Financial Statements of

GREATER VICTORIA HOUSING SOCIETY

Year ended December 31, 2016



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INDEPENDENT AUDITORS' REPORT

To the Directors of Greater Victoria Housing Society

Report on the Financial Statements

We have audited the accompanying financial statements of Greater Victoria Housing Society, which comprise the statement of financial position as at December 31, 2016, and the statements of operations and changes in fund balances and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information. The financial statements have been prepared by management based on the financial reporting provisions of the agreements between Greater Victoria Housing Society and Canada Mortgage and Housing Corporation ("CMHC") and British Columbia Housing Management Commission ("BCHMC").

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements as at December 31, 2016, and for the year then ended are prepared, in all material respects, in accordance with the financial reporting provisions of the agreements between Greater Victoria Housing Society and CMHC and BCHMC.

Basis of Accounting and Restriction on Use

Without modifying our opinion, we draw attention to note 1(a) to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist Greater Victoria Housing Society 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 report is intended solely for the Directors of Greater Victoria Housing Society, CMHC and BCHMC and should not be used by parties other than the Directors of Greater Victoria Housing Society, CMHC or BCHMC.

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.

Chartered Professional Accountants

March 29, 2017 Victoria, Canada

LPMG LLP

Statement of Financial Position

December 31, 2016, with comparative information for 2015

		2016		2015
Assets				
Current assets:				
Cash	\$	1,237,629	\$	775,704
Cash held in trust (note 2) Accounts receivable		30,976		30,976
Prepaid expenses		91,435		544,871
Trepara expenses		52,858 1,412,898		71,083 1,422,634
Replacement Reserve Fund:		1,412,090		1,422,034
Cash		344,942		277 106
Short-term investments and term deposits		1,888,703		377,186 1,654,834
Capital assets (note 4)				
	9	42,845,038		44,136,316
	\$	46,491,581	\$	47,590,970
Liabilities				
Current liabilities:				
Accrued mortgage interest payable	\$	83,043	\$	88,515
Accounts payable and accrued liabilities		567,581		564,056
Current portion of mortgages payable Deferred revenue		1,760,377		1,735,798
Deletted teveride		171,436		199,771
Mortgogge poughla (note 5)		2,582,437		2,588,140
Mortgages payable (note 5) Forgivable loan – Dahli Place (note 6)		31,906,396		33,708,318
Forgivable loan – Pembroke Mews (note 7)		500,000 413,333		500,000
Loans payable – Townley Lodge (note 8)		310,000		453,333 2,584
Loan payable – Grafton Lodge (note 9)		146,042		157,185
, , , , , , , , , , , , , , , , , , , ,		35,858,208		37,409,560
Fund Balances				, , , , , , , , , , , ,
Operating Fund:				
Deficit		(675,677)		(683,014)
Externally restricted		555,787		513,406
Internally restricted (note 10)	1	5,181		
Capital Fund:		(114,709)		(169,608)
Invested in capital assets		8,396,090		8,200,651
Externally restricted		118,347		118,347
		8,514,437		8,318,998
Replacement Reserve Fund	(1)	2,233,645		2,032,020
Contingency (notes 6, 7 and 11(b))		10,633,373		10,181,410
Commitments (notes 6 and 7)				
	\$	46,491,581	\$	47,590,970
	Ψ	100,101,001	Ψ	71,000,010

See accompanying notes to financial statements.

Director

Fraser Stamp-Vincent, Treasurer

Statement of Operations and Changes in Fund Balances

Year ended December 31, 2016, with comparative information for 2015

				Restricte	d Funds			
					Replacement	-	Total	Total
	Ope	erating Fund	Capita	al Fund	Reserve Fund		2016	2015
	(S	chedule 1)	-		(Schedule 2)			
Revenue:								
Tenant rent contributions	\$	4,370,457	\$	-	\$ -	\$	4,370,457 \$	4,004,76
Rent supplements (note 11(a))		1,620,511		-	-		1,620,511	1,724,83
Interest reduction grants (note 11(a))		43,505		-	-		43,505	43,50
Island Health services paid by tenants		74,631		-	-		74,631	66,36
Island Health subsidy		150,309		-	-		150,309	140,37
Laundry		88,582			-		88,582	80,80
Heat and light recovery		35,092		-	-		35,092	34,86
Cable recovery		208,443		_			208,443	196,32
Investment income		11,161			15,009		26,170	122,30
Loan forgiveness - Pembroke Mews (note 7)		11,101		40,000	-		40,000	40,00
				40,000	113,087		113,087	307.00
Replacement reserve contribution from BCHMC		-		-	113,007		110,007	71,59
Interest in joint venture with GVRDS (note 3)		-		-	74.066		74,966	(100,1
Unrealized gain (loss) on investments		-		47.407	74,966		10.00	
Other		281,249		47,137	8,895		337,281	317,0
		6,883,940		87,137	211,957		7,183,034	7,049,6
Expenses:		1 754 500					1,751,599	1,395,0
Amortization		1,751,599		-	-			943,7
Mortgage interest		1,029,371		-	-		1,029,371	40.000
Janitor - maintenance salaries		719,725		-	-		719,725	698,5
Administration		616,582		=1,	-		616,582	647,3
Heat, hydro and hot water		445,427		-	-		445,427	439,9
Maintenance		356,623		-	-		356,623	321,0
Replacement Reserve expenditures		-		-	324,393		324,393	572,7
Property taxes		254,935		-	-		254,935	227,5
Water		248,183			-		248,183	207,8
Cablevision		203,239		-	-		203,239	195,6
Island Health expenses		201,558		-	-		201,558	201,4
Garbage		166,022		-			166,022	150,0
Insurance		159,057		-	-		159,057	194,0
Other		93,973		-	-		93,973	101,3
		38,784		_			38,784	64,5
Audit and legal		37,842		2			37,842	55,4
Consultant fees		16,124					16,124	35,8
Capital improvements		10,124		-			10,124	18,4
Land lease		240.200		-	/210.260		-	10,4
Replacement Reserve allocation		319,369		-	(319,369	')	-	1,2
Contribution to joint venture with GVRDS		6,658,413			5,024		6,663,437	6,472,0
Excess of revenue over expenses, before the following		225,527		87,137	206,933		519,597	577,5
Section 2007 (2007 1000 to 1000 1000 1000 1000 1000 1000 1		220,027		,	200,000			
Dissolution of joint venture with GVRDS		-		-				704,3
Recovery (repayment) of surplus (deficit) (note 11(b))		(67,634))	-			(67,634)	180,1
Excess of revenue over expenses		157,893		87,137	206,933	3	451,963	1,461,9
Fund balances, beginning of year		(169,608)	8,318,998	2,032,020)	10,181,410	8,719,4
Interfund transfers:								
Capital - amortization, principal payments, purchases		(108,302)	108,302			-	
BC Housing replacement reserve review adjustments		(8,949		-,	8,949)		
Replacement reserve fund transfer for expenditures		14,257		-	(14,257		-	
Fund balances, end of year	\$	(114,709) \$	8,514,437	\$ 2,233,645	\$	10,633,373	\$ 10,181,4

