Archway Society for Domestic Peace
Financial Statements
For the Year Ended March 31, 2025

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Independent Auditor's Report

To the board of directors of Archway Society for Domestic Peace

Qualified Opinion

We have audited the financial statements of Archway Society for Domestic Peace (the Society), which comprise the statement of financial position as at March 31, 2025, the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2025, and its financial performance and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Society derives revenue from donations and fundraising activities, 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. Therefore, we were not able to determine whether any adjustments might be necessary to donations and fundraising revenues, excess of revenues over expenses, and cash flows from operations for the years ended March 31, 2025 and 2024, and current assets as at March 31, 2025 and 2024, and net assets as at April 1 and March 31 for both the 2025 and 2024 years. Our audit opinion on the financial statements for the year ended March 31, 2025 was modified accordingly because of the effects of this limitation in scope.

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 qualified opinion.

BDO Canada LLP, a Canadian limited liability partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

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 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.

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.

BDO Canada LLP

Chartered Professional Accountants

Vernon, British Columbia
June 23, 2025

Archway Society for Domestic Peace
Statement of Financial Position

March 31	2025	2024
Assets		
Current		
Investments (Note 4)	$ 447,503	$ 417,255
Accounts receivable	138,937	41,856
Prepaid expenses	35,836	43,408
	622,276	502,519
Restricted cash and investments (Note 3)	398,861	290,317
Investments (Note 4)	98,009	151,942
Property, plant and equipment (Note 5)	1,568,673	1,532,115
	$ 2,687,819	$ 2,476,893
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities (Note 6)	$ 348,451	$ 322,356
Deferred revenue	33,901	21,355
Current portion of long term debt (Note 7)	39,183	38,045
	421,535	381,756
Long-term debt (Note 7)	476,793	514,833
Deferred contributions for expenses of future periods (Note 8)	398,861	310,317
Deferred contributions for property, plant and equipment (Note 9)	449,131	389,165
	1,746,320	1,596,071
Net Assets		
Invested in property, plant and equipment	603,667	572,174
Internally restricted (Note 10)	323,583	311,871
Unrestricted	14,249	(3,223)
	941,499	880,822
	$ 2,687,819	$ 2,476,893

On behalf of the Board:

_____ Director

_____ Director

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

Archway Society for Domestic Peace
Statement of Changes in Net Assets

For the year ended March 31	Invested in Property, Plant & Equipment	Internally Restricted	Unrestricted	2025 Total	2024 Total
Balance, beginning of the year	$ 572,174	$ 311,871	$ (3,223)	$ 880,822	$ 841,881
Excess (deficiency) of revenues over expenses	(34,945)	11,712	83,910	60,677	38,941
Purchase of property, plant and equipment	142,595	-	(142,595)	-	-
Contributions received	(113,060)	-	113,060	-	-
Long term debt principal repayments	36,903	-	(36,903)	-	-
Balance, end of the year	$ 603,667	$ 323,583	$ 14,249	$ 941,499	$ 880,822

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

Archway Society for Domestic Peace
Statement of Operations

For the year ended March 31	2025	2024
Revenue		
BC Housing	$ 1,416,294	$ 1,335,697
Minister of Justice	1,265,278	1,118,300
Donations	218,167	145,598
Ministry of Children and Family Development	230,398	239,560
Federal Government	168,664	241,969
Other grants	224,285	549,610
Regional District of the North Okanagan	126,197	126,293
Gaming	41,300	43,775
Amortization of deferred capital contributions (Note 9)	47,637	42,255
Legal Aid BC	16,723	16,723
Fundraising	83,622	29,630
Miscellaneous	5,479	5,306
Interest	19,556	22,116
Summer student grant	3,132	10,416
Casimir Court, net (Note 14)	2,366	(2,790)
	3,869,098	3,924,458
Expenses		
Advertising and promotion	8,510	8,342
Amortization	95,805	87,110
Client support	166,348	145,652
Food and supplies	33,093	46,443
Fundraising	42,557	8,973
Insurance	38,421	32,459
Interest and bank charges	24,434	24,610
Office and information technology	127,553	182,579
Professional development	30,206	64,686
Professional fees	78,987	75,343
Program materials	5,578	18,706
Rent	27,495	24,572
Repairs and maintenance	32,892	36,084
Telephone and utilities	70,977	64,903
Travel	20,503	35,737
Volunteer	766	346
Wages and benefits	3,001,503	3,028,972
Loss on disposal of assets	2,793	-
	3,808,421	3,885,517
Excess of revenues over expenses	$ 60,677	$ 38,941

