

Financial Statements of

**GREATER VICTORIA
HOUSING SOCIETY**

And Independent Auditors' Report thereon

Year ended December 31, 2021



KPMG LLP
St. Andrew's Square II
800-730 View Street
Victoria BC V8W 3Y7
Canada
Telephone 250-480-3500
Fax 250-480-3539

INDEPENDENT AUDITORS' REPORT

To the Directors of Greater Victoria Housing Society

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of Greater Victoria Housing Society (the Entity), which comprise:

- the statement of financial position as at December 31, 2021
- the statement of operations and changes in fund balances for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements as at and for the year ended December 31, 2021 are prepared, in all material respects, in accordance with the financial reporting provisions of the agreements between the Entity and Canada Mortgage and Housing Corporation ("CMHC") and British Columbia Housing Management Commission ("BCHMC").

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 "*Auditors' Responsibilities for the Audit of the Financial Statements*" section of our auditors' report.

We are independent of the Entity 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.

Emphasis of Matter – Financial Reporting Framework

We draw attention to note 1 in the financial statements, which describes the applicable financial reporting framework and the purpose of the financial statements.

The financial statements are prepared to assist the Entity to comply with the reporting provisions of the agreements referred to above.



As a result, the financial statements may not be suitable for another purpose.

Our opinion is not modified in respect of this matter.

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

Management is responsible for the preparation of the financial statements in accordance with the financial reporting provisions of the agreements with CMHC and BCHMC, 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' 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 auditors' 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 the 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- 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 policies applied in preparing and presenting the financial statements have been applied on a basis consistent with that of the preceding year.

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Professional Accountants

Victoria, Canada

April 20, 2022

GREATER VICTORIA HOUSING SOCIETY

Statement of Financial Position

December 31, 2021, with comparative information for 2020

	2021	2020
Assets		
Current assets:		
Cash	\$ 3,141,455	\$ 2,972,835
Term deposits	809,450	1,029,815
Cash held in trust (note 2)	93,066	35,277
Accounts receivable	828,426	1,512,675
Prepaid expenses	123,026	91,125
	<u>4,995,423</u>	<u>5,641,727</u>
Investments and term deposits	977,947	309,827
Restricted replacement reserve fund investments	2,695,677	2,655,876
Capital assets (note 3)	93,066,683	85,738,904
	<u>\$ 101,735,730</u>	<u>\$ 94,346,334</u>
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities (note 4)	\$ 2,196,419	\$ 3,591,757
Accrued mortgage interest payable	98,678	63,523
Current portion of mortgages payable (note 5)	4,019,827	3,659,836
Deferred revenue	204,909	130,960
Due to BCHMC (note 6)	7,584,698	45,991,049
Loans payable - pre-construction funding (note 7)	2,058,565	1,429,886
	<u>16,163,096</u>	<u>54,867,011</u>
Mortgages payable (note 5)	44,557,798	23,233,499
Loans payable to CMHC (note 8)	500,625	526,071
	<u>61,221,519</u>	<u>78,626,581</u>
Fund Balances		
Operating Fund:		
Externally restricted	753,687	48,661
Internally restricted (note 9)	2,178,230	1,187,264
	<u>2,931,917</u>	<u>1,235,925</u>
Capital Fund:		
Invested in capital assets	34,768,270	11,709,605
Externally restricted	118,347	118,347
	<u>34,886,617</u>	<u>11,827,952</u>
Replacement Reserve Fund (Schedule 2):		
Externally restricted	1,973,498	1,736,808
Internally restricted	722,179	919,068
	<u>2,695,677</u>	<u>2,655,876</u>
	<u>40,514,211</u>	<u>15,719,753</u>
Commitments (note 13)		
Contingencies (notes 6, 10(b) and 14)		
Subsequent events (notes 6(c) and 15)		
	<u>\$ 101,735,730</u>	<u>\$ 94,346,334</u>

See accompanying notes to financial statements.

Approved on Behalf of the Board:


Director


Director

GREATER VICTORIA HOUSING SOCIETY

Statement of Operations and Changes in Fund Balances

Year ended December 31, 2021, with comparative information for 2020

	Restricted Funds			Total 2021	Total 2020
	Operating Fund (Schedule 1)	Capital Fund	Replacement Reserve Fund (Schedule 2)		
Revenue:					
Tenant rent contributions	\$ 6,086,233	\$ -	\$ -	\$ 6,086,233	\$ 5,029,457
Rent supplements (note 10(a))	1,588,054	-	-	1,588,054	1,467,582
Laundry	91,463	-	-	91,463	79,049
Heat and light recovery	17,868	-	-	17,868	17,872
Cable recovery	205,600	-	-	205,600	227,841
Investment income	64,377	-	73,173	137,550	142,169
Unrealized gain on investments	26,223	-	51,987	78,210	207,283
CMHC seed and proposal development funding	-	-	-	-	160,000
Forgivable loans granted	-	24,246,721	-	24,246,721	14,364
Development grants	-	38,561	-	38,561	129,309
Other	384,758	60,000	35,152	479,910	358,905
	8,464,576	24,345,282	160,312	32,970,170	7,833,831
Expenses:					
Amortization	2,263,947	-	-	2,263,947	1,618,517
Mortgage interest	993,734	-	-	993,734	841,412
Janitor - maintenance salaries	872,462	-	-	872,462	870,736
Administration	906,985	-	-	906,985	827,437
Heat, hydro and hot water	490,182	-	-	490,182	450,896
Maintenance	494,589	-	-	494,589	441,159
Replacement reserve expenditures	-	-	277,085	277,085	430,615
Property taxes	217,505	-	-	217,505	212,154
Water	352,532	-	-	352,532	315,138
Cablevision	226,403	-	-	226,403	243,100
Garbage	309,690	-	-	309,690	237,759
Insurance	342,121	-	-	342,121	250,095
Other	29,882	-	-	29,882	26,728
Audit and legal	46,570	-	-	46,570	35,240
Capital improvements	47,189	-	-	47,189	-
Replacement reserve allocation	599,220	-	(599,220)	-	-
	8,193,011	-	(322,135)	7,870,876	6,800,986
Excess of revenue over expenses, before the following	271,565	24,345,282	482,447	25,099,294	1,032,845
Loss on disposal of Esquimalt Lion's Lodge	-	(390,265)	-	(390,265)	-
Recovery of deficit (note 10(b))	85,429	-	-	85,429	64,680
Excess of revenue over expenses	356,994	23,955,017	482,447	24,794,458	1,097,525
Fund balances, beginning of year	1,235,925	11,827,952	2,655,876	15,719,753	14,622,228
Interfund transfers:					
Capital - amortization, principal payments, purchases	896,352	(896,352)	-	-	-
BCHMC replacement reserve review adjustments	38,318	-	(38,318)	-	-
Esquimalt Lion's Lodge replacement reserve	404,328	-	(404,328)	-	-
Fund balances, end of year	\$ 2,931,917	\$ 34,886,617	\$ 2,695,677	\$ 40,514,211	\$ 15,719,753

See accompanying notes to financial statements.