See accompanying notes to financial statements.

Statement of Cash Flows

Year ended December 31, 2016, with comparative information for 2015

		2016	2015
Cash provided by (used in):			
Operations:			
Excess of revenue over expenses:			
Operating Fund	\$	157,893 \$	1,356,980
Capital Fund	•	87,137	50,000
Replacement Reserve Fund		206,933	54,993
Items not involving cash:		200,000	54,555
Amortization of capital assets		1,751,599	1,395,070
Loan forgiveness - Pembroke Mews		(40,000)	(40,000)
Unrealized (gain) loss on investments		, , ,	
Dissolution of joint venture with GVRDS		(74,966)	100,112
Change in non-cash operating working capital:		-	(704,305)
Accounts receivable		450 400	(10.1.000)
		453,436	(434,633)
Prepaid expenses		18,225	79,591
Accrued mortgage interest payable		(5,472)	31,239
Accounts payable and accrued liabilities		3,525	88,122
Due to GVRDS		-	(190, 322)
Deferred revenue		(28,335)	10,639
		2,529,975	1,797,486
Investing activities:			
Purchase of capital assets		(460,321)	(7,493,694)
Proceeds on dissolution of joint venture with GVRDS		(100,021)	52,825
Investment in joint venture with GVRDS		_	(71,598)
(Increase) decrease in investments		(158,903)	278,731
The same of the same and the sa		(619,224)	(7,233,736)
Financing activities			
Financing activities:			
Principal repayments on mortgages		(1,918,144)	(1,514,120)
Increase in mortgages		140,801	6,998,347
Increase in loans payable		296,273	
		(1,481,070)	5,484,227
Increase in cash		429,681	47,977
Cash, beginning of the year		\$1,183,866	1,135,889
Cash, end of year	\$	1,613,547 \$	1,183,866
Organization dief			
Comprised of:	_		
Cash	\$	1,237,629 \$	775,704
Cash held in trust		30,976	30,976
Replacement reserve fund cash		344,942	377,186
	\$	1,613,547 \$	1,183,866

See accompanying notes to financial statements.

Notes to Financial Statements

Year ended December 31, 2016

Greater Victoria Housing Society (the "Society") is incorporated under the Society Act (British Columbia) and 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 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 with the exception of the land lease on Grafton Lodge and the assets owned directly in the Society.
- (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.
- (v) Forgivable loans are recognized as liabilities in the year the funds are received and amortized over the forgiveness term or upon confirmation from CMHC rather than being recognized as grant revenue when entitled to receipt of the loan.

Notes to Financial Statements

Year ended December 31, 2016

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 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.

(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.

Notes to Financial Statements

Year ended December 31, 2016

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) Amortization:

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 exception of the land lease on Grafton Lodge. Amortization on leasehold improvements is provided over the term of the lease. Amortization on laundry equipment is provided over the estimated useful life of the equipment of 12 years. Amortization expense is recorded in the Operating Fund.

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

When a capital asset no longer contributes to the Society's ability to provide services, its carrying amount is written down to its residual amount.

(e) Investment in joint venture:

The investment in the joint venture with Greater Victoria Rental Development Society was accounted for using the equity method of accounting. Under the equity method the original cost of the investment was adjusted for the Society's share of the joint venture's subsequent earnings and losses. The accounting policies of the joint venture were consistent with those adopted by the Society. On May 1, 2015 the joint venture was dissolved (see note 3).

(f) 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.

Notes to Financial Statements

Year ended December 31, 2016

1. Significant accounting policies (continued):

(g) 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.

(h) 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. Any remaining funds after the payout of the construction costs will be used to reduce the mortgage payable for Dahli Place.

3. Investment in joint venture with Greater Victoria Rental Development Society ("GVRDS"):

Until May 1, 2015 the Society was a partner in a joint venture with GVRDS, an unrelated society with a different board of directors, to purchase property and develop affordable rental housing. The joint venture operated two affordable housing buildings on Gorge Road East. The Society accounted for its 50% share of the joint venture using the equity method of accounting.

On May 1, 2015, the joint venture with GVRDS was dissolved. Upon dissolution of the joint venture, the Society acquired the Dahli Place land and building valued at \$13,043,950, the related mortgage of \$10,200,000 and related forgivable loan of \$500,000. The Society paid \$158,500 at the time of dissolution and received cash proceeds on dissolution of \$52,825. The result on dissolution of the joint venture of \$704,305 was recorded as revenue in the statement of operations in 2015.