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

Archway Society for Domestic Peace
Statement of Cash Flows

For the year ended March 31	2025	2024
Cash flows from operating activities		
Cash receipts from customers	$ 3,860,497	$ 3,719,942
Cash paid to suppliers and employees	(3,735,316)	(4,043,049)
Interest received	25,412	25,737
	150,593	(297,370)
Cash flows from investing activities		
Purchase of investments	(663,888)	(627,250)
Proceeds on disposal of investments	627,250	643,482
Acquisition of property and equipment	(142,595)	(59,349)
Contributions received	113,763	-
	(65,470)	(43,117)
Cash flows from financing activities		
Repayment of long-term debt	(36,902)	(35,662)
Net increase (decrease) in cash	48,221	(376,149)
Cash, beginning of the year	232,264	608,413
Cash, end of the year	$ 280,485	$ 232,264
Represented by:		
Restricted cash (Note 3)	$ 280,485	$ 232,264

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

1. Significant Accounting Policies

Nature of Operation

The Archway Society for Domestic Peace (the "Society") is incorporated under the laws of the British Columbia Societies Act and is a registered charity under the Income Tax Act. The Society is engaged to provide support and refuge for women and children in Vernon and surrounding area in times of crisis and to act as advocates when required. The Society also operates Casimir Court Apartments where counselling and accommodation is provided for young mothers.

Basis of Accounting

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

Use of Estimates

The preparation of financial statements in accordance 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 at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available.

Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent, periods, financial instruments are reported either at cost or amortized cost less impairment. If applicable, financial instruments are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are charged to the financial instruments.

Cash

Cash consists of cash on hand and bank balances.

1. Significant Accounting Policies (continued)

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated amortization. Contributed tangible capital assets are recorded at fair value at the date of contribution and are amortized, unless fair value is not determinable in which case contributed property, plant and equipment are recorded at nominal value at the date of contribution. Expenditures for repairs and maintenance are expensed as incurred. Betterments that extend the useful life of property, plant and equipment are capitalized.

Amortization based on the estimated useful life of the asset is calculated as follows:

	Method	Rate
Building	Straight-line	30 years
Automotive	Straight-line	5 years
Furniture and fixtures	Straight-line	5 years
Computer equipment	Straight-line	3 years

Leased Assets

Leases are classified as capital or operating leases. Leases entered into that transfer substantially all the benefits and risks associated with ownership are recorded as the acquisition of a capital asset and the incurrence of an obligation. The asset is amortized in a manner consistent with assets owned by the Society, and the obligation, including interest thereon, is liquidated over the term of the lease. All other leases are accounted for as operating leases, and the rental costs are expensed as incurred.

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.

Donation and fundraising revenues are recognized as revenue in the year in which the related expenses are incurred. Unrestricted donation and fundraising revenues are recognized as revenue when earned.

Rental revenue is recognized as revenue when the period in which the rent was received is complete.

1. Significant Accounting Policies (continued)

Contributed Materials	Contributed materials which are used in the normal course of the Society's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if fair value can be reasonably estimated.
Contributed Services	Volunteers contribute many hours per year to assist the Society in carrying out its activities. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

2. Credit Facility

The Society has available to it, through VantageOne Credit Union, a $35,000 line of credit to assist with operations. If drawn on, the line of credit bears interest at prime plus 1.0%. The outstanding balance at March 31, 2025 was $Nil (2024 - $Nil).

