

**Turning Points Collaborative
Society
Non-consolidated Financial
Statements
For the Year Ended March 31, 2025**

Turning Points Collaborative Society
Non-consolidated Financial Statements
For the Year Ended March 31, 2025

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Independent Auditor's Report

To the board of directors of Turning Points Collaborative Society

Report on the Non-consolidated Financial Statements

Opinion

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

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the non-consolidated financial position of the Society as at March 31, 2025, and its non-consolidated financial performance and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Non-consolidated 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 non-consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the non-consolidated 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 non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated 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 Non-consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated 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 non-consolidated 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 non-consolidated 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 non-consolidated 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 non-consolidated financial statements, including the disclosures, and whether the non-consolidated 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 organization have been applied, on a basis consistent with that of the preceding year.

BDO Canada LLP

Chartered Professional Accountants

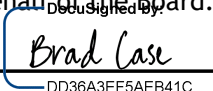
Vernon, British Columbia
July 23, 2025

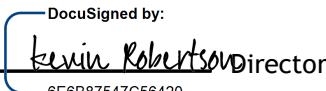
Turning Points Collaborative Society

Non-consolidated Statement of Financial Position

March 31	2025	2024
Assets		
Current		
Cash	\$ 1,940,320	\$ 2,118,843
Accounts receivable	1,698,085	1,159,435
Inventories	34,399	30,566
Prepaid expenses	95,249	100,076
	<u>3,768,053</u>	<u>3,408,920</u>
Investments (Note 2)	400,000	300,000
Capital assets (Note 4)	14,575,866	9,589,821
Controlled entities (Note 5)	10	10
Restricted Cash (Note 3)	976,886	673,397
	<u>\$ 19,720,815</u>	<u>\$ 13,972,148</u>
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities (Note 6)	\$ 1,997,034	\$ 1,833,085
Customer deposits	96,076	76,980
Deferred contributions (Note 7)	1,053,954	566,248
Short-term debt (Note 8)	4,518,271	-
Current portion of long-term debt (Note 9)	2,040,376	122,860
	<u>9,705,711</u>	<u>2,599,173</u>
Long-term debt (Note 9)	2,332,396	4,372,570
Deferred contributions for capital assets (Note 10)	2,970,443	2,117,659
	<u>15,008,550</u>	<u>9,089,402</u>
Net Assets		
Invested in capital assets	2,714,380	2,976,732
Externally restricted (Note 12)	427,722	493,300
Internally restricted (Note 11)	949,165	480,097
Unrestricted	620,998	932,617
	<u>4,712,265</u>	<u>4,882,746</u>
	<u>\$ 19,720,815</u>	<u>\$ 13,972,148</u>

On behalf of the Board:

DocuSigned by:

 DD36A3EF5AEB41C... Director

DocuSigned by:

 6E6B87547C56420... Director

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

Turning Points Collaborative Society Non-consolidated Statement of Changes in Net Assets

For the year ended March 31	Invested in Capital Assets	Externally Restricted	Internally Restricted	Unrestricted	2025 Total	2024 Total
Balance, beginning of the year	\$ 2,976,732	\$ 493,300	\$ 480,097	\$ 932,617	\$ 4,882,746	\$ 4,190,890
Excess (deficit) of revenues over expenses	(125,340)	-	-	474,097	348,757	691,856
Purchase of capital assets	90,331	-	-	(90,331)	-	-
Subsidy adjustments (Note 13)	-	-	-	(519,238)	(519,238)	-
Long-term debt repayments	122,657	-	-	(122,657)	-	-
Contributions received	(350,000)	-	-	350,000	-	-
Interfund transfer	-	-	403,320	(403,320)	-	-
Internally imposed restrictions	-	-	65,748	(65,748)	-	-
Replacement reserve	-	(65,578)	-	65,578	-	-
Balance, end of the year	\$ 2,714,380	\$ 427,722	\$ 949,165	\$ 620,998	\$ 4,712,265	\$ 4,882,746