Notes to Financial Statements

Year ended December 31, 2016

4. Capital assets:

				2016	2015
*			Accumulated		
		Cost	amortization	Net	Net
Palmaral Gardon Court					
Balmoral Garden Court: Land lease prepaid for 60 years	\$	298,959	101,199	197,760	211,902
	φ	5,282,374	1,788,114	3,494,260	3,744,134
Building			1,889,313	3,692,020	3,956,036
Brentwood Bay:		5,581,333	1,009,313	3,092,020	3,956,056
Development in progress		42,193	_	42,193	_
Development in progress		42,193		42,193	_
Campbell Lodge:		42,193	-	42,195	_
Land		2,452,727	_	2,452,727	2,452,727
Building		2,517,895	556,067	1,961,828	2,005,933
Furniture and equipment		95,697	21,134	74,563	76,239
Landscaping and site improvement		21,290	21,104	21,290	21,290
Landscaping and site improvement			F77 201	4,510,408	4,556,189
Colwood Lodge:		5,087,609	577,201	4,510,406	4,556,169
Colwood Lodge: Land		1,273,304		1,273,304	1,273,304
			1,277,519	395,594	481,498
Building		1,673,113		13,121	15,970
Furniture and equipment		55,492	42,371		
Ot Ot-		3,001,909	1,319,890	1,682,019	1,770,772
Constance Court:		E00 E0E		E00 E6E	E00 E6E
Land		500,565	-	500,565	500,565
Land lease prepaid for 60 years		0 440 070	4 055 057	4 505 040	4 740 500
Building		3,440,970	1,855,057	1,585,913	1,743,586
Furniture and equipment		79,144	42,667	36,477	40,104
5 1 5 5		4,020,679	1,897,724	2,122,955	2,284,255
Dahli Place:		0.704.470		0.704.470	0.704.470
Land		2,734,179	-	2,734,179	2,734,179
Building		10,309,771	250,842	10,058,929	10,237,002
		13,043,950	250,842	12,793,108	12,971,181
Dowler Lodge:					
Land		818,159	-	818,159	818,159
Land lease prepaid for 60 years		-	_	-	
Building		3,674,753		1,299,918	1,472,677
Furniture and equipment		1,367		484	548
		4,494,279	2,375,718	2,118,561	2,291,384
Esquimalt Lions' Lodge:					
Land		73,459	-	73,459	73,459
Building		759,999	406,167	353,832	531,171
Furniture and equipment		32,835	17,549	15,286	22,948
Elevated walkway		45,420	24,273	21,147	31,745
		911,713	447,989	463,724	659,323
Forest Heights:					
Land		892,961	-	892,961	892,961
Building		1,183,637	290,775	892,862	919,028
-		2,076,598	290,775	1,785,823	1,811,989
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Notes to Financial Statements

Year ended December 31, 2016

4. Capital assets (continued):

			2016	2015
		Accumulated		
	Cost	amortization	Net	Net
Grafton Lodge:				
Land lease prepaid for 35 years	345,600	105,300	240,300	251,100
Building	3,553,238	896,578	2,656,660	2,726,766
Furniture and equipment	18,457	18,457	_,000,000	2,720,700
	3,917,295	1,020,335	2,896,960	2,977,866
Goldstream:	3,317,233	1,020,333	2,090,900	2,977,000
Development in progress	21 201		24 204	
Development in progress	31,291	-	31,291	-
Nigel Square:				
Land lease prepaid for 60 years	201 240	104.000	477.007	100.040
	301,240	124,003	177,237	193,040
Building	1,290,578	531,258	759,320	827,022
Development in progress	10,409	-	10,409	
_ · · · · · · · · · · · · · · · · · · ·	1,602,227	655,261	946,966	1,020,062
Pembroke Mews:				
Land	799,243	-	799,243	799,243
Building	2,346,499	149,845	2,196,654	2,230,144
Equipment	93,548	5,975	87,573	88,908
	3,239,290	155,820	3,083,470	3,118,295
Sitkum Lodge:	0,200,200	100,020	0,000,470	0,110,200
Land	1,564,797	_	1,564,797	1,564,797
Building	3,937,351	2,912,352	1,024,999	
Furniture and equipment	73,192	54,138		1,211,000
T difficulte and equipment			19,054	22,512
Cutaliffa Causti	5,575,340	2,966,490	2,608,850	2,798,309
Sutcliffe Court:	440.004			
Land	140,801		140,801	-
Building	197,144	27,973	169,171	193,343
	337,945	27,973	309,972	193,343
Tillicum Terrace:				
Land	870,232	-	870,232	870,232
Land lease prepaid for 60 years	-	-	_	-
Building	3,213,988	1,231,633	1,982,355	2,142,264
	4,084,220	1,231,633	2,852,587	3,012,496
Townley Lodge:	1,001,220	1,201,000	2,002,007	0,012,100
Land	11,388	_	11,388	11,388
Building	385,466	167,449	218,017	233,530
Furniture and equipment	18,295	7,947	10,348	11,084
Redevelopment in progress	389,371	7,347		
Tredevelopment in progress		475.000	389,371	153,745
Conictus	804,520	175,396	629,124	409,747
Society:	400.000	44.000	440 405	100 100
Leasehold improvement	162,633	44,228	118,405	133,189
Laundry equipment	183,338	26,736	156,602	171,880
	345,971	70,964	275,007	305,069
	\$ 58,198,362	15,353,354	42,845,038	44,136,316