GREATER VICTORIA HOUSING SOCIETY

Statement of Cash Flows

Year ended December 31, 2021, with comparative information for 2020

	2021	2020
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenses:		
Operating Fund	\$ 356,994	\$ 396,453
Capital Fund	23,955,017	303,673
Replacement Reserve Fund	482,447	397,399
Items not involving cash:		
Amortization of capital assets	2,263,947	1,618,517
Loss on disposal of Esquimalt Lions's Lodge	390,265	-
Unrealized gain on investments	(78,210)	(207,283)
Change in non-cash operating working capital:		
Accounts receivable	684,249	1,542,327
Prepaid expenses	(31,901)	(8,477)
Accrued mortgage interest payable	35,155	(3,969)
Accounts payable and accrued liabilities	(1,395,338)	(1,866,044)
Deferred revenue	73,949	(8,652)
	<u>26,736,574</u>	<u>2,163,944</u>
Investing activities:		
Purchase of capital assets	(9,981,991)	(15,812,243)
Increase in cash held in trust	(57,789)	(344)
Increase in investments	(409,346)	(1,114,177)
	<u>(10,449,126)</u>	<u>(16,926,764)</u>
Financing activities:		
Principal repayments of mortgages	(1,802,839)	(1,625,004)
Proceeds from mortgages	23,487,129	-
Increase (decrease) in due to BCHMC	(38,406,351)	14,990,874
Net proceeds from loans	603,233	784,653
	<u>(16,118,828)</u>	<u>14,150,523</u>
Increase (decrease) in cash	168,620	(612,297)
Cash, beginning of the year	2,972,835	3,585,132
Cash, end of year	<u>\$ 3,141,455</u>	<u>\$ 2,972,835</u>

See accompanying notes to financial statements.

GREATER VICTORIA HOUSING SOCIETY

Notes to Financial Statements

Year ended December 31, 2021

Greater Victoria Housing Society (the "Society") is registered under the Societies Act (British Columbia). Its principal activity is to provide subsidized and low cost rental housing to low income households. The Society is a registered charity under the Income Tax Act.

The financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook except for the requirements in the Society's agreements with Canada Mortgage and Housing Corporation and British Columbia Housing Management Commission as described in the basis of accounting note 1(a) below.

1. Significant accounting policies:

(a) Basis of accounting:

These financial statements have been prepared in accordance with the significant accounting policies set out below in order to comply with the financial reporting criteria in the Society's agreements with the Canada Mortgage and Housing Corporation ("CMHC") and the British Columbia Housing Management Commission ("BCHMC"). The basis of accounting used in these financial statements materially differs from Canadian accounting standards for not-for-profit organizations because:

- (i) Amortization is not provided on certain prepaid land leases, buildings, and furniture and equipment over the estimated useful lives of these assets but rather at a rate equal to the annual principal reduction of the related mortgages.
- (ii) Capital assets purchased from the Replacement Reserve Fund are charged against the replacement fund rather than being capitalized on the statement of financial position and amortized over their estimated useful lives.
- (iii) Building renovation costs and capital assets are charged to operations in the year the expenditure is incurred rather than being capitalized and amortized over their estimated useful lives unless an exception is granted by BCHMC.
- (iv) A reserve for future capital replacements is appropriated annually from operations and recorded as an expense.

GREATER VICTORIA HOUSING SOCIETY

Notes to Financial Statements

Year ended December 31, 2021

1. Significant accounting policies (continued):

(b) Fund accounting:

The Society follows the restricted fund method of accounting for contributions. Accordingly, the transactions of the Society are recorded in three funds as follows:

(i) Operating Fund:

The Operating Fund accounts for the Society's assets, liabilities and transactions relating to the ongoing rental and non-rental operations.

(ii) Capital Fund:

The Capital Fund accounts for the Society's investment in capital assets and related financial activities.

(iii) Replacement Reserve Fund:

In accordance with the provision of the agreements with CMHC and BCHMC, a Replacement Reserve Fund has been established for each building under an operating agreement to pay for the replacement of worn-out capital equipment and certain painting expenditures. The provision to this Fund is an annual charge against rental operations. The Society, at its discretion, has established a Replacement Reserve Fund for Dahli Place, Forest Heights, Esquimalt Lion's Lodge, Pembroke Mews, Parsons at Brentwood, Goldstream Avenue 330 and Townley Place.

(c) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Investments that are quoted in an active market are subsequently measured at fair value and all changes in the fair value are recognized in excess (deficiency) of revenue over expenses in the period incurred. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. There are no other financial instruments designated to be carried at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator 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. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Society expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

GREATER VICTORIA HOUSING SOCIETY

Notes to Financial Statements

Year ended December 31, 2021

1. Significant accounting policies (continued):

(d) Capital assets:

- (i) Land, prepaid land leases, landscaping and site improvements, buildings, furniture and equipment are recorded at cost less accumulated amortization.
- (ii) Interest is capitalized until the asset is put into use whenever external debt is issued to finance the construction of capital assets.
- (iii) Amortization on prepaid land leases, buildings and furniture and equipment is provided at an amount equal to the annual principal reduction of the related mortgages with the following exceptions:
 - Land lease on Grafton Lodge is amortized on a straight-line basis over 35 years
 - Leasehold improvements are amortized over the term of the lease
 - Laundry equipment is amortized on a straight-line basis over 12 years
 - Parsons at Brentwood, Townley Place, and Goldstream Avenue 330 buildings are amortized on a straight-line basis over 50 years

Amortization expense is recorded in the Operating Fund.

- (iv) Construction in progress is not amortized until the asset is put into use.

The Society reviews the carrying amount of capital assets for impairment whenever events or changes in circumstances indicate that the asset no longer contributes to the Society's ability to provide services, or that the value of future economic benefits or service potential associated with the asset is less than its carrying amount. If such conditions exist, an impairment loss is measured and recorded in the statement operations at the amount by which the carrying amount of the net asset exceeds its fair value or replacement cost.

(e) Revenue recognition:

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.

Restricted contributions related to general operations are recognized as revenue of the Operating Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenues of the appropriate restricted fund in the year received or receivable.

Forgivable loans are recognized as revenue in accordance with the above when the Society becomes entitled to receive a forgivable loan.

(f) Allocation of expenses:

The Society allocates certain of its office, audit and legal and administration/maintenance salary and benefit expenses proportionately across the buildings based on the total number of units in each building.

The Society allocates salaries and administration costs related to development activities to capital assets.

GREATER VICTORIA HOUSING SOCIETY

Notes to Financial Statements

Year ended December 31, 2021

1. Significant accounting policies (continued):

(g) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the period. Actual results could differ from these estimates.

2. Cash held in trust:

Cash held in trust is held by BCHMC for the payment of construction costs for Dahli Place, Townley Place, and Pembroke Mews. Any remaining funds after the payout of the construction costs will be used to reduce the mortgage payable.