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

Turning Points Collaborative Society Non-consolidated Statement of Operations

For the year ended March 31	2025	2024
Revenue		
BC Housing	\$ 16,885,879	\$ 15,532,514
Client room and board	2,499,386	1,823,066
Interior health authority	489,618	477,807
City of Vernon	117,265	380,664
Community futures	498,167	309,817
Canadian mental health association	1,221,663	290,478
Ministry of housing and social development	305,845	222,540
Other	161,987	364,823
Donations	41,542	46,280
Interest	14,117	9,847
Amortization of deferred contributions (Note 10)	44,216	45,527
Gain on disposal of capital assets	1,000	-
	<u>22,280,685</u>	<u>19,503,363</u>
Expenses		
Amortization	170,556	181,391
Client support	899,949	643,653
Food	1,302,400	1,196,583
Housing outreach program	657,063	273,102
Insurance	218,903	173,675
Interest on long-term debt	128,094	135,511
Office expenses	575,001	447,292
Professional fees	290,597	202,107
Property taxes	37,684	39,623
Repairs and maintenance	568,186	402,729
Security	667,028	868,008
Supplies	492,601	522,773
Telephone	67,952	61,898
Travel and automotive	189,485	171,740
Utilities	953,190	827,501
Wages and benefits	14,713,239	12,663,921
	<u>21,931,928</u>	<u>18,811,507</u>
Excess of revenues over expenses	<u>\$ 348,757</u>	<u>\$ 691,856</u>

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

Turning Points Collaborative Society Non-consolidated Statement of Cash Flows

For the year ended March 31	2025	2024
Cash flows from operating activities		
Cash receipts from customers	\$ 21,697,727	\$ 19,851,637
Cash paid to suppliers and employees	(21,495,795)	(18,983,123)
Interest received	14,117	9,847
Interest paid	(128,094)	(135,511)
	<u>87,955</u>	<u>742,850</u>
Cash flows from investing activities		
Purchase of investments	(400,000)	(300,000)
Proceeds on maturity of investments	300,000	300,000
Purchase of capital assets	(637,331)	(15,508)
Proceeds on disposal of capital assets	-	1,000
Capital contributions	897,000	-
	<u>159,669</u>	<u>(14,508)</u>
Cash flows from financing activities		
Repayment of long-term debt	(122,658)	(119,090)
	<u>124,966</u>	<u>609,252</u>
Net increase in cash	124,966	609,252
Cash, beginning of the year	<u>2,792,240</u>	<u>2,182,988</u>
Cash, end of the year	<u>\$ 2,917,206</u>	<u>\$ 2,792,240</u>
Represented by:		
Cash	\$ 1,940,320	\$ 2,118,843
Restricted cash	<u>976,886</u>	<u>673,397</u>
	<u>\$ 2,917,206</u>	<u>\$ 2,792,240</u>

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

Turning Points Collaborative Society

Notes to Non-consolidated Financial Statements

March 31, 2025

1. Significant Accounting Policies

Nature and Purpose of Organization	The Turning Points Collaborative Society ("Society") is incorporated under the laws of the British Columbia Societies Act and is engaged to provide housing and rehabilitative programs of living skills, employment and counselling for marginalized men and women. The Society is a registered charity and, as such, is exempt from income tax and may issue income tax receipts to donors.
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 at initial recognition. In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any change in fair value reported in income. All other financial instruments are reported at cost or amortized cost less impairment. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items measured at fair value and charged to the financial instrument for those measured at amortized cost. Financial assets are tested for impairment when indicators of impairment exist. When a significant change in the expected timing or amount of the future cash flows of the financial asset is identified, the carrying amount of the financial asset is reduced and the amount of the write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously, and the amount of the reversal is recognized in net income.
Cash	Cash consists of cash on hand and bank balances.

Turning Points Collaborative Society
Notes to Non-consolidated Financial Statements

March 31, 2025

1. Significant Accounting Policies (continued)

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. Contract revenue from the Interior Health Authority and client room and board is recognized over the term of the related contract or lease. Rental revenue is recognized as revenue when the period in which the rent was earned is received. Interest and other income is recognized on an accrual basis when the amounts can be estimated and collection is reasonably assured.
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.
Contributed Materials	Due to the difficulty in determining the fair value of materials contributed to the Society they are not recognized in the financial statements.

Turning Points Collaborative Society Notes to Non-consolidated Financial Statements

March 31, 2025

1. Significant Accounting Policies (continued)

Capital Assets

Capital assets are stated at cost less accumulated amortization. Contributed 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 capital assets 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 the tangible capital asset are capitalized.