Notes to Financial Statements

Year ended December 31, 2016

5. Mortgages payable:

Campbell Lodge: 2.19% Mortgage with MCAP, due March 1, 2025, payable \$10,612 per month to include principal and interest 2,321,066 2,396,918 Colwood Lodge: 3.54% Mortgage with CMHC, due July 1, 2018, payable \$7,968 per month to include principal and interest 2.19% Mortgage with MCAP, due March 1, 2025 payable \$5,067 per month to include principal and interest 2.19% Mortgage with the CMHC, due December 1, 2021, payable \$16,955 per month to include principal and interest 2.25% Mortgage with the CMHC, due December 1, 2021, payable \$16,955 per month to include principal and interest 2.19% Mortgage with MCAP, due March 1, 2025, payable \$959 per month to include principal and interest 2.76% Mortgage with MCAP, due July 1, 2025, payable \$37,814 per month to include principal and interest 2.86% Mortgage with CHMC, due December 1, 2018, payable \$38,814 per month to include principal and interest 2.19% Mortgage with CHMC, due December 1, 2018, payable \$38,949 per month to include principal and interest 2.19% Mortgage with MCAP due March 1, 2025 payable \$2,819 per month to include principal and interest 2.26% Mortgage with MCAP due March 1, 2025 payable \$2,819 per month to include principal and interest 3.45% Mortgage with CMHC, due June 1, 2023, payable \$2,2819 per month to include principal and interest 3.45% Mortgage with CMHC, due June 1, 2023, payable \$2,2819 per month to include principal and interest 4.26% Mortgage with CMHC, due April 1, 2024 payable \$2,2819 per month to include principal and interest 4.284,497 2,454,603 All per month to include principal and interest 2.384,497 2,454,603 All per month to include principal and interest 2.384,497 2,454,603 All per month to include principal and interest 2.384,497 2,454,603 All per month to include principal and interest 3.19% Mortgage with CMHC, due August 1, 2021, payable \$3,343 per month to include principal and interest 3.19% Mortgage with CMHC, due August 1, 2021, payable \$3,343 per month to include principal and interest 3.19% Mortgage with CMHC, due August 1,			2016		2015
2.81% Mortgage with CMHC, due September 1, 2023 payable \$30,933 per month to include principal and interest \$3,692,041 \$3,956,060 Campbell Lodge: 8% Mortgage with CMHC, due June 1, 2028, payable \$9,808 per month to include principal and interest \$9,808 per month to include principal and interest \$2,321,066 \$2,396,915 Colwood Lodge: 2.19% Mortgage with CMHC, due March 1, 2025, payable \$10,612 per month to include principal and interest \$2,321,066 \$2,396,915 Colwood Lodge: 3.54% Mortgage with CMHC, due July 1, 2018, payable \$7,968 per month to include principal and interest \$146,986 \$235,735 Colwood Lodge: 2.19% Mortgage with MCAP, due March 1, 2025 payable \$5,067 per month to include principal and interest \$1,214,423 \$1,248,345 Constance Court: 2.25% Mortgage with MCAP, due December 1, 2021, payable \$16,955 per month to include principal and interest \$1,794,180 \$1,955,486 Constance Court: 2.19% Mortgage with MCAP, due March 1, 2025, payable \$37,814 per month to include principal and interest \$1,384,625 \$1,557,446 Colwell Lodge: 3.68% Mortgage with MCAP, due December 1, 2018, payable \$18,904 per month to include principal and interest \$1,384,625 \$1,557,446 Colwell Lodge: 3.68% Mortgage with CHMC, due December 1, 2018, payable \$1,204 per month to include principal and interest \$1,384,625 \$1,557,446 Colwell Lodge: 3.69% Mortgage with CHMC, due December 1, 2025, payable \$2,619 per month to include principal and interest \$1,384,625 \$1,557,446 Colwell Lodge: 3.69% Mortgage with CMHC, due June 1, 2025 payable \$2,849 per month to include principal and interest \$1,384,625 \$1,557,446 Colwell Lodge: 3.69% Mortgage with CMHC, due Agril 1, 2024 payable \$2,849 per month to include principal and interest \$1,384,625 \$1,557,446 Colwell Lodge: 3.49% Mortgage with CMHC, due Agril 1, 2024 payable \$1,2718 per month to include principal and interest \$1,384,497 \$1,566 Colwell Colwe	Ralmoral Garden Court				
payable \$30,933 per month to include principal and interest \$ 3,692,041 \$ 3,956,060 Campbell Lodge: 8% Mortgage with CMHC, due June 1, 2028, payable \$ 888,758 934,536 Campbell Lodge: 2.19% Mortgage with MCAP, due March 1, 2025, payable \$ 1,0612 per month to include principal and interest 2,321,066 2,396,918 Colwood Lodge: 3.54% Mortgage with CMHC, due July 1, 2018, payable \$ 7,968 per month to include principal and interest 146,986 235,738 Colwood Lodge: 2.19% Mortgage with MCAP, due March 1, 2025 payable \$ 5,067 per month to include principal and interest 1,214,423 1,248,344 Constance Court: 2.25% Mortgage with the CMHC, due December 1, 2021, payable \$16,955 per month to include principal and interest 1,794,180 1,955,480 Constance Court: 2.19% Mortgage with MCAP, due March 1, 2025, payable \$37,814 per month to include principal and interest 271,937 277,448 Dahli Place: 2.76% Mortgage with CMHC, due December 1, 2018, payable \$31,819 per month to include principal and interest 9,949,158 10,127,23* Dowler Lodge: 3.68% Mortgage with CMHC, due March 1, 2025 payable \$2,819 per month to include principal and interest 695,587 711,656* Esquimalt Lions* Lodge: 3.45% Mortgage with					
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3.43% Mortgage with MCAP, due April 1, 2024 payable \$12,718 per month to include principal and interest Nigel Square: 2.93% Mortgage with CMHC, due August 1, 2021, payable \$9,343 per month to include principal and interest Pembroke Mews: 3.19% Mortgage with TD Canada Trust, due March 1, 2022 payable \$7,688 per month to include principal and interest 1,794,181 1,829,005			721,395		747,56
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Pembroke Mews: 3.19% Mortgage with TD Canada Trust, due March 1, 2022 payable \$7,688 per month to include principal and interest 1,794,181 1,829,005			936,555		1,020,060
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payable \$7,688 per month to include principal and interest 1,794,181 1,829,005					
Carried forward 28,195,389 29,647,688			1,794,181		1,829,005
Carried forward 28,195,389 29,647,688					
	Carried forward		28,195,389		29,647,688