GREATER VICTORIA HOUSING SOCIETY

Notes to Financial Statements

Year ended December 31, 2021

3. Capital assets:

			2021	2020
	Cost	Accumulated amortization	Net	Net
Balmoral Garden Court:				
Land lease prepaid for 60 years	\$ 298,959	178,074	120,885	137,069
Building	5,282,375	3,148,998	2,133,377	2,419,327
Building envelope	22,606	-	22,606	-
	5,603,940	3,327,072	2,276,868	2,556,396
Parsons at Brentwood:				
Land	1,205,408	-	1,205,408	1,205,408
Building	8,657,460	332,022	8,325,438	8,296,334
	9,862,868	332,022	9,530,846	9,501,742
Campbell Lodge:				
Land	2,452,727	-	2,452,727	2,452,727
Building	2,517,895	836,123	1,681,772	1,746,362
Furniture and equipment	95,697	31,778	63,919	66,374
Landscaping and site improvement	21,290	-	21,290	21,290
Building envelope	3,196,413	-	3,196,413	48,652
	8,284,022	867,901	7,416,121	4,335,405
Colwood Lodge:				
Land	1,273,304	-	1,273,304	1,273,304
Building	1,673,113	1,418,149	254,964	254,964
Furniture and equipment	55,492	47,035	8,457	8,457
Redevelopment – Belmont Road	881,871	-	881,871	679,413
	3,883,780	1,465,184	2,418,596	2,216,138
Constance Court:				
Land	500,565	-	500,565	500,565
Building	3,440,970	2,698,080	742,890	918,673
Furniture and equipment	79,144	62,056	17,088	21,131
	4,020,679	2,760,136	1,260,543	1,440,369
Dahli Place:				
Land	2,734,179	-	2,734,179	2,734,179
Building	10,309,771	1,217,451	9,092,320	9,295,755
	13,043,950	1,217,451	11,826,499	12,029,934
Dowler Lodge:				
Land	818,159	-	818,159	818,159
Building	3,674,753	3,345,391	329,362	535,943
Furniture and equipment	1,367	1,244	123	200
	4,494,279	3,346,635	1,147,644	1,354,302
Esquimalt Lions' Lodge:				
Land	73,459	-	73,459	73,459
Building	-	-	-	353,832
Furniture and equipment	-	-	-	15,286
Elevated walkway	-	-	-	21,147
Redevelopment - Fleming Street	1,597,546	-	1,597,546	597,067
	1,671,005	-	1,671,005	1,060,791
Forest Heights:				
Land	892,961	-	892,961	892,961
Building	1,183,637	436,893	746,744	778,652
Redevelopment	420,936	-	420,936	391,809
	2,497,534	436,893	2,060,641	2,063,422

GREATER VICTORIA HOUSING SOCIETY

Notes to Financial Statements

Year ended December 31, 2021

3. Capital assets (continued):

			2021	2020
	Cost	Accumulated amortization	Net	Net
Grafton Lodge:				
Land lease prepaid for 35 years	\$ 345,600	159,300	186,300	197,100
Building	3,553,238	1,284,813	2,268,425	2,351,127
Furniture and equipment	18,457	18,457	-	-
	3,917,295	1,462,570	2,454,725	2,548,227
Goldstream Avenue 330:				
Land	1,394,730	-	1,394,730	1,394,730
Building	24,625,005	287,267	24,337,788	-
Development in progress	-	-	-	20,514,757
	26,019,785	287,267	25,732,518	21,909,487
Nigel Square:				
Land lease prepaid for 60 years	301,240	210,504	90,736	109,215
Building	1,290,578	901,848	388,730	467,898
Development in progress	1,601,700	-	1,601,700	842,849
	3,193,518	1,112,352	2,081,166	1,419,962
Pembroke Mews:				
Land	799,243	-	799,243	799,243
Building	2,346,499	333,931	2,012,568	2,051,580
Equipment	93,548	13,314	80,234	81,789
	3,239,290	347,245	2,892,045	2,932,612
Sitkum Lodge:				
Land	1,564,797	-	1,564,797	1,564,797
Building	3,937,351	3,333,065	604,286	604,286
Furniture and equipment	73,192	61,958	11,234	11,234
	5,575,340	3,395,023	2,180,317	2,180,317
Sutcliffe Court:				
Land	140,801	-	140,801	140,801
Building	197,144	153,731	43,413	69,287
	337,945	153,731	184,214	210,088
Tillicum Terrace:				
Land	870,232	-	870,232	870,232
Building	3,213,988	2,145,085	1,068,903	1,265,261
Building envelope	5,033	-	5,033	-
	4,089,253	2,145,085	1,944,168	2,135,493
Townley Place:				
Land	11,388	-	11,388	11,388
Building	16,202,807	350,976	15,851,831	15,677,222
	16,214,195	350,976	15,863,219	15,688,610
Society:				
Leasehold improvement	162,633	118,150	44,483	59,267
Laundry equipment	184,188	103,123	81,065	96,342
	346,821	221,273	125,548	155,609
	\$ 116,295,499	23,228,816	93,066,683	85,738,904

During the year, the Society capitalized \$79,876 of interest (2020 - \$109,394).

GREATER VICTORIA HOUSING SOCIETY

Notes to Financial Statements

Year ended December 31, 2021

4. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of \$27,511 (2020 - \$10,897), which includes amounts payable for payroll deductions, workers' compensation, and medical service plan premiums.

5. Mortgages payable:

	2021	2020
Balmoral Garden Court:		
2.81% Mortgage with CMHC, due September 1, 2023 payable \$30,933 per month to include principal and interest	\$ 2,255,375	\$ 2,558,982
Campbell Lodge:		
8% Mortgage with CMHC, due June 1, 2028, payable \$9,808 per month to include principal and interest	597,336	665,102
Campbell Lodge:		
2.19% Mortgage with MCAP, due March 1, 2025, payable \$10,612 per month to include principal and interest	1,916,002	2,000,598
Colwood Lodge:		
2.19% Mortgage with MCAP, due March 1, 2025 payable \$5,067 per month to include principal and interest	1,033,281	1,071,104
Constance Court:		
1.57% Mortgage with the CMHC, due October 1, 2026, payable \$16,680 per month to include principal and interest	931,179	1,111,593
Constance Court:		
2.19% Mortgage with MCAP, due March 1, 2025, payable \$959 per month to include principal and interest	242,506	248,651
Dahli Place:		
2.76% Mortgage with MCAP, due July 1, 2025, payable \$37,814 per month to include principal and interest	8,981,753	9,185,984
Dowler Lodge:		
2.61% Mortgage with CHMC, due November 1, 2023, payable \$18,423 per month to include principal and interest	412,926	620,364
Dowler Lodge:		
2.19% Mortgage with MCAP due March 1, 2025 payable \$2,619 per month to include principal and interest	609,773	627,691
Forest Heights:		
2.50% Mortgage with Vancity, due October 7, 2023, payable \$4,096 per month to include principal and interest	574,862	607,185
Goldstream		
2.03% Mortgage with MCAP, due September 1, 2031 payable \$49,178 per month to include principal and interest	14,725,643	-
Grafton Lodge:		
3.43% Mortgage with MCAP, due April 1, 2024 payable \$12,718 per month to include principal and interest	1,995,863	2,078,965
Nigel Square:		
1.01% Mortgage with CMHC, due July 1, 2026, payable \$8,916 per month to include principal and interest	479,034	577,111
Pembroke Mews:		
3.19% Mortgage with MCAP, due March 1, 2022 payable \$7,688 per month to include principal and interest	1,602,529	1,643,322

