

Connections Place Society
Financial Statements
Year Ended March 31, 2025

Independent Auditor's Report

To the Members of Connections Place Society

Report on the Financial Statements

Opinion

We have audited the financial statements of Connections Place Society (the "Society"), which comprise the statement of financial position as at March 31, 2025, and the statements of operations and 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, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2025, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

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 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.

Other Matter

The financial statements for the year ended March 31, 2024 were audited by another auditor who expressed a qualified opinion on those financial statements on September 5, 2024.

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 ASNPO, 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.

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Independent Auditor's Report to the Members of Connections Place Society (*continued*)

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.

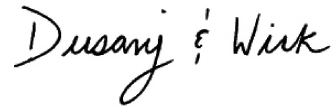
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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Independent Auditor's Report to the Members of Connections Place Society (*continued*)

Report on Other Legal and Regulatory Requirements

As required by the Societies Act of British Columbia, we report that, in our opinion, the accounting policies applied in preparing and presenting the financial statements in accordance with Canadian Accounting Standards for Not-for-profit Organizations have been applied on a basis consistent with that of the preceding year.



Victoria, British Columbia
October 6, 2025

Chartered Professional Accountants

Connections Place Society
Statement of Financial Position
March 31, 2025


	2025	2024
	\$	\$
Assets		
Current		
Cash and cash equivalents (Note 3)	73,787	361,347
Term deposit (Note 4)	-	265,361
Accounts receivable (Note 5)	22,489	1,159
Prepaid expenses	24,023	18,032
	<u>120,299</u>	<u>645,899</u>
Capital assets (Note 6)	49,986	10,886
Total assets	<u>170,285</u>	<u>656,785</u>
Liabilities		
Current		
Accounts payable and accrued liabilities	19,770	18,545
Government remittances payable	8,450	8,005
Deferred revenue (Note 7)	-	500,000
	<u>28,220</u>	<u>526,550</u>
Deferred capital contributions (Note 8)	20,000	-
Total liabilities	48,220	526,550
Net Assets		
Unrestricted	<u>122,065</u>	<u>130,235</u>
Total liabilities and net assets	<u>170,285</u>	<u>656,785</u>

Commitments (Note 9)

On behalf of the Board



 Director Board Chair 2025-10-06



 Director

The accompanying notes are an integral part of these financial statements

Connections Place Society
Statement of Operations and Changes in Net Assets
Year Ended March 31, 2025

	2025	2024
	\$	\$
Revenue		
Government operating grants	500,000	500,000
Contracts for service	270,536	218,350
Philanthropic grants	47,889	57,227
Sales and fundraising	23,216	19,748
Donations	19,185	17,812
Interest income	7,701	16,976
Amortization of deferred capital contributions (<i>Note 8</i>)	5,000	-
	<u>873,527</u>	<u>830,113</u>
Expenses		
Advertising and promotion	12,757	14,766
Amortization	13,840	7,322
Clubhouse rent (<i>Note 9</i>)	159,342	134,199
Clubhouse utilities	8,702	9,177
Insurance	7,001	8,474
Interest and bank charges	1,087	140
Membership fees	9,224	3,912
Office	75,676	68,489
Professional development	4,067	14,279
Professional fees	20,893	29,878
Repairs and maintenance	854	9,573
Salaries and wages (<i>Note 11</i>)	557,790	472,737
Travel	10,464	4,629
	<u>881,697</u>	<u>777,575</u>
Excess (deficiency) of revenue over expenses	(8,170)	52,538
Net assets - beginning of year	<u>130,235</u>	<u>77,697</u>
Net assets - end of year	<u>122,065</u>	<u>130,235</u>