Notes to Financial Statements

Year ended December 31, 2016

5. Mortgages payable (continued):

	2016	2015
Balance brought forward	28,195,389	29,647,688
Sitkum Lodge:		
2.71% Mortgage with CMHC, due February 1, 2019, payable \$16,982 per month to include principal and interest	428,532	617,993
Sitkum Lodge: 3.26% Mortgage with TD Canada Trust, due February 1, 2022 payable \$2,855 per month to include principal and interest	410,161	430,785
Sitkum Lodge:		0 00 × € 0 × 60 × 60
2.19% Mortgage with MCAP, due March 1, 2025 payable \$6,394 per month to include principal and interest Sutcliffe Court:	1,488,853	1,532,604
1.3% Mortgage with CMHC, due August 1, 2023, payable \$2,212 per month to include principal and interest Sutcliffe Court:	169,408	193,579
2.41% Mortgage with Peoples Trust, due May 1, 2026, payable \$536 per month to include principal and interest Tillicum Terrace:	139,001	-
3.68% Mortgage with CMHC, due December 1, 2018, payable \$20,737 per month to include principal and interest Tillicum Terrace:	2,347,432	2,507,340
2.19% Mortgage with MCAP, due March 1, 2025, payable \$1,720 per month to include principal and interest	487,997	497,878
Townley Lodge: 5.88% Mortgage with CMHC, due July 1, 2017, payable		
\$898 per month to include principal and interest	-	16,249
	33,666,773	35,444,116
Current portion of long-term debt	1,760,377	1,735,798
	\$ 31,906,396	\$ 33,708,318

During the year the Society repaid the entire outstanding balances of the mortgages payable for Esquimalt Lions Lodge and Townley Lodge.

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

	Assuming no mortgage renewal	Assuming mortgage renewal
2017	\$ 1,761,406	\$ 1,761,406
2018	4,802,427	1,775,576
2019	970,620	1,601,632
2020	1,230,844	1,615,588
2021	1,226,172	1,623,773

Notes to Financial Statements

Year ended December 31, 2016

6. Forgivable loan - Dahli Place:

BCHMC provided the Society with a grant of \$500,000 for Dahli Place. If the Society uses the land for the intended purpose as required by BCHMC, the loan will be forgiven 1/25 each year, commencing in the 11th year.

7. Forgivable Ioan - Pembroke Mews:

	2016	2015
Loan payable to CMHC (Residential Rehabilitation Assistance Program "RRAP")	\$ 413,333	\$ 453,333

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 and accordingly loan forgiveness of \$40,000 (2015 - \$40,000) has been recognized as of December 31, 2016 (\$40,000 per year). 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%.

8. Loans payable – Townley Lodge:

	2016	2015
Loan payable to CMHC - Seed Loan Loan payable to CMHC - Proposal Development Funding Loan payable to Vancity - Pre-development Funds	\$ 10,000 100,000 200,000	\$ 2,584
	\$ 310,000	\$ 2,584

During the year, the Society obtained financing for the Townley Lodge redevelopment project in the form of a \$10,000 Seed loan from CMHC. The loan is to be repaid at the time of capital financing for the project. There are no stated interest terms associated with the loan.

CMHC provided the Society with a Proposal Development Funding Loan in the amount of \$100,000 to be used towards the Townley redevelopment project. The funding is in the form of an interest free repayable loan. A portion of the loan varying from 20 - 100% will be forgiven if certain conditions are met. The loan, less the forgivable portion, is to be repaid at the time of construction financing.

The Vancity Pre-Development Funds loan bears interest at 2% and is repayable on demand.

Notes to Financial Statements

Year ended December 31, 2016

9. Loan payable - Grafton Lodge:

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 \$4,049 (2015 - nil) was paid on the repayable assistance during the year. The Society repaid \$11,143 (2015 - nil) of the repayable assistance during the year.

10. Internally restricted:

The Society's Board of Directors has internally restricted \$5,181 (2015 - nil) 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 and the Society's operating fund balance ("Other" fund per Schedule 1), which are not associated with 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.

11. 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. Interest reduction grants are received for Colwood and Sitkum Lodges from CMHC to subsidize interest payments in excess of 2% per annum, calculated on the approved capital costs.
- (b) In accordance with the arrangements with BCHMC, surpluses created in Colwood and Sitkum Lodges are refundable, firstly to BCHMC up to the rent supplements contributed and, secondly, to CMHC. Surpluses created in Balmoral Court, 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 2015 fiscal year were finalized by BCHMC in fiscal 2016 and accordingly recorded in the Society's financial statements.

Notes to Financial Statements

Year ended December 31, 2016

12. 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 in the Replacement Reserve Fund 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 2015.

(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 2015.

(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 2015.

(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 2015.

13. Interest income and interest expense:

Interest income during 2016 totaled \$11,348 (2015 - \$41,502).

Interest expense on long term debt during 2016 totaled \$1,029,371 (2015 - \$943,784).

Notes to Financial Statements

Year ended December 31, 2016

14. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of \$30,349 (2015 - \$43,689), which includes amounts payable for payroll deductions, workers' compensation, and medical service plan premiums.

15. 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, 2016, the Society paid remuneration of \$262,300 to 3 employees, each of whom received total annual remuneration of \$75,000 or greater.