GREATER VICTORIA HOUSING SOCIETY

Notes to Financial Statements

Year ended December 31, 2021

5. Mortgages payable (continued):

	2021	2020
Sitkum Lodge:		
3.26% Mortgage with MCAP, due February 1, 2022 payable \$2,855 per month to include principal and interest	296,418	320,661
Sitkum Lodge:		
2.19% Mortgage with MCAP, due March 1, 2025 payable \$6,394 per month to include principal and interest	1,255,217	1,304,002
Sutcliffe Court:		
0.62% Mortgage with CMHC, due August 1, 2023, payable \$2,191 per month to include principal and interest	43,586	69,523
Sutcliffe Court:		
2.41% Mortgage with Peoples Trust, due May 1, 2026, payable \$536 per month to include principal and interest	122,494	125,955
Tillicum Terrace:		
2.61% Mortgage with CMHC, due December 1, 2023, payable \$19,756 per month to include principal and interest	1,433,238	1,630,338
Tillicum Terrace:		
2.19% Mortgage with MCAP, due March 1, 2025, payable \$1,720 per month to include principal and interest	435,175	446,204
Townley:		
2.20% Mortgage with Coast Capital, due August 1, 2031, payable \$29,612 per month to include principal and interest	8,633,435	-
	48,577,625	26,893,335
Current portion of long-term debt	4,019,827	3,659,836
	\$ 44,577,798	\$ 23,233,499

Principal due within each of the next five years on the mortgages is approximately as follows:

	Assuming no mortgage renewal	Assuming mortgage renewal
2022	\$ 4,019,827	\$ 2,193,206
2023	5,301,274	2,221,834
2024	3,132,847	2,054,901
2025	14,071,687	2,107,282
2026	939,844	2,082,004

GREATER VICTORIA HOUSING SOCIETY

Notes to Financial Statements

Year ended December 31, 2021

6. Due to BCHMC:

The Society has agreements with BCHMC for funding predevelopment and development costs of the Parsons at Brentwood, Townley Street 1780, Goldstream Avenue 330, Nigel Valley, Fleming Street 874 and Colwood - 85 Belmont Road properties.

	Maximum funding amount	2021	2020
Parsons at Brentwood	\$ 9,155,224	\$ 4,684,877	\$ 9,550,006
Townley Street 1780	15,837,904	-	14,614,498
Goldstream Avenue 330	25,720,490	-	20,236,451
Nigel Valley	1,458,165	1,440,397	847,257
Fleming Street 874	1,387,818	1,308,182	591,595
Colwood - 85 Belmont Road	151,242	151,242	151,242
	<u>\$ 53,710,843</u>	<u>\$ 7,584,698</u>	<u>\$ 45,991,049</u>

(a) Parsons at Brentwood, Townley Street 1780, and Goldstream Avenue 330:

The funding provided for these development projects is a combination of loans and forgivable loans (grants). The maximum forgivable loan portion for each of the Parsons at Brentwood, Townley Street 1780, and Goldstream Avenue 330 projects is \$4,500,000, \$6,514,112 and \$10,400,441 respectively. During 2021, the forgivable loan portion of the funding was determined by BCHMC upon final accounting for the projects and recognized as revenue of the capital fund. The maximum amount was awarded for all three projects. Mortgages were taken on the Goldstream and Townley projects during the year (see note 5).

On January 15, 2021, the Society repaid \$396,355 to BCHMC of over-funding received in 2020 for Parsons at Brentwood.

If the Society continues to develop, use and operate the above properties for the intended purposes as required by BCHMC, the loans will be forgiven 1/25 each year, commencing in the 11th year. Payments of interest are not required unless there is a default under the Loan or Operating Agreement at which time interest will be payable on the balance of the principle outstanding as at the date of default at a rate of prime plus 2%.

(b) Nigel Valley:

During 2017, the Society entered into an agreement with BCHMC for an interest free loan for Proposal Development Funding. The funds advanced under this agreement will be repayable to BCHMC on demand at the discretion of BCHMC, and will form part of any approved financing provided to the Society by BCHMC for the development of the property. The total loan advanced will be repaid to BCHMC, in full, from the proceeds of the initial advance of the approved first mortgage.

GREATER VICTORIA HOUSING SOCIETY

Notes to Financial Statements

Year ended December 31, 2021

6. Due to BCHMC (continued):

(c) Fleming Street 874:

During 2019, the Society entered into an agreement with BCHMC for an interest free loan for Proposal Development Funding. The funds advanced under this agreement will be repayable to BCHMC on demand at the discretion of BCHMC, and will form part of any approved financing provided to the Society by BCHMC for the development of the property. The total loan advanced will be repaid to BCHMC, in full, from the proceeds of the initial advance of the approved mortgage.

On February 22, 2022, the Board of Directors of the Society approved borrowing \$14,534,330 in the form of a forgivable loan and \$30,657,536 in the form of a repayable loan for the construction of the Fleming Street Redevelopment.

(d) Colwood - 85 Belmont Road:

During 2020, the Society entered into an agreement with BCHMC for an interest free loan for Proposal Development Funding. The funds advanced under this agreement will be repayable to BCHMC on demand at the discretion of BCHMC, and will form part of any approved financing provided to the Society by BCHMC for the development of the property. The total loan advanced will be repaid to BCHMC, in full, from the proceeds of the initial advance of the approved mortgage.

7. Loans payable - pre-construction funding:

In 2019, the Society received a Pre-Construction Funding Loan in the amount of \$1,000,000 from Vancity to be used towards four development and redevelopment projects (Parsons at Brentwood, Nigel, Goldstream and Townley). In 2020, an additional amount was approved for \$1,000,000 to be used for three additional development and redevelopment projects (Forest Heights, Colwood Lodge, and Esquimalt Lions Lodge). The funding is in the form of a demand loan which bears interest at a rate of 2% annually. Full repayment of the loan including principal and interest is required no later than five years following the completion of construction, and the balance is due on demand. As at December 31, 2021, the balance of \$2,058,565 includes draws of \$2,000,000 plus accrued interest.