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

	Method	Rate
Buildings	Declining balance	50 years
Building improvements	Declining balance	20 years
Furniture and fixtures	Declining balance	7 years
Automotive equipment	Declining balance	5 years

When a tangible capital asset no longer contributes to an Society's ability to provide goods and services, or the future economic benefits or service potential of the tangible capital asset is less than its carrying value, the excess of its net carrying amount over its fair value or replacement cost is recognized as an expense in the statement of operations. Any unamortized deferred contribution amount related to the tangible capital asset is recognized in revenue in the statement of operations, provided that all restrictions have been complied with.

When a tangible capital asset is disposed of, the difference between the net proceeds on disposition and the net carrying amount is recognized in the statement of operations. Any unamortized deferred contribution amount related to the tangible capital asset disposed of is recognized in revenue in the statement of operations, provided that all restrictions have been complied with.

Controlled Entities

Controlled not-for-profit organizations are not consolidated in the Society's financial statements. Instead disclosure is provided.

Controlled profit-oriented enterprises are accounted for by the equity method in the Society's financial statements. The Society controls Howard Industries (2010) Ltd., through common control. Howard Industries (2010) Ltd. provides payroll support services to the Society.

Turning Points Collaborative Society Notes to Non-consolidated Financial Statements

March 31, 2025

1. Significant Accounting Policies (continued)

Employee Future Benefits The Society provides pension benefits to its employees through the Municipal Pension Plan of British Columbia. The plan is a multi-employer contributory, defined contribution pension plan. Pension cost is recorded as part of employee salary, wages and employee benefits and is comprised of the amount of employer and employee contributions required for the employees over the year, based on rates that are expected to provide benefits payable under the plan.

Turning Points Collaborative Society Notes to Non-consolidated Financial Statements

March 31, 2025

2. Investments

The carrying amounts of investments are comprised of the following:

	2025	2024
At amortized cost:		
Guaranteed investment certificates, bearing interest at 3.4%, maturing May 2029 (2024 GIC at 3.5% maturing May 2028)	\$ 400,000	\$ 300,000
Investments are allocated as follows:		
Current	\$ 400,000	\$ -
Long-term	-	300,000
	\$ 400,000	\$ 300,000
Investments are allocated as follows:		
Restricted (Note 3)	\$ 400,000	\$ 300,000

3. Restricted Cash and Investments

Restricted cash and investments consists of cash and investments in guaranteed investment certificates which are restricted in their use and can only be used for specific purposes.

	2025	2024
Restricted cash	\$ 976,887	\$ 673,397
Investments	400,000	300,000
	\$ 1,376,887	\$ 973,397

Restricted cash and investments is allocated for the following purposes:

	2025	2024
Externally restricted funds (Note 12)	\$ 427,722	\$ 493,300
Internally restricted funds (Note 11)	949,165	480,097
	\$ 1,376,887	\$ 973,397

Turning Points Collaborative Society Notes to Non-consolidated Financial Statements

March 31, 2025

4. Capital Assets

	2025		2024	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 5,407,492	\$ -	\$ 3,080,139	\$ -
Buildings	6,898,820	724,113	6,898,820	598,098
Building improvements	47,611	19,266	47,611	17,774
Furniture and fixtures	203,530	167,518	190,175	162,693
Automotive	374,055	182,663	296,079	144,438
Assets under construction	2,737,918	-	-	-
	15,669,426	1,093,560	10,512,824	923,003
		\$ 14,575,866		\$ 9,589,821

As at March 31, 2025, the Society continues to advance the development of a 60-unit affordable housing project located in Summerland, British Columbia. This project represents a landmark initiative in the Okanagan Valley, combining affordable residential units with integrated community services. The development involved the strategic acquisition and amalgamation of two adjacent properties and the formation of a collaborative partnership with the Summerland Food Bank and Resource Centre.

Under this partnership, a stratified ownership model was established, whereby the Food Bank will acquire approximately 4,100 square feet within the development to support its operational needs. The project is currently classified as an asset under construction within Capital Assets, with occupancy targeted for Summer 2026.

Turning Points Collaborative Society Notes to Non-consolidated Financial Statements

March 31, 2025

5. Controlled Entities

The Society controls Howard Industries (2010) Ltd., a company under common control, which provides payroll support services on behalf of the Society.