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

Schedule 1 - page 1 of 2

Year ended December 31, 2016, with comparative information for 2015

	2016	16 2015	2016 2015	2015	2016 201	2015	2012	2013	2010	2012	20102	5102	2010	2013	200			
trent contributions	\$ 418 536	396 248	\$ 482 606 \$	474 580 \$	\$ 609 800	\$ 282 822	\$ 1887 52	219 204 \$	824 357 \$	549.548 \$	283.875 \$	284.350 \$	319.926 \$	320,680 \$	166,333 \$	165,243	250,268 \$	239,880
1(a))	330,086	372.024		171,781	83,756	88.405	152,681				226,939	237,891				,	65,886	78,026
Interest reduction grants (note 11(a))					21 150	21 150	,		,				ï		i	,	,	
leland Health consider naid by tenante	- 1				,				,	,	,	,	,			,	74.631	66,360
island regula services paid by teriants														4	100		150 300	140 378
Island Health Subsidy									, 010			100	7 300	0 460	2 463	4 072	2000	2 180
Laundry	13,763	12,907	8,381	8,385	4,835	4,6/9	4,705	2,482	6,701	3,692	019'0	0,43	006,7	264,0	6,133	716'1	6,433	001.0
Heat and light recovery	ě		15,562	15,470	7,768	7,735			ï		c				7.			
Cable recovery		,	40.961	39.279	20.944	19,647	21,604	20,445		•	27,668	26,142	31,251	29,956	í		15,637	15,151
Investment income		103		139	,	101		,	,	134		100			692	664	,	9
		3		3		2												
Interest in joint venture with GVRUS (note 3)				,				,										
Unrealized gain (loss) on investments		,	9	ï					×			ij	6					•
Other	5.730	3.797	1.830	1,355	3,315	2,765	1,910	2,434	28,356	19,218	2,150	2,260	2,415	1,287	2,705	3,840	1,530	2,120
	768,115	785,079	701,805	710,989	371,277	373,774	408,881	426,328	859,414	572,792	546,242	556,174	360,892	358,375	171,883	171,719	560,554	545,095
Expenses:																		000
Amortization	264,016	256,784	45,781	42,327	88,753	85,697	161,299	157,744	178,073	72,770	172,823	166,654	195,589	18,730	26,166	77,720	80,906	790'97
Mortgage interest	106,716	114,003	123,131	119,329	33,508	32,674	47,935	50,595	275,394	160,851	68,921	72,839	10,784	15,493	25,546	35,266	86,426	84,734
Janitor - maintenance salaries	79.599	79.237	84.254	86.535	49.185	47.271	38,428	42,961	62,888	44,436	66,505	61,564	80,202	79,569	18,120	16,618	31,684	33,116
Administration	57 003	57.01B	74 042	74 942	39 964	40.823	39 866	39 058	51 580	35 876	51 280	50.940	57,502	59,366	11.573	15,946	28,615	29,513
	000'0	20,10	790,77	75.704	44 406	42 405	40.347	10 200	200,00	18 318	32 718	30 553	37 28B	32 696	9 271	10 923	32 449	35 211
near, nydro and not water	42,303	20,103	107'11	13,104	11,100	43, 100	19,047	19,200	20,293	010,01	02,710	000,00	000,00	46,403	17.74	11 660	37 876	24 058
Maintenance	41,790	37,867	37,088	36,999	17,040	115,12	23,438	746/17	24,807	15,420	505,12	796'67	20,000	10,400	26,71	600'11	0/0,12	1,930
Replacement Reserve allocation	53,280	53,280	25,918	25,918	12,000	12,000	6,240	6,240	40,800	27,200	23,760	73,760	30,000	28,878	20,000	20,000		
Property taxes	35,997	35,095	34,784	33,838	18,917	17,741	17,465	16,759	31,064	6,400	31,625	31,958	. !	. !	10,585	907,01	4,906	4,861
Water	33,800	24,047	26,135	22,857	9,285	8,513	11,086	12,624	20,328	8,212	23,360	18,399	10,034	9,808	7,582	1,337	6,488	6,221
Cablevision		ř	39,061	38,467	20,106	19,799	21,984	20,561			26,298	25,905	30,902	30,416	i		15,451	15,075
Island Health expenses	Ē					ì				,	,	٠		1	,		201,558	201,493
Garbage	20,231	21,085	15,275	17,135	10,824	10,575	8,967	8,840	15,246	8,062	11,454	10,299	16,942	13,720	7,218	5,449	9,623	9,312
Insurance	16.094	19 194	18.705	22.314	9.332	13.166	11.593	13,626	17,133	17,394	16,201	19,237	11,407	16,208	3,947	5,176	9,414	10,981
Other	1 587	712	490	644	477	251	232	1,070	9.781	307	298	552	748	2,142	3,381	79	398	523
Andit and legal	3 517	2 892	4 344	3 411	2 460	1 873	4 203	1 873	3 437	2,919	3.135	2.385	3.686	2.645	1,197	589	1,743	1,299
Consultant fees	022	195	1 198	255	645	135	645	135	837	2,603	830	175	930	204	186	61	465	102
Constal improvements	770	35 837	054	2004	2	2	2	3	,	0001		. "		,	,	•		
and lease		0000		8614		3 567					,			,	,	,		,
Contribution to joint yearture with GVRDS		125		162		88		88		112	,	112		125	,	25	1	62
	757,611	793,476	608,427	609,531	353,601	358,669	412,728	412,921	757,663	421,880	556,561	541,314	512,104	325,483	162,017	162,567	538,002	533,029
Excess (deficiency) of revenue over expenses before the following	10,504	(8,397)	93,378	101,458	17,676	15,105	(3,847)	13,407	101,751	150,912	(10,319)	14,860	(151,212)	32,892	9,866	9,152	22,552	12,066
Old Alian earthreat training an excitational)		,		,	,	,			,		3		,	9			•
Dissolution of joint ventual with GVNDS Because (repayment) of deficit (cumins) (note 11(h))	(37 243)	49 263	(1 037)		6 972	13 340	(11 451)	18 410			(18 136)	25.759	,	3	2	,	•	
Adjustment of prior year's revenue and	(213,15)	004	(100'1)		5		(1211)											
expenses funded by the Society	45.640	36.426			(22.077)	2.185	(1,956)	16,785			3,276	21,682				,	,	
Excess (deficiency) of revenue over expenses	18,901	77,292	92,341	101,458	2,571	30,630	(17,254)	48,602	101,751	150,912	(25,179)	62,301	(151,212)	32,892	9,866	9,152	22,552	12,066
Fund balance, beginning of year	(8,397)	(85,689)	(106,009)	(141,803)	(9,943)	(15,613)	9,351	(35,195)	150,912		3,035	(47,441)	141,376	108,484	(34,558)	(43,710)	(19,781)	(42,647)
Interfund transfers:																		
Operating - Joint Venture	•										1050 047	(30.0 11)				,	10 800	10 800
Capital - amortization, principal payments, purchases			(73,049)	(210,012)	(33,921)	(24,900)	(116'6)	(acn'+)	. ,		(0,0,01)	(070'11)				,		1
Replacement reserve fund transfer for expenditures	14.257			(300'6)										,		9	14	
Count halance and of cone																		