8. Loans payable to CMHC:

	2021	2020
Colwood - 85 Belmont Road Seed Loan	\$ 286,980	\$ 286,980
Forest Heights Seed Loan	180,000	180,000
Grafton Lodge Repayable Assistance	33,645	59,091
	<u>\$ 500,625</u>	<u>\$ 526,071</u>

GREATER VICTORIA HOUSING SOCIETY

Notes to Financial Statements

Year ended December 31, 2021

8. Loans payable to CMHC (continued):

(a) Colwood - 85 Belmont Road Seed Loan:

During 2020, the Society obtained financing for the Colwood - 85 Belmont Road development project in the form of a Seed loan from CMHC. The Society has drawn on the Seed loan in the amount of \$286,980 with a maximum approved limit of \$350,000. No interest is accrued or payable during the term of the loan.

(b) Forest Heights Seed Loan:

During 2018, the Society obtained financing for the Forest Heights redevelopment in the form of a \$180,000 Seed loan from CMHC. During 2020, \$180,000 was drawn on the loan. No interest is accrued or payable during the term of the loan.

(c) Grafton Lodge repayable assistance:

The Society is required to commence repaying this amount representing repayable assistance for Grafton Lodge in the year following the fiscal year in which the aggregate of the rents payable by non-rent geared to income tenants exceeds the aggregate of the economic rent occupied by non-rent geared to income tenants. The repayment criteria were met in 2015 therefore the Society began repaying this amount in 2016.

The Society is required to pay interest at bank prime rate on the repayable assistance upon commencement of the repayment. Interest of \$1,102 (2020 - \$2,754) was paid on the repayable assistance during the year. The Society repaid \$25,446 (2020 - \$27,696) of the repayable assistance during the year.

9. Operating Fund - internally restricted:

The Society's Board of Directors has internally restricted \$2,178,230 (2020 - \$1,187,264) of the Society's operating fund balance for working capital and future rental accommodation projects. The internally restricted amounts consist of the net operating fund balance of Forest Heights, Dahli Place, Esquimalt Lion's Lodge, Pembroke Mews and the Society's operating fund balance ("Other" fund per Schedule 1), which are not restricted by BCHMC or CMHC operating agreements. The internally restricted amounts are not to be used for any other purpose without approval by the Board of Directors.

GREATER VICTORIA HOUSING SOCIETY

Notes to Financial Statements

Year ended December 31, 2021

10. Rent supplements and interest reduction grants:

- (a) Rent supplements received are either contributed jointly by CMHC and BCHMC or funded wholly by BCHMC. All supplements received are administered through the BCHMC.
- (b) Surpluses created in Balmoral Court, Campbell Lodge, Dowler Lodge, Constance Court, Nigel Square, Sutcliffe Court and Tillicum Terrace are refundable only to BCHMC. Any deficits created in these projects are funded by BCHMC. The financial statement reviews for the Society's 2020 fiscal year were finalized by BCHMC in fiscal 2021 and accordingly recorded in the Society's financial statements as recovery of deficit in the statement of operations.

11. Financial risks and concentration of credit risk:

- (a) Market risk:

Market price risk is the risk that the value of an instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. As all of the Society's investments are carried at fair value with fair value changes recognized in the statement of operations, all changes in market conditions will directly result in an increase or decrease in fund balances. Market price risk is managed by the Society's investment manager through construction of a diversified portfolio of instruments traded on various markets and across various industries. The Society is not exposed to currency risk as all financial instruments are held in Canadian dollars. There has been no change to the risk exposures from 2020.

- (b) Liquidity risk:

Liquidity risk 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 2020.

- (c) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Society is exposed to credit risk with respect to the accounts receivable. The Society assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. There has been no change to the risk exposures from 2020.

GREATER VICTORIA HOUSING SOCIETY

Notes to Financial Statements

Year ended December 31, 2021

11. Financial risks and concentration of credit risk (continued):

(d) Interest rate risk:

The Society's exposure to interest rate risk relates to its current and future anticipated borrowings. The Society has interest bearing mortgages and loans which are subject to interest rate adjustments upon maturity. Fixed-interest instruments subject the Society to a fair value risk while floating-rate instruments subject it to a cash flow risk. Further details about the fixed rate mortgages and loans are included in note 5. There has been no change to the risk exposures from 2020.

12. Employee and contractor remuneration:

The BC Societies Act came into effect on November 28, 2016. The Act has a requirement for the disclosure in the financial statements of the remuneration of directors, employees and contractors for financial statements prepared after November 28, 2016. For employee and contractor remuneration the requirement is to disclose amounts paid to individuals whose remuneration was greater than \$75,000. For the fiscal year ending December 31, 2021, the Society paid remuneration of \$343,078 to three employees (2020 - \$451,148 to four employees), each of whom received total remuneration of \$75,000 or greater. There were no remuneration payments made to directors in 2021 or 2020.

13. Commitments:

The Society is committed to make payments under operating leases for premises as follows:

	Payment
2022	\$ 46,880
2023	46,880
2024	46,880

The Society has total construction commitments remaining of \$39,881,000 in design and construction contracts funded by BCHMC and CMHC for the ongoing development of 874 Fleming Street and the envelope renewal project at Campbell Lodge.

GREATER VICTORIA HOUSING SOCIETY

Notes to Financial Statements

Year ended December 31, 2021

14. Contingencies:

The Society has contingent liabilities related to the following forgivable loans, which have been recognized as revenue in the current or prior years:

(a) Pembroke Mews:

The RRAP loan payable to CMHC is authorized up to \$600,000, of which \$600,000 has been drawn. The loan terms state that the loan will be forgiven if the Society continues to charge rents in accordance with the approved post-RRAP rents and limit subsequent rental increases. The forgivable loan will be earned over 15 years from the first day of the month, following the final advance of the loan funds. The final loan advance was received in April 2012. If the Society is in default of any of the loan terms it will be required to repay the loan including interest at 6.75%.

(b) Dahli Place:

During 2015, BCHMC provided the Society with a forgivable loan of \$500,000 for Dahli Place. If the Society uses the land for the intended purpose as required by BCHMC, the loan is forgivable at 1/25 each year, commencing in the 11th year (2026).

(c) Campbell Lodge:

During 2017, BCHMC approved the Society to borrow up to \$500,000 for the renovation and/or repair of Campbell Lodge. The amounts have been fully drawn (the last \$49,394 of the \$500,000 was drawn in 2019). The loan is forgivable at 1/10 each year, commencing in the 1st year (2019). Payments of interest are not required unless there is a default under the Loan or Operating Agreement at which time interest will be payable on the balance of the principal outstanding as at the date of default at a rate of prime plus 2%.

(d) Campbell Lodge Envelope:

During 2019, BCHMC committed to providing the Society with a forgivable loan up to \$5,200,000 to fund the restoration of the envelope at Campbell Lodge. Subsequent to year end, BCHMC increased their forgivable loan commitment amount to \$8,500,000. During the year \$2,832,668 was drawn (2020 - \$14,364). As at December 31, 2021 \$2,881,322 had been drawn cumulatively (2020 - \$48,654). If the Society uses the asset for the intended purpose as required by BCHMC, the loan is forgivable at 1/10 each year, commencing in the 1st year after completion of construction.