The accompanying notes are an integral part of these financial statements

Connections Place Society
Statement of Cash Flows
Year Ended March 31, 2025

	2025	2024
	\$	\$
Operating activities		
Excess (deficiency) of revenue over expenses	(8,170)	52,538
Items not affecting cash:		
Amortization of capital assets	13,840	7,322
Amortization of deferred capital contributions	(5,000)	-
	<u>670</u>	<u>59,860</u>
Changes in non-cash working capital:		
Accounts receivable	(21,330)	(3,096)
Prepaid expenses	(5,991)	(12,281)
Accounts payable and accrued liabilities	1,226	3,261
Government remittances payable	445	3,727
Deferred revenue	(500,000)	500,000
	<u>(525,650)</u>	<u>491,611</u>
Cash flow from (used by) operating activities	<u>(524,980)</u>	<u>551,471</u>
Investing activities		
Purchase of capital assets	(52,941)	(12,525)
Deferred capital contributions received (Note 8)	25,000	-
Cash flow used by investing activities	<u>(27,941)</u>	<u>(12,525)</u>
Increase (decrease) in cash flow	(552,921)	538,946
Cash - beginning of year	<u>626,708</u>	<u>87,762</u>
Cash - end of year	<u>73,787</u>	<u>626,708</u>
Cash consists of:		
Cash and cash equivalents (Note 3)	73,787	361,347
Term deposit (Note 4)	-	265,361
	<u>73,787</u>	<u>626,708</u>

The accompanying notes are an integral part of these financial statements

Connections Place Society
Notes to Financial Statements
Year Ended March 31, 2025

1. Purpose of the Society

Connections Place Society (the "Society") is a not-for-profit organization of British Columbia. As a registered charity the Society is exempt from the payment of income tax under Subsection 149(1) of the Income Tax Act. The purpose of the Society is to provide people with mental illness a place to gain confidence, respect, hope, and opportunity. The Society opens the door to friendship, education and employment for people living with mental illness.

2. Summary of significant accounting policies

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Revenue recognition

Connections Place 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. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and short-term deposits which are highly liquid.

Term deposits

Term deposits are comprised of guaranteed investment certificates. These items are carried at amortized cost at the date of the statements of financial position and have a maturity period of less than one year.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives at the following rates and methods:

Computer equipment	55%	declining balance method
Computer software	55%	declining balance method
Furniture and fixtures	30%	declining balance method
Leasehold improvements	5 years	straight-line method

The Society regularly reviews its capital assets to eliminate obsolete items.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

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Connections Place Society
Notes to Financial Statements
Year Ended March 31, 2025

2. Summary of significant accounting policies (continued)

Government assistance

Government assistance for acquiring fixed assets and related to expenses is recorded as deferred capital contributions and is amortized on the same basis and according to the same rates as the related fixed assets or to income as eligible expenditures are incurred.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred for financial instruments subsequently measured at fair value. Transaction costs are added to the carrying amount for those financial instruments subsequently measured at amortized cost.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

3. Cash and cash equivalents

	2025	2024
	\$	\$
Cash	68,635	358,662
Canadian money market funds	5,152	2,685
	<u>73,787</u>	<u>361,347</u>

4. Term deposit

	2025	2024
	\$	\$
Guaranteed investment certificate	<u>-</u>	<u>265,361</u>

Term deposits consist of one guaranteed investment certificate maturing in June 2024 bearing interest at 4.2% per term. The amount was not reinvested in the current year.

Connections Place Society
Notes to Financial Statements
Year Ended March 31, 2025

5. Accounts receivable

	2025	2024
	\$	\$
Vancouver Island Health Authority	22,489	-
Interest receivable	-	1,159
	<u>22,489</u>	<u>1,159</u>

6. Capital assets

	2025		2024	
	Cost	Accumulated amortization	Cost	Accumulated amortization
	\$	\$	\$	\$
Computer equipment	13,816	11,795	13,028	9,806
Computer software	9,342	9,286	9,342	9,217
Furniture and fixtures	38,004	17,266	19,815	12,276
Leasehold improvements	33,964	6,793	41,926	41,926
	<u>95,126</u>	<u>45,140</u>	<u>84,111</u>	<u>73,225</u>
Net book value		<u>49,986</u>		<u>10,886</u>

7. Deferred revenue

Deferred contributions consist of unspent contributions for the operations over the next year. Recognition of these amounts as revenue is deferred to periods when the specified expenses are made.