GREATER VICTORIA HOUSING SOCIETY Schedule of Operations

Year ended December 31, 2016, with comparative information for 2015

Schedule 1 - page 2 of 2

Revenue: Tenant rent contributions Rent supplements (note 11(a))	2040	2002	2000	2000	2000	año		2000	Illicum Ierrace	race	l ownley Lodge	agpo	Joint Venture with GVRDS	GVRUS	Other		Total	
evenue: Tenant rent contributions Rent supplements (note 11(a))	2010	6102	20102	5013	2010	2012	2010	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Tenant rent contributions Rent supplements (note 11(a))																		
Rent supplements (note 11(a))	108,920 \$	113,938	214,968 \$	\$ 211,155 \$	357,621 \$	355,849 \$	50.212 \$	12.057 \$		263 606	170 117 \$	169 135					A 370 A67 €	A 000 A 705
Indiana and the state of the st	94,848	93,041	,	1	236,775	260,362	46,005	8,853	231.070						,	•	1,570,511	1 724 835
interest reduction grants (note 11(a))	,	,		7	22,355	22,355				,		,	,				43.505	43 505
Island Health services paid by tenants	•	,	Ü		,			,	,			,				0	74 634	000,00
Island Health subsidy	9	,	9					,		,	,	,	,				150,309	140.378
Laundry	ì	,	1,920	1,272	10,070	9,390		-	2.430	2.998	3.143	3 311			15.278	11 457	88 582	80 808
Heat and light recovery		,	•		11.532	11 625			230	30					0,2,0	201	26,002	94,909
Cable recovery	1	,	1		30 752	29 526	4 320	1 050	2	8	15 308	15 128					35,092	34,860
Investment income	(37)	,	,		70.'00	113	070'1	000		0 0	2,300	071,61			, 001		208,443	196,324
Interest in joint venture with GVRDS (note 3)	(,	,			2				10					900,01	48,596	191,11	20,037
I harvelland axis (loca) on instantanta								Ē.			,			71,598		,		71,598
Other Sam (1989) Of Higgs Hells	32,						e.						,	ř		(3,274)	,	(3,274)
Online	203.906	212.906	217 251	214 502	672 070	691 465	100 537	21 GRD	508 605	3,315	2,129	1,850		. 24 500	216,029	210,533	281,249	265,021
											200	171,00		060'17	541,013	716,102	0,003,940	117'6/9'9
Expenses:																		
Amortization	83,505	81,120	34,825	33,740	189,461	184,438	24,172	3,801	159,909	154.210	16.249	9.531		,	30.062	26 242	1 751 500	1 305 070
Mortgage interest	28,524	30,923	57,384	58,526	905'09	61,471	4,585	1,068	99,269	103.468	742	1271	,	,	100,00	1 273	1 020 371	043 784
Janitor - maintenance salaries	16,233	16,392	20,406	20,796	71,736	74,693	8,134	1.845	56.237	53,567	37.302	39 983			(1188)	(22)	719 725	808 581
Administration	11,460	11,255	17,176	17,482	56,967	59,042	5,708	1.634	39,928	41.258	28.669	29 436			45 159	83 786	616 582	647 375
Heat, hydro and hot water	1,088	1,542	5,699	7,515	84,377	74,684	9,027	2,724	18,798	20,684	7.729	10.696			00.	3	445,427	430 000
Maintenance	11,446	13,356	20,814	21,577	24,606	29,695	9,211	2.745	36,568	30,595	10.539	13 121		,	722	776	356 623	321,021
Replacement Reserve allocation	12,960	12,960	16,000	16,000	18,000	18,000	1,731	433	37,080	37,080	21,600	21,600		,	! '		319 369	303 349
Property taxes	15,595	25,781	24	24	26,129	25,540	7,854	,	19,990	18,857				,		,	254 935	227 563
Water	17,989	16,851	6,317	4,351	33,519	29,719	3,574	789	29,541	28,341	9,145	9,814		٠			248 183	207 889
Cablevision		,	×	,	29,394	28,932	4,101	902	95		15,847	15,598					203 239	195,655
Island Health expenses	•	,			,	,		à			ě				,	,	201,558	201 493
Garbage	8,177	6,952	5,485	5,303	12,029	11,377	1,176	294	13,615	12,776	9,760	8,919		·		,	166,022	150,098
Insurance	5,557	7,570	1,005	1,117	17,061	20,329	2,530	743	12,162	17,436	6,916	9,527		٠	ï	,	159,057	194,018
Other	211	142	520	88	972	1,886	33	131	276	634	556	424			74,013	91,762	93,973	101,347
Audit and legal	870	643	995	849	3,773	2,645	877	260	2,310	2,075	1,843	1,312	,	,	394	36,880	38,784	64,550
Consultant fees	184	40	279	61	922	2,200	92	7	645	140	465	102			28,597	49,060	37,842	55,468
Capital Improvements							,		,	,		,			15,170	,	16,124	35,837
Contribution to joint contum with CVDOS	•	' 40		, 60		6,233		' (. ;		49		r	ć	,	,	18,414
Consideration to John Vehicle Will GVNDS	213 799	225 552	186 929	187 467	629 452	631 009	82 805	17 382	. CA ACA	88	- 200 724	474 306			, 000 007			1,250
		100	2000	101	201,135	500,100	05,000	705,11	350,453	521,203	705, 701	086,171			192,929	789,757	6,658,413	6,202,642
Excess (deficiency) of revenue over expenses before the following	(8,893)	(12,646)	30,322	27,035	42,618	60,456	17,732	4,578	(17,818)	(15,484)	23,333	18,028		71,598	48,884	(22,445)	225,527	472,575
Dissolution of joint venture with GVRDS																100 101		
Recovery (repayment) of deficit (surplus) (note 11(b))	9,947	19,301		,	(16,647)	32,571	(2,580)		2.541	21,456				. ,		7.04,305	(67 634)	180 100
Adjustment of prior year's revenue and																		
expenses funded by the Society	2,699	8,811			43,809	(14,834)	(1,998)	,	12,943	27,024				,	(82,336)	(98,079)		
Excess (deficiency) of revenue over expenses	2,753	15,466	30,322	27,035	69,780	78,193	13,154	4,578	(2,334)	32,996	23,333	18,028	9	71,598	(33,452)	583,781	157,893	1,356,980
Fund balance, beginning of year	(12,646)	(28,112)	71,822	44,787	(464,563)	(510,563)	4,578		(22,761)	(48,480)	132,332	114,304		1,462,371	(4,356)	716,052	(169,608)	1,446,745
Interfund transfers: Operating - Joint Venture	,	,				9		3						(4 533 060)		1 533 060		
Capital - amortization, principal payments, purchases		,	3	,	(43.751)	(32, 193)	(1.800)		(9 881)	(7.277)				(606'000'1)	67 681	(7 838 158)	(108 302)	12 062 4041
BC Housing replacement reserve review adjustments	,	,	3)			(8,949)									(5,050,150)	(8 949)	(2,303,401)
Replacement reserve fund transfer for expenditures	,	i i				7				6		,	,				14,257	(300'6)
				- 1														