(e) Forest Heights:

The Society was provided a forgivable mortgage from BCHMC registered on July 14, 2010 for the purchase of Forest Heights. If the Society uses the land for the intended purpose as required by BCHMC, the loan is forgivable at 1/25 each year, commencing in the 11th year (2021).

GREATER VICTORIA HOUSING SOCIETY

Notes to Financial Statements

Year ended December 31, 2021

15. Subsequent events:

(a) Vic-West Housing Society:

Effective March 1, 2022 (the “acquisition date”), the Society acquired the assets and assumed the liabilities of the Vic-West Housing Society for \$10. The Vic-West Housing Society was incorporated under the Society Act of British Columbia on October 16, 1991 to operate and maintain, without profit to its members, a low-rental housing project under the direction of, and subsidized by, the British Columbia Housing Management Commission (BC Housing). The Vic-West Housing Society is a registered charity exempt from income taxes. The Vic-West Housing Society was unable to maintain operations and requested that BC Housing find another society with the capacity to manage and operate the property to the standards required.

The Society will recognize the identifiable assets acquired and the liabilities assumed at their acquisition-date fair values related to the 19 unit family townhouse complex and 20 unit seniors building located at 222 Esquimalt Road, Victoria, BC. Management is in the process of identifying assets acquired and liabilities assumed and determining the acquisition date fair values. Any difference between the fair values of assets acquired and liabilities assumed will be recognized separately in the Society’s fund balances in 2022. The land and buildings are leased from the Provincial Rental Housing Corporation and the lease has been assigned to the Society as of March 1, 2022. The fair value of the property including land and buildings as at March 1, 2022 is \$6,112,000. The balance owing on the CMHC mortgage related to the property as at March 1, 2022 is \$704,186.

16. Comparative information:

Certain comparative information has been reclassified to conform to the presentation adopted in the current year.

GREATER VICTORIA HOUSING SOCIETY

Schedule of Operations

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Year ended December 31, 2021, with comparative information for 2020

	Balmoral Court		Campbell Lodge		Colwood Lodge		Constance Court		Dahli Place		Dowler Lodge		Esquimalt Lion's Lodge		Forest Heights		Grafton Lodge	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenue:																		
Tenant rent contributions	476,321	458,359	535,851	518,924	273,007	308,784	278,625	262,119	866,569	856,082	321,559	309,016	47,877	223,064	126,550	154,421	291,645	287,928
Rent supplements (note 10(a))	327,680	294,780	224,269	175,132	60,798	60,798	173,008	170,959	-	-	281,829	270,428	-	-	-	-	75,398	62,430
Interest reduction grants (note 10(a))	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Laundry	15,320	12,455	9,150	5,506	5,280	4,475	4,620	3,541	7,764	6,000	6,985	5,427	1,410	4,007	2,740	2,133	3,430	2,403
Heat and light recovery	-	-	17,588	17,362	-	-	-	-	160	390	-	-	-	-	-	-	-	-
Cable recovery	-	-	52,473	51,457	21,393	24,759	27,084	27,127	-	-	34,458	34,364	5,547	25,740	-	-	20,216	20,043
Investment income	-	-	-	-	-	-	-	-	230	344	-	-	-	-	1,449	1,617	-	-
Unrealized gain on investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	36,661	21,028	18,068	12,014	4,138	7,554	16,055	7,409	27,208	32,012	17,936	8,797	1,049	11,840	2,451	4,330	9,983	5,855
	<u>855,982</u>	<u>786,622</u>	<u>857,399</u>	<u>780,395</u>	<u>364,616</u>	<u>406,370</u>	<u>499,392</u>	<u>471,155</u>	<u>901,931</u>	<u>894,828</u>	<u>662,767</u>	<u>628,032</u>	<u>55,883</u>	<u>264,651</u>	<u>133,190</u>	<u>162,501</u>	<u>400,672</u>	<u>378,659</u>
Expenses:																		
Amortization	302,135	295,203	67,045	62,654	-	-	179,826	176,406	203,435	198,709	206,658	202,115	-	-	31,908	30,090	93,502	91,123
Mortgage interest	67,161	75,596	92,456	99,466	23,080	23,901	27,711	32,377	249,351	254,844	26,939	32,611	22	288	19,724	21,364	70,537	74,991
Janitor - maintenance salaries	82,076	81,947	95,647	112,029	54,439	66,455	54,819	64,508	64,291	71,224	80,173	75,292	18,708	71,880	14,065	23,151	49,577	48,703
Administration	78,042	78,396	105,526	105,824	52,871	53,119	54,989	55,216	72,001	72,603	69,773	69,830	(347)	82,167	5,152	20,649	41,281	41,612
Heat, hydro and hot water	44,702	42,775	83,997	80,105	39,826	43,319	23,541	22,455	29,350	25,178	34,000	32,243	24,978	35,775	9,038	8,400	23,980	20,575
Maintenance	50,299	47,304	48,034	58,038	24,610	17,351	22,961	28,865	43,196	36,000	66,503	37,643	14,172	20,052	7,348	8,423	26,631	25,140
Replacement reserve allocation	53,280	53,280	45,000	45,000	60,000	60,000	6,240	6,240	81,600	81,600	39,600	39,600	-	-	-	20,064	-	-
Property taxes	28,244	28,582	32,589	32,909	19,703	22,040	17,062	18,490	28,367	29,611	22,415	22,614	-	-	6,060	6,191	5,197	5,541
Water	53,481	48,581	33,860	31,442	10,468	10,839	10,925	12,081	38,192	33,841	34,735	31,329	5,396	10,580	7,736	9,813	8,406	8,170
Cablevision	-	-	50,754	50,754	26,755	26,755	27,136	27,136	-	-	34,171	34,171	23,410	40,132	-	-	20,049	20,024
Garbage	34,028	28,243	29,922	26,617	13,437	15,711	14,352	13,073	28,512	24,730	21,696	16,149	10,101	20,534	11,779	9,801	16,609	14,382
Insurance	41,670	34,447	35,237	29,229	14,956	12,548	21,108	17,592	26,831	22,330	28,657	23,839	11,449	14,974	8,849	7,606	20,599	17,224
Other	1,036	490	1,599	223	1,495	143	557	358	9,743	6,553	967	387	3,253	8,689	346	2,227	426	259
Audit and legal	3,050	3,384	4,225	4,341	2,214	2,366	2,250	2,314	3,072	3,302	2,772	2,927	1,900	3,519	990	872	1,548	1,877
Capital improvements	5,880	-	12,080	-	-	-	11,580	-	-	-	-	-	-	-	-	-	6,509	-
	<u>845,084</u>	<u>818,228</u>	<u>737,971</u>	<u>738,631</u>	<u>343,854</u>	<u>354,547</u>	<u>475,057</u>	<u>477,111</u>	<u>877,941</u>	<u>860,525</u>	<u>669,059</u>	<u>620,750</u>	<u>113,042</u>	<u>308,590</u>	<u>122,995</u>	<u>168,651</u>	<u>384,851</u>	<u>369,621</u>
Excess (deficiency) of revenue over expenses before the following	10,898	(31,606)	119,428	41,764	20,762	51,823	24,335	(5,956)	23,990	34,303	(6,292)	7,282	(57,159)	(43,939)	10,195	(6,150)	15,821	9,038
Recovery of deficit (note 10(b))	24,127	25,628	22,256	31,219	-	-	9,618	8,392	-	-	3,203	14,836	-	-	-	-	214	-
Adjustment of prior year's revenue and expenses funded by the Society	(71)	(3,925)	4,633	8,055	-	-	2,351	(1,599)	-	-	2,947	(467)	16,190	-	-	-	-	-
Excess (deficiency) of revenue over expenses	<u>34,954</u>	<u>(9,903)</u>	<u>146,317</u>	<u>81,038</u>	<u>20,762</u>	<u>51,823</u>	<u>36,304</u>	<u>837</u>	<u>23,990</u>	<u>34,303</u>	<u>(142)</u>	<u>21,651</u>	<u>(40,969)</u>	<u>(43,939)</u>	<u>10,195</u>	<u>(6,150)</u>	<u>16,035</u>	<u>9,038</u>
Fund balance, beginning of year	(31,606)	(21,703)	(40,989)	(44,274)	74,159	59,345	(11,969)	(11,543)	557,192	522,889	(10,250)	(21,169)	40,969	84,908	36,148	42,298	138,692	118,854
Interfund transfers:																		
Capital - amortization, principal payments, purchase	-	-	(84,729)	(82,753)	(37,892)	(37,009)	(6,157)	(6,013)	-	-	(17,951)	(17,532)	-	-	-	-	10,800	10,800
BCHMC replacement reserve review adjustments	7,550	-	14,100	5,000	-	-	-	4,750	-	-	4,100	6,800	-	-	-	-	-	-
Esquimalt replacement reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fund balance, end of year	\$ 10,898	\$ (31,606)	\$ 34,699	\$ (40,989)	\$ 57,029	\$ 74,159	\$ 18,178	\$ (11,969)	\$ 581,182	\$ 557,192	\$ (24,243)	\$ (10,250)	\$ -	\$ 40,969	\$ 46,343	\$ 36,148	\$ 165,527	\$ 138,692