3. Restricted Cash and Investments

	2025	2024
Externally restricted		
Child Advocacy Centre	$ 38,700	$ 16,200
Administration	43,336	23,336
Sexual Assault Service	2,404	2,404
Stopping the Violence	13,633	13,633
Risk Assessment Program	32,600	16,300
Prevention and Awareness	49,000	29,286
Equine Therapy	17,000	1,242
Support to Young Parents	2,667	21,130
Transition House	25,155	37,719
Homeless Prevention	40,239	40,239
Peace	10,000	1,489
Vernon Alliance Comm Initiative	-	1,665
Police Based Victim Services	84,460	51,557
Women's Outreach	39,667	34,117
	$ 398,861	$ 290,317
Consisting of:		
Restricted cash	$ 280,485	$ 232,264
Restricted investments	118,376	58,053
	$ 398,861	$ 290,317

Externally restricted cash and investments consists of unspent contributions which are restricted for their use and can only be used for the specified programs.

4. Investments

The carrying amounts of investments are comprised of the following:

	2025	2024
At amortized cost:		
Guaranteed investment certificates, bearing interest at 1.75% to 5.44%, maturing between July 2025 and February 2027	$ 602,751	$ 627,250
At fair value:		
Mutual funds (cost - $61,137)	61,137	-
	$ 663,888	$ 627,250
Investments are allocated as follows:		
Current	$ 447,503	$ 417,255
Long term	98,009	151,942
Restricted (Note 3)	118,376	58,053
	$ 663,888	$ 627,250

5. Property, Plant and Equipment

	2025		2024	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Transition House				
Automotive	$ 21,506	$ 19,355	$ 21,506	$ 15,054
Buildings	921,666	551,216	829,067	525,668
Computer equipment	104,904	83,840	124,210	103,818
Furniture and fixture	75,126	68,350	75,126	64,528
Land	36,400	-	36,400	-
	1,159,602	722,761	1,086,309	709,068
Casimir Court				
Building	$ 333,711	$ 249,464	$ 333,711	$ 243,567
Furniture and fixtures	13,214	3,906	9,266	1,658
Land	88,200	-	88,200	-
	435,125	253,370	431,177	245,225
Administration				
Building	$ 734,351	$ 110,171	$ 734,351	$ 85,822
Furniture and fixtures	55,893	19,705	32,582	10,858
Computer equipment	1,348	674	1,348	225
Land	259,247	-	259,247	-
Leasehold improvements	42,555	12,767	42,555	4,256
	1,093,394	143,317	1,070,083	101,161
Net book value		$ 1,568,673		$ 1,532,115

6. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are government remittances payable of $19,017 (2024 - $25,707).

7. Long Term Debt

	2025	2024
Vantage One mortgage, with blended monthly payments of $4,880, with an interest rate of 2.95%, maturing October 2026, secured by specific property.	$ 515,976	$ 552,878
Current portion	(39,183)	(38,045)
Long-term portion of debt	$ 476,793	$ 514,833

Principal repayments on long term debt over the next five years and thereafter assuming renewed on similar terms are as follows:

2026	$ 39,183
2027	40,354
2028	41,561
2029	42,804
2030	44,084
Thereafter	307,990
	$ 515,976

8. Deferred Contributions for Expenses of Future Periods

Deferred contributions represent unspent resources externally restricted for various purpose and relate to expenses of a subsequent period. Changes in the deferred contributions balance are as follows:

	2025	2024
Beginning balance	$ 310,317	$ 619,546
Add: amounts received in the current year	3,094,858	1,746,392
Less: amounts recognized as revenue in the year	(3,006,314)	(2,055,621)
Ending balance	$ 398,861	$ 310,317

9. Deferred Contributions for Property, Plant and Equipment

Transition House

In December 2016, BC Housing provided a mortgage forgivable over a ten year period beginning in the first year of the mortgage. Monies were advanced in March 31, 2017, 2018, 2019 and 2020 fiscal years totaling $140,300. At March 31, 2025, $24,553 (2024 - $38,583) of the total $140,300 in funding received is to be forgiven in future years.

Contributions were received relating to capital improvements to the Transition Housing building. These contributions have been deferred and are being amortized with the building additions over 30 years.

The amount amortized to revenue in the general operating statement in the current year is $47,637 (2024 - $42,255).

Casimir Court

Contributions were received relating to capital improvements to the Casimir Court building. These contributions have been deferred and are being amortized with the building additions over 30 years.

The changes for the year in the deferred revenue in the Casimir Court operating statement in the current year is $6,161 (2024 - $6,161).