The financial summary of unconsolidated Howard Industries (2010) Ltd. as at June 30, 2025 for the year then ended as provided:

Financial Position

	2025	2024
Total assets	<u>\$ 188,260</u>	<u>\$ 226,296</u>
Total liabilities	100,498	143,416
Total shareholder's equity	<u>87,762</u>	<u>82,880</u>
	<u>\$ 188,260</u>	<u>\$ 226,296</u>

Results of Operations

	2024	2023
Total revenues	\$ 66,985	\$ 147,329
Total expenses	<u>(49,533)</u>	<u>(54,112)</u>
Net income	<u>\$ 17,452</u>	<u>\$ 93,217</u>

During the year the Society paid \$15,098 (2024 - \$48,647) for payroll support services to Howard Industries (2010) Ltd. The above payments were made in the normal course of operations and recorded at the exchange amount, being the amount agreed to by both parties.

As at March 31, 2025, the Society has a balance receivable from Howard Industries (2010) Ltd. of \$nil (2024 - \$84,439), and a balance payable to Howard Industries (2010) Ltd. of \$84,972 (2024 - \$285,872).

The Society owns 100% of the shares of 1098385 BC Ltd, a wholly-owned subsidiary. This company is not active and as a result, the carrying value of the investment in this subsidiary represents the Society's initial investment of \$10.

6. Government Remittances

Included in accounts payable and accrued liabilities are government remittances payable of \$333,322 (2024 - \$273,889).

Turning Points Collaborative Society Notes to Non-consolidated Financial Statements

March 31, 2025

7. Deferred Contributions

Deferred contributions represent unspent resources externally restricted operating funding received in the current period that is related to expenses of a subsequent period. Changes in the deferred contributions balance are as follows:

	Balance, beginning	Contributions received	Amounts recognized to revenue	Balance, ending
BC Housing	\$ 102,901	\$ 2,453,406	\$ (1,968,513)	\$ 587,794
Grants	327,798	235,223	(290,918)	272,103
Other	135,549	105,614	(47,106)	194,057
	<u>\$ 566,248</u>	<u>\$ 2,794,243</u>	<u>\$ (2,306,537)</u>	<u>\$ 1,053,954</u>

8. Short Term Debt

Short term debt consists of BC Housing Development Funding loans related to the Summerland housing project currently under construction (Note 4). The funds are due in the event of default. The loan commitments for the project will be classified as a mortgage and a portion as a forgivable loan once the project is complete.

Turning Points Collaborative Society Notes to Non-consolidated Financial Statements

March 31, 2025

9. Long-Term Debt

	<u>2025</u>	<u>2024</u>
Vantage One Credit Union mortgage payable at \$10,554 per month including interest 2.90% per annum, due February 2026, secured by land and building with a net book value of \$2,857,711	\$ 1,983,912	\$ 2,051,942
Vantage One Credit Union mortgage payable at \$3,702 per month including interest 3.60% per annum, due August 2026, secured by land and building with a net book value of \$978,707	662,434	682,611
MCAP mortgage payable at \$6,617 per month including interest 2.5790% per annum, due January 2032, secured by land and building with a net book value of \$1,752,449	<u>1,726,426</u>	<u>1,760,877</u>
	4,372,772	4,495,430
Less: Current portion	<u>(2,040,376)</u>	<u>(122,860)</u>
	<u>\$ 2,332,396</u>	<u>\$ 4,372,570</u>

Principal repayments over the next five years and thereafter are as follows:

2026	\$ 2,040,376
2027	677,967
2028	37,406
2029	38,377
2030	39,373
Thereafter	<u>1,539,273</u>
	<u>\$ 4,372,772</u>

Turning Points Collaborative Society

Notes to Non-consolidated Financial Statements

March 31, 2025

10. Deferred Contributions Related to Capital Assets

Deferred contributions related to capital assets represent the unamortized portion of contributed capital assets and restricted contributions used to purchase capital assets. The changes in the deferred contributions balance for the period are as follows:

	2025	2024
Balance, beginning	\$ 2,117,659	\$ 2,163,186
Add: restricted contributions related to contributed equipment	897,000	-
Less: amounts amortized to revenue	(44,216)	(45,527)
Balance, ending	\$ 2,970,443	\$ 2,117,659

11. Internally Restricted

The reserve for building replacement is internally restricted and can only be used with Board approval.