GREATER VICTORIA HOUSING SOCIETY

Schedule of Operations

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Year ended December 31, 2021, with comparative information for 2020

	Goldstream 330		Nigel Square		Parsons at Brentwood		Pembroke		Sitkum Lodge		Sutcliffe Court		Tillicum Terrace		Townley Place		Other		Total		
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	
Revenue:																					
Tenant rent contributions	428,978	-	164,986	157,739	450,188	303,028	224,111	221,822	600,559	582,470	59,008	59,694	335,596	322,369	604,803	3,638	-	-	6,086,233	5,029,457	
Rent supplements (note 10(a))	-	-	77,303	68,098	-	-	-	-	110,991	110,991	41,141	35,441	215,637	218,525	-	-	-	-	1,588,054	1,467,582	
Interest reduction grants (note 10(a))	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Laundry	8,645	-	-	-	5,070	3,305	1,397	2,440	10,235	9,687	-	-	1,987	1,146	7,430	1,250	-	15,274	91,463	79,049	
Heat and light recovery	-	-	-	-	-	-	-	-	-	120	-	-	120	-	-	-	-	-	17,868	17,872	
Cable recovery	-	-	-	-	-	-	-	-	39,237	39,071	5,192	5,280	-	-	-	-	-	-	205,600	227,841	
Investment income	-	-	-	-	-	-	2,713	-	-	-	-	-	-	-	233	-	59,752	60,157	64,377	62,118	
Unrealized gain on investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	26,223	30,136	26,223	30,136	
Other	14,108	-	50	-	14,291	9,312	150	1,597	5,400	9,550	-	590	36,396	12,685	19,887	1,746	160,927	158,806	384,758	306,293	
	451,731	-	242,339	227,005	469,549	315,645	228,371	225,859	766,422	751,889	105,341	101,005	589,736	554,725	632,353	6,634	246,902	264,373	8,464,576	7,220,348	
Expenses:																					
Amortization	287,267	-	97,647	93,812	176,845	155,177	40,567	39,523	-	-	25,874	25,458	196,358	192,029	324,818	26,156	30,062	30,062	2,263,947	1,618,517	
Mortgage interest	109,719	-	11,379	18,136	36,408	51,240	51,495	52,725	38,061	39,916	3,348	4,100	49,386	54,662	116,759	3,517	198	1,678	993,734	841,412	
Janitor - maintenance salaries	40,721	-	14,465	21,939	41,190	38,447	27,080	25,208	84,327	77,368	13,173	16,665	79,726	75,194	61,693	1,714	(3,708)	(988)	872,462	870,736	
Administration	65,695	-	19,165	18,906	42,251	35,664	26,404	26,813	103,730	79,873	10,570	10,570	56,057	56,212	69,275	7,341	34,550	12,642	906,985	827,437	
Heat, hydro and hot water	19,984	-	722	1,456	13,374	11,283	6,851	6,704	88,452	88,059	9,494	9,425	17,554	17,886	20,339	5,258	-	-	490,182	450,896	
Maintenance	15,978	-	7,968	14,516	21,764	14,150	27,445	36,300	45,697	44,161	7,606	8,519	39,931	37,849	22,115	3,327	2,331	3,521	494,589	441,159	
Replacement reserve allocation	51,000	-	12,960	12,960	48,000	44,000	20,100	20,100	90,000	90,000	7,200	7,200	38,160	38,160	46,080	-	-	-	599,220	518,204	
Property taxes	13,287	-	9,536	9,841	-	-	24	24	15,786	16,078	3,463	3,535	15,772	16,698	-	-	-	-	217,505	212,154	
Water	5,860	-	26,918	24,108	9,056	2,927	4,794	4,323	47,402	44,214	5,342	4,965	38,037	37,925	11,924	-	-	-	352,532	315,138	
Cablevision	-	-	-	-	-	-	-	-	39,103	39,103	5,025	5,025	-	-	-	-	-	-	226,403	243,100	
Garbage	21,198	-	16,779	14,023	7,674	5,912	11,352	8,719	22,309	18,671	1,368	1,316	21,822	19,650	26,752	228	-	-	309,690	237,759	
Insurance	25,974	-	10,516	8,875	19,466	13,104	523	397	28,995	24,136	6,123	5,007	22,528	18,787	18,640	-	-	-	342,121	250,095	
Other	807	-	194	26	917	364	1,726	38	818	895	109	39	566	1,818	1,315	-	4,008	4,219	29,882	26,728	
Audit and legal	4,290	-	744	538	1,691	1,767	1,155	1,250	11,008	3,415	413	443	2,486	2,449	2,706	-	56	476	46,570	35,240	
Capital improvements	-	-	-	-	-	-	-	-	-	-	-	-	11,140	-	-	-	-	-	47,189	-	
	661,780	-	228,993	239,136	418,636	374,035	219,516	222,124	615,688	565,889	99,108	102,267	589,523	569,319	722,416	47,541	67,497	51,610	8,193,011	6,888,575	
Excess (deficiency) of revenue over expenses before the following	(210,049)	-	13,346	(12,131)	50,913	(58,390)	8,855	3,735	150,734	186,000	6,233	(1,262)	213	(14,594)	(90,063)	(40,907)	179,405	212,763	271,565	331,773	
Recovery of deficit (note 10(b))	-	-	11,441	13,871	-	-	-	-	-	(29,596)	4,177	1,233	10,393	(903)	-	-	-	-	85,429	64,680	
Adjustment of prior year's revenue and expenses funded by the Society	-	-	690	(227)	-	-	-	-	-	-	464	(428)	2,423	(439)	-	-	(29,627)	(970)	-	-	
Excess (deficiency) of revenue over expenses	(210,049)	-	25,477	1,513	50,913	(58,390)	8,855	3,735	150,734	156,404	10,874	(457)	13,029	(15,936)	(90,063)	(40,907)	149,778	211,793	356,994	396,453	
Fund balance, beginning of year	-	-	(12,131)	(23,897)	96,787	-	177,026	173,291	(109,256)	(217,927)	(4,641)	(805)	(25,384)	1,342	(14,751)	-	375,929	238,498	1,235,925	900,107	
Interfund transfers:																					
Capital - amortization, principal payments, purchases	214,362	-	-	-	176,845	155,177	-	-	(48,873)	(47,733)	(3,468)	(3,379)	(11,047)	(10,790)	269,673	26,156	434,789	(74,362)	896,352	(87,438)	
BCHMC replacement reserve review adjustments	-	-	-	10,253	-	-	-	-	-	-	-	-	12,568	-	-	-	-	-	38,318	26,803	
Esquimalt replacement reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	404,328	-	404,328	-	
Fund balance, end of year	\$ 4,313	\$ -	\$ 13,346	\$ (12,131)	\$ 324,545	\$ 96,787	\$ 185,881	\$ 177,026	\$ (7,395)	\$ (109,256)	\$ 2,765	\$ (4,641)	\$ (10,834)	\$ (25,384)	\$ 164,859	\$ (14,751)	\$ 1,364,824	\$ 375,929	\$ 2,931,917	\$ 1,235,925	