The changes for the year in the deferred contributions related for property, plant and equipment are as follows:

	2025	2024
Beginning balance	$ 389,165	$ 437,581
Add: contributions	113,940	-
Less: amounts amortized to revenue	(53,974)	(48,416)
Ending balance	$ 449,131	$ 389,165

10. Internally Restricted Net Assets

Building Trust Fund

All funds received in the Project Haven Fund after June 30, 1994 are being held in trust for future expenditures for the buildings owned by the Society. All interest earned on the building trust fund investments are allocated back to the fund unless otherwise specified by the Board.

Future Expenditures

In previous years the Board of Directors passed resolutions to internally restrict funds of $122,500 for specific expenditures of various programs in future years. No amounts were utilized in the current year.

Oak Centre

In a previous year the Board of Directors passed a resolution to internally restrict funds specifically for future expenditures related to the operation of the Oak Centre, which provides advocacy and support services for children youth that have experienced abuse, sexual assault, or witnessed violent crime.

A breakdown of the internally restricted funds are as follows:

	2025	2024
Building trust fund	$ 193,174	$ 181,462
Future expenditure	122,500	122,500
Oak Centre	7,909	7,909
	$ 323,583	$ 311,871

In order to utilize the internally restricted funds a Board resolution is required.

11. Economic Dependence

The Society receives 75% (2024 - 69%) of its funding from the Province of British Columbia through the Ministries of Children and Family Development, Finance, Justice and the Crown Corporation of BC Housing. The ability of the Society to continue operations is dependent upon continued funding from these sources.

12. Financial Instruments

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 is exposed to credit risk resulting from the possibility that a customer or counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The Society's financial instruments that are exposed to concentrations of credit risk relate primarily to its accounts receivable. The majority of the Society's receivables are from government sources and the Society works to ensure it meets all eligibility criteria in order to qualify to receive the funding.

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 arising from the possibility that changes in interest rates will affect the value of fixed income denominated investments

13. Commitments

The Society has operating leases for photocopiers and has a lease agreement for office space in Armstrong. The minimum annual lease payments are as follows:

2026	$	20,200
2027		20,200
2028		20,200
2029		7,833

14. Casimir Court, net

	2025	2024
Revenue		
Suite rental	$ 45,700	$ 45,508
Office rental	10,800	10,800
Amortization of deferred contributions (Note 9)	6,161	6,161
Interest revenue	5,856	3,621
Other grants	-	10,244
Donations	10,911	11,653
Unrealized exchange loss	(2,029)	-
	77,399	87,987
Expenses		
Administration	8,483	8,010
Advertising	-	164
Amortization	8,145	12,086
Insurance	585	1,887
Office	386	2,099
Repairs and maintenance	7,738	12,423
Telephone and utilities	25,922	21,553
Wages and benefits	21,457	29,765
	72,716	87,987
Excess (deficiency) of revenues over expenses, before internal adjustments	4,683	-
Reversal of internal adjustments:		
Office rental revenue	(10,800)	(10,800)
Administration expense	8,483	8,010
Excess (deficiency) of revenue over expenses	$ 2,366	$ (2,790)

Internal adjustments on the Casimir Court operations statement are for revenues and expenses charged between the Transition House and Casimir Court. These amounts are netted to zero upon consolidating operations, but are included on the Casimir Court operations statement to provide more information to the users of the financial statements.

15. Employee Pension Plan

The Association and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trusteed pension plan. The board of trustees, representing plan members and employers, is responsible for administering the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2021, the Plan has about 227,000 active members and approximately 118,000 retired members.

The most recent actuarial valuation as at December 31, 2021, indicated a $3,761 million funding surplus for basic pension benefits. The next valuation will be as at December 31, 2024, with results available in 2025.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

The Society paid $174,327 (2024 - $174,212) for employer contributions to the Plan in fiscal 2025.

16. Salaries, Honoraria and Benefits

During the year, the Society paid thirteen employees (2024 - ten) in excess of $75,000. Total salaries, honoraria and benefits paid was $1,128,815 (2024 - $872,217). The Society does not provide remuneration to its Board of Directors.