12. Externally Restricted

As required by BC Housing, a certain portion of the net assets should be used for programs for the benefit of the clients of the Society and that are consistent with the goals of agreements with BC Housing and/or for payments for capital improvements as approved by BC Housing. The reserves have been maintained as part of the interest bearing guaranteed investment certificates (see Note 2) and accumulated surplus is being spent in accordance with the terms of the operating agreement.

13. Subsidy Adjustment

BC Housing conducts annual reviews of the Society's financial statements and may adjust for any operating surplus or deficit related to over or underfunded subsidies. Prior year adjustments are recognized in equity in the year they are determined.

Turning Points Collaborative Society Notes to Non-consolidated Financial Statements

March 31, 2025

14. Employee Pension Plan

The Society and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trusteesd 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 had about 227,000 active members and approximately 118,000 retired members. Active members include approximately 41,000 contributors from local government.

The most recent actuarial valuation as at December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits. The next valuation is scheduled on December 31, 2024, with results available in 2025. As of the date of these financial statements, the results of the December 2024 valuation are not yet available.

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 \$680,351 (2024 - \$628,009) for employer contributions to the Plan in fiscal 2025.

15. Salaries, Honoraria and Benefits

During the year, the Society paid 38 employees (2024 - 29) in excess of \$75,000. Total salaries, wages and benefits paid was \$3,785,496 (2024 - \$2,840,226). The Society does not provide remuneration to its Board of Directors.

16. Economic Dependence

The Society receives 76% (2024 - 80%) of its funding from the Province of British Columbia through BC Housing. The ability of the Society to continue operations is dependent upon continued funding from this source.

Turning Points Collaborative Society

Notes to Non-consolidated Financial Statements

March 31, 2025

17. 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 and contributions 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.

There have not been any changes in the risk from the prior year.

Liquidity risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Society will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. The Society is exposed to this risk mainly in respect of its accounts payable and current portion of long-term debt.

There have not been any changes in the risk from the prior year.

18. Commitments

The Society has an available letter of credit, to a maximum of \$400,000 (2024 - \$300,000), from Vantage One Credit Union which bears interest at a rate to be determined upon withdrawal, secured by a general security agreement. This letter of credit was not drawn upon during the year.

19. Comparative Figures

The comparative figures have been reclassified where applicable in order to conform to the presentation used in the current year.

Turning Points Collaborative Society
Schedule 1 - BC Housing Funded Programs
Statement of Operations and Accumulated Fund Balance by Program
For the year ended March 31, 2025

For the year ended March 31	Amalgamated	SS Kelowna	SS Vernon	Gateway	Our Place
Revenues					
Subsidy	\$ 3,011,468	\$ 385,236	\$ 228,675	\$ 50,136	\$ 1,166,604
Other revenue	-	650	2,000	-	-
	3,011,468	385,886	230,675	50,136	1,166,604
Expenses					
Cablevision	277	-	-	1,493	475
Electricity	16,299	477	-	5,308	17,476
Heating fuel	7,777	-	-	3,143	2,025
Water & sewer	14,531	-	-	2,181	9,785
Meals	175,340	5,576	124	473	70,762
Miscellaneous hospitality (ESP only)	27,213	1,330	1,497	231	6,043
Insurance premiums	20,535	-	-	3,713	3,746
Waste removal	16,632	-	-	2,125	7,202
Administration charge	194,715	45,661	25,045	10,646	74,054
Internet	1,884	175	-	1,408	1,905
Telephone	2,829	(608)	794	844	2,520
General administration	21,021	806	1,093	1,690	14,897
Furniture and equipment	-	-	-	-	404
Laundry	9,232	-	-	-	1,189
Audit	4,962	465	465	1,353	4,962
Exterior building maintenance	2,142	-	-	-	154
General maintenance	81,856	-	-	20,964	81,856
Grounds maintenance	6,267	-	-	-	3,613
Interior building maintenance	2,338	(16)	-	-	5,861
Pest control	1,372	-	-	1,788	1,610
Service contracts	298,623	-	-	2,336	6,243
Janitorial/cleaning supplies	37,702	-	29	2,433	18,771
Support labour and benefits	2,143,575	45,356	33,112	-	833,551
Education - operating	910	-	-	-	575
Travel - operating (ESP & TH only)	4,356	1,364	2,618	-	1,889
Motel rooms	-	285,300	165,898	-	-
	3,092,388	385,886	230,675	62,129	1,171,568
Excess (deficiency) of revenues over expenses	(80,920)	-	-	(11,993)	(4,964)
Accumulated fund balance, opening	3,279	65,559	185,286	(19,915)	(198,490)
Accumulated fund balance, ending	\$ (77,641)	\$ 65,559	\$ 185,286	\$ (31,908)	\$ (203,454)

