational programs for the Society's clients. The gifts reflect the donor's desire to make a difference in the lives of women who have experienced family violence by helping them obtain the necessary post secondary education to become self-sufficient and achieve their full potential.

In accordance with the donor's wishes, \$1,000,000 of the funds have been designated as an endowment, with the balance designated for utilization in accordance with the Bursary Fund mandate. The interest earned and realized gains on the endowment investments is deferred until certain educational programs are funded during the year.

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 4,625	\$ 14,129
Short-term investments (Note 3)	1,194,627	1,119,440
Interfund balance	<u>(24,017)</u>	<u>(33,521)</u>
	<u>\$ 1,175,235</u>	<u>\$ 1,100,048</u>
Deferred contributions	\$ -	\$ -
Endowment	1,000,000	1,000,000
Unrestricted	<u>175,235</u>	<u>100,048</u>
Total Bursary Fund Balance	<u>\$ 1,175,235</u>	<u>\$ 1,100,048</u>

9. Building Fund - internally restricted funds

The Society currently operates a primary facility that houses its administration and secure living arrangements for up to 19 client families. The Society has established a Facility Maintenance and Replacement Reserve to ensure that adequate funds are available for capital maintenance, improvements and replacements. The Society periodically conducts a thorough inspection of the structures and their systems, which is used to determine the capital reserve requirements. Management recommends the appropriate facility reserve amount based on Board approved formulas linked to estimated costs to be incurred over the life cycle of the related assets. The Board may also approve additional reserve amounts. During the year, the Board approved \$nil (2023 - \$nil) to be transferred to this internally restricted fund. The target reserve balance and the internally restricted amount may be reviewed on an annual basis to ensure they remain relevant as the scale of the Society's operations changes.

Discovery House Family Violence Prevention Society
Notes to the Financial Statements
March 31, 2024

10. Grants

Operating Fund	<u>2024</u>	<u>2023</u>
Calgary Homeless Foundation – Community Housing	\$ 1,272,470	\$ 1,240,695
Ministry of Community and Society Services, Homeless Supports and Housing Stability	913,529	864,717
City of Calgary Family and Community Support Services	406,357	697,126
Anonymous Donor	150,000	-
Calgary and Area Child and Family Services Authority	76,781	70,701
Other	528,955	451,440
	<u>\$ 3,348,092</u>	<u>\$ 3,324,679</u>
Calgary Homeless Foundation funded project		
	<u>Actual</u>	<u>Budget (Unaudited)</u>
Funds received		
Calgary Homeless Foundation per agreement	<u>\$ 1,272,470</u>	<u>\$ 1,272,470</u>
Expenses		
Staff costs	720,452	670,271
Client costs	424,801	443,188
Administration costs	127,217	127,236
	<u>\$ 1,272,470</u>	<u>\$ 1,240,695</u>
Excess (funds recorded as accounts payable and accrued liabilities)	<u>\$ -</u>	<u>\$ 31,775</u>

11. Financial instruments

It is the opinion of management that the Society is not subject to significant currency risks related to these financial statements but has the following risks:

Interest rate and price risk

Interest rate risk is the risk that the fair value of the Society's interest bearing investments will fluctuate due to changes in prevailing market interest rates. Generally, the value of these securities increases if interest rates fall and decreases if interest rates rise. Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from currency or interest rate risk, whether those changes are caused by factors specific to the individual financial instrument or issuer or to all similar financial instruments traded in the market. The Society mitigates these risks by having its investments managed professionally by a fund manager.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failure to discharge an obligation. The Society has a concentration of credit risk pertaining to its cash and cash equivalents and investments.

The Society mitigates its exposure to credit loss pertaining to cash by placing its cash and cash equivalents and investments with reputable financial institutions.

Liquidity risk

Liquidity risk is the risk that the Society will not be able to meet a demand for cash or fund its obligations as they come due. The Society manages its liquidity risk by monitoring cash flows from operations and monitoring and reviewing actual and forecasted cash flows to ensure there is available cash resources to meet these needs.

Discovery House Family Violence Prevention Society
Notes to the Financial Statements
March 31, 2024

12. Fundraising expenses

As required to be disclosed under section 7(2) of the Alberta Charitable Fundraising Regulations, amounts paid as remuneration to employees whose principal duties involve fundraising were \$269,942 (2023 - \$259,961).