	2025	2024
	\$	\$
Opening balance	500,000	-
Amounts received during the year	-	500,000
Amounts recognized during the year	(500,000)	-
Closing balance	<u>-</u>	<u>500,000</u>

8. Deferred capital contributions

Deferred capital contributions represent restricted contributions received for purchasing capital assets. Recognition of these amounts is on the same basis as the capital asset acquired.

	2025	2024
	\$	\$
Opening balance	-	-
Amounts received during the year	25,000	-
Amounts recognized during the year	(5,000)	-
Closing balance	<u>20,000</u>	<u>-</u>

Connections Place Society
Notes to Financial Statements
Year Ended March 31, 2025

9. Commitments

The Society entered into a five-year lease agreement for its premises which expires on May 31, 2028. Basic rental payments excluding goods and services tax, operating expenses and property taxes are as follows:

	\$
2026	79,100
2027	79,800
2028	79,800
2029	13,300
	<u>252,000</u>

10. Financial risk and concentrations of risk

The Society is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Society's risk exposure and concentration as of March 31, 2025.

Credit risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Society's exposure to credit risk is indicated by the carrying amount of its cash and cash equivalents and short-term investments. The Society deposits its cash and cash equivalents and investments with high credit qualifying financial institutions. There has been no change to the risk exposure from 2024.

Liquidity risk

Liquidity is the risk that the Society will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Society manages its liquidity risk by monitoring its operating requirements. The Society prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from 2024. The Society's liquidity risk is assessed low.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the value of fixed income investments held by the Society. The Society manages this risk by investing in guaranteed investment certificates with carrying maturity dates. The Society's interest rate risk is assessed low.

11. Employee remuneration

Under the Societies Act, societies must disclose remuneration paid to directors, employees and contractors whose remuneration was at least \$75,000 for the fiscal year. During the year ended March 31, 2025, the Society had one employee whose annual remuneration was over \$75,000 (2024 – None) and the total remuneration paid to them was \$76,674 (2024 - Nil).

12. Economic dependence

During the year ended March 31, 2025, the Society received a major portion of its revenues from the B.C. government. The Society's ability to continue its programs is dependent on its ability to obtain sources of private and/or government funding. As at the date of these financial statements, the Society believes that it is in compliance with the agreement, and funding will continue.

Connections Place Society
Notes to Financial Statements
Year Ended March 31, 2025

13. Endowment fund

On July 26, 2019, the Society entered into an agreement with the Victoria Foundation to create an endowment known as the Connections Place Fund, which will be used to participate in the Victoria Foundation's Smart & Caring Community Fund matching program. The endowment was established with a \$7,500 contribution from the Society and a matching \$7,500 contribution from the Victoria Foundation, for a total of \$15,000.

The Victoria Foundation hosts the endowment. The principal is to be retained in perpetuity, and the income is distributed to the Society from time to time according to the terms of the agreement. The Society is entitled to the annual earnings from the endowment held by the Victoria Foundation. The capital of the funds is not available to the Society, and is held in perpetuity. The Victoria Foundation is a not-for-profit organization that receives and invests funds, and from these funds provide investment income to other not-for-profit organizations under the terms of agreement with them.

	2025	2024
	\$	\$
Opening balance	16,396	16,424
Net investment return	1,954	761
Grants paid	(798)	(789)
Closing balance	<u>17,552</u>	<u>16,396</u>

14. Comparative figures

Some of the comparative figures have been reclassified to conform to the current year's presentation.

2025-03-31 - Connections Place Society - Financial Statements (1)

Final Audit Report


2025-10-07

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