Turning Points Collaborative Society
Schedule 1 - BC Housing Funded Programs
Statement of Operations and Accumulated Fund Balance by Program
For the year ended March 31, 2025

For the year ended March 31	My Place	Blair Apartments	The Lions	Trailside	Polson Park
Revenues					
Subsidy	\$ 1,357,226	\$ 212,289	\$ 118,290	\$ 2,085,300	\$ 1,198,804
Other revenue	-	650	-	109	-
Start up costs	-	-	-	(94,927)	-
Tenant rent revenue	252,015	223,808	279,550	233,394	115,889
	<u>1,609,241</u>	<u>436,747</u>	<u>397,840</u>	<u>2,223,876</u>	<u>1,314,693</u>
Expenses					
Cablevision	15,850	11,986	-	-	6,386
Electricity	33,495	29,427	12,296	8,574	13,582
Heating fuel	12,211	3,372	6,045	21,365	8,095
Water & sewer	39,675	19,105	32,526	5,844	15,398
Meals	154,257	1,479	182	90,251	78,754
Miscellaneous hospitality (ESP only)	17,541	247	878	14,785	7,541
Insurance premiums	12,782	9,641	8,220	12,338	9,074
Waste removal	18,688	3,592	5,987	16,057	15,312
Administration charge	86,105	31,172	-	182,400	32,243
Internet	2,967	1,716	4,129	2,017	4,046
Telephone	3,756	2,529	1,719	4,293	8,771
General administration	22,986	4,770	2,581	27,235	16,107
Legal	-	-	5,958	-	-
Furniture and equipment	8,194	-	1,533	-	4,184
Laundry	1,078	2,118	-	1,595	262
Audit	4,962	4,962	4,776	4,553	4,962
Exterior building maintenance	945	359	114	2,610	154
General maintenance	81,856	16,371	40,584	79,468	81,856
Grounds maintenance	12,024	7,310	1,512	2,109	893
Interior building maintenance	(51,495)	9,587	44,739	16,929	25,792
Pest control	2,151	2,460	923	1,338	1,740
Property Taxes	-	-	6,736	-	-
Service contracts	11,256	5,287	9,580	2,429	3,377
Janitorial/cleaning supplies	18,382	331	-	19,575	5,189
Support labour and benefits	1,093,536	235,263	55,151	1,738,264	1,044,374
Education - operating	896	149	1,022	149	824
Travel - operating (ESP & TH only)	3,611	5,388	-	8,642	6,153
Replacement reserve provision	-	28,080	28,800	-	-
	<u>1,607,709</u>	<u>436,701</u>	<u>275,991</u>	<u>2,262,820</u>	<u>1,395,069</u>
Excess (deficiency) of revenues over expenses	1,532	46	121,849	(38,944)	(80,376)
Accumulated fund balance, opening	(318,043)	66,320	-	-	11,786
Accumulated fund balance, ending	\$ (316,511)	\$ 66,366	\$ 121,849	\$ (38,944)	\$ (68,590)

Turning Points Collaborative Society
Schedule 1 - BC Housing Funded Programs
Statement of Operations and Accumulated Fund Balance by Program
For the year ended March 31, 2025