GREATER VICTORIA HOUSING SOCIETY

Changes in Replacement Reserve Fund

Schedule 2

Year ended December 31, 2021

	Balance at December 31, 2020	Contributions from BCHMC and other	Contribution from Operating Fund	Investment income (loss)	Expenditures	Unrealized gain on investments	Transfer to Operating Fund	Balance at December 31, 2021
Balmoral	\$ 236,763	\$ -	\$ 53,280	\$ 7,456	\$ 16,632	\$ -	\$ (7,550)	\$ 273,317
Campbell Lodge	(42,818)	56,918	45,000	(83)	7,797	-	(14,100)	37,120
Colwood Lodge	298,815	-	60,000	9,744	817	-	-	367,742
Constance Court	234,842	(5,378)	6,240	6,842	9,349	-	-	233,197
Dahli Place	287,007	-	81,600	8,896	55,924	-	-	321,579
Dowler Lodge	71,715	4,950	39,600	1,849	59,258	-	(4,100)	54,756
Esquimalt Lions Lodge	392,677	-	-	11,651	-	-	(404,328)	-
Forest Heights	80,311	-	-	2,379	273	-	-	82,417
330 Goldstream	-	-	51,000	757	-	-	-	51,757
Grafton Lodge	328,949	(56,918)	-	8,638	18,736	-	-	261,933
Nigel Square	(10,328)	10,328	12,960	(62)	6,778	-	-	6,120
Parsons at Brentwood	41,582	-	48,000	1,773	11,668	-	-	79,687
Pembroke Mews	119,792	20,302	20,100	3,883	18,259	-	-	145,818
Sitkum Lodge	182,711	4,950	90,000	6,644	12,522	-	-	271,783
Sutcliffe Court	19,875	-	7,200	614	5,575	-	-	22,114
Tillicum Terrace	67,066	-	38,160	1,627	50,074	-	(12,568)	44,211
Townley Place	(2,301)	-	46,080	565	3,423	-	-	40,921
Unrealized gain on investments	349,218	-	-	-	-	51,987	-	401,205
	\$ 2,655,876	\$ 35,152	\$ 599,220	\$ 73,173	\$ 277,085	\$ 51,987	\$ (442,646)	\$ 2,695,677

GREATER VICTORIA HOUSING SOCIETY

Changes in Replacement Reserve Fund

Schedule 2

Year ended December 31, 2020

	Balance at December 31, 2019	Contributions from BCHMC and other	Contribution from Operating Fund	Investment income	Expenditures	Unrealized gain on investments	Transfer to Operating Fund	Balance at December 31, 2020
Balmoral	\$ 213,201	\$ -	\$ 53,280	\$ 7,951	\$ 37,669	\$ -	\$ -	\$ 236,763
Campbell Lodge	(6,850)	-	45,000	3,063	79,031	-	(5,000)	(42,818)
Colwood Lodge	234,657	-	60,000	7,798	3,640	-	-	298,815
Constance Court	243,842	52,612	6,240	7,736	70,838	-	(4,750)	234,842
Dahli Place	251,580	-	81,600	10,184	56,357	-	-	287,007
Dowler Lodge	70,627	-	39,600	3,810	35,522	-	(6,800)	71,715
Esquimalt Lions Lodge	383,024	-	-	10,023	370	-	-	392,677
Forest Heights	60,135	-	20,064	2,150	2,038	-	-	80,311
Grafton Lodge	349,531	-	-	9,936	30,518	-	-	328,949
Nigel Square	(2,800)	-	12,960	1,219	11,454	-	(10,253)	(10,328)
Parsons at Brentwood	-	-	44,000	1,246	3,664	-	-	41,582
Pembroke Mews	113,774	-	20,100	3,972	18,054	-	-	119,792
Sitkum Lodge	125,376	-	90,000	6,659	39,324	-	-	182,711
Sutcliffe Court	13,179	-	7,200	561	1,065	-	-	19,875
Tillicum Terrace	63,933	-	38,160	3,681	38,708	-	-	67,066
Townley Place	-	-	-	62	2,363	-	-	(2,301)
Unrealized gain on investments	172,071	-	-	-	-	177,147	-	349,218
	\$ 2,285,280	\$ 52,612	\$ 518,204	\$ 80,051	\$ 430,615	\$ 177,147	\$ (26,803)	\$ 2,655,876