For the year ended March 31	HOP	HPP	Houses	CHB	SRSP
Revenues					
Subsidy	\$ 121,099	\$ 209,805	\$ 89,856	\$ 589,656	\$ 458,104
Other revenue	250	5,600	-	-	-
Tenant rent revenue	-	-	310,583	-	-
	121,349	215,405	400,439	589,656	458,104
Expenses					
Building rent	8,872	100,294	-	515,244	22,589
Cablevision	-	-	20,064	-	-
Electricity	-	-	16,789	-	-
Heating fuel	-	-	9,616	-	-
Water & sewer	-	-	31,537	-	-
Meals	78	-	71	-	170
Miscellaneous hospitality (ESP only)	3,535	900	1,064	2,485	43,106
Insurance premiums	-	-	19,827	-	-
Waste removal	-	-	4,235	-	32
Administration charge	6,305	2,129	15,350	-	36,000
Internet	-	-	6,487	-	-
Telephone	200	638	-	696	5,450
General administration	2,503	2,334	-	-	1,700
Interest Expense	-	-	58,617	-	-
Furniture and equipment	-	-	719	-	575
Amortization	-	-	34,536	-	-
Audit	1,353	1,353	-	-	-
Exterior building maintenance	-	-	1,828	-	274
General maintenance	-	-	89,768	-	-
Grounds maintenance	-	-	1,554	-	-
Interior building maintenance	-	-	6,070	-	-
Pest control	-	-	619	-	-
Service Contracts	-	-	1,200	-	-
Janitorial/cleaning supplies	-	-	40	-	149
Support labour and benefits	70,875	93,116	50	-	327,601
Education - operating	-	-	1,662	-	329
Travel - operating (ESP & TH only)	-	-	-	70	7,768
Replacement reserve provision	-	-	28,800	-	-
	93,721	200,764	350,503	518,495	445,743
Excess (deficiency) of revenues over expenses	27,628	14,641	49,936	71,161	12,361
Accumulated fund balance, opening	(2,111)	(55,568)	(114,314)	92,841	140,581
Accumulated fund balance, ending	\$ 25,517	\$ (40,927)	\$ (64,378)	\$ 164,002	\$ 152,942

Turning Points Collaborative Society
Schedule 1 - BC Housing Funded Programs
Statement of Operations and Accumulated Fund Balance by Program
For the year ended March 31, 2025

For the year ended March 31	Richter	Bartley	Village	The Crossings
Revenues				
Subsidy	\$ 2,032,897	\$ 1,788,468	\$ 45,072	\$ 1,376,557
Other revenue	10,533	-	840	-
Tenant rent revenue	-	-	304,986	262,069
	<u>2,043,430</u>	<u>1,788,468</u>	<u>350,898</u>	<u>1,638,626</u>
Expenses				
Cablevision	-	-	-	14,414
Electricity	-	17,377	5,254	54,538
Heating fuel	-	21,067	-	11,386
Water & sewer	-	5,484	16,235	39,654
Meals	253,748	204,465	-	153,009
Miscellaneous hospitality (ESP only)	10,438	13,441	786	17,285
Insurance premiums	9,405	9,705	9,755	12,778
Waste removal	13,946	8,104	13,529	17,805
Administration charge	97,796	85,740	32,640	86,105
Internet	3,300	2,628	1,314	1,905
Telephone	5,049	6,057	203	3,735
General administration	22,944	20,264	7,954	17,545
Legal	-	-	100	-
Furniture and equipment	1,331	2,865	4,752	1,837
Laundry	5,826	4,568	-	1,730
Property tax	-	-	23,339	-
Audit	4,962	4,962	7,959	4,962
Exterior building maintenance	-	240	1,440	252
General maintenance	32,743	40,928	38,511	81,856
Grounds maintenance	-	4,018	24,765	5,274
Interior building maintenance	-	18,235	224,855	10,076
Pest control	1,641	1,782	-	1,003
Service contracts	293,772	4,251	761	22,209
Janitorial/cleaning supplies	30,076	31,346	10	22,109
Support labour and benefits	1,391,025	1,223,691	57,631	1,090,776
Education - operating	955	840	99	945
Travel - operating (ESP & TH only)	3,956	15,865	1,266	3,917
Replacement reserve provision	-	-	(122,628)	-
	<u>2,182,913</u>	<u>1,747,923</u>	<u>350,530</u>	<u>1,677,105</u>
Excess (deficiency) of revenues over expenses	(139,483)	40,545	368	(38,479)
Accumulated fund balance, opening	(430,903)	(214,174)	78,296	(79,085)
Accumulated fund balance, ending	\$ (570,386)	\$ (173,629)	\$ 78,664	\$ (117,564)