GREATER VICTORIA HOUSING SOCIETY Changes in Replacement Reserve Fund

Schedule 2

Year ended December 31, 2016

	Balance at December 31, 2015	nce at er 31, 2015	BC Housing review adjustments	CO Lo Lo Lo Lo Lo Lo Lo Lo Lo Lo Lo Lo Lo	Contributions from BCHMC and other	Co	Contribution from Operating Fund	_ <u>_</u>	Investment income	Exp	Expenditures	Ur gain (inve	Unrealized Balance at gain (loss) on December 31, investments 2016	Ba Jecer	Balance at cember 31, 2016
Balmoral	€.	90 695	υ ·	€.	90 328	€:	53.280	65	1,703	69	68.853	69	'	€9	152.896
Campbell Lodge	· *	14,965	· 1	•	954	•	25,918	•	398	+	32,252	,			9,983
Colwood Lodge	186	186,019	•		18,731		12,000		1,341		33,238		'		184,853
Constance Court	300	300,143	•		1		6,240		1,746		19,037		•		289,092
Dahli Place	Š	59,454	•		1		40,800		929		7,138		•		93,692
Dowler Lodge	ő	65,229	•		1		23,760		262		21,961		•		67,623
Esquimalt Lions Lodge	32	329,008	•		3,074		30,000		2,208		49,295		•		314,995
Forest Heights		3,798	•		1		20,000		165		6,946		'		17,017
Grafton Lodge	41(16,316	•		1		1		2,286		9,523		'		409,079
Nigel Square		1,705	•		1		12,960		133		10,158				4,640
Pembroke Mews	ù	54,753	•		1		16,000		394		2,666		'		68,481
Sitkum Lodge	14	149,146	. 1		1		18,000		666		18,935		'		149,210
Sutcliffe Court		5,443	8,949		8,895		1,731		43		753		•		24,308
Tillicum Terrace	Š	55,181			1		37,080		629		30,571		•		62,349
Townley Lodge	29.	293,864	,		1		21,600		1,763		13,067		1		304,160
Unrealized gain on															
investments	-	6,301	s s		•		•		•		•		74,966		81,267
	\$ 2,032,020	2,020	\$ 8,949	8	121,982	↔	319,369	↔	15,009	ઝ	324,393	ક	74,966	\$ 2,	\$ 2,233,645

Changes in Replacement Reserve Fund

Schedule 2

Year ended December 31, 2015

	Balance at	BC Housing	Contributions	Contribution			Unrealized	Balance at
	December 31, 2014	review	and other	from Operating Fund	Investment	Expenditures	gain (loss) on December 31, investments 2015	December 31, 2015
Balmoral	\$ 103,981	€9	\$ 250,129	\$ 53.280	\$ 17.589	\$ 334.284	€	\$ 90,695
Campbell Lodge	(14,035)	9,852	10,820	25,918		18,569		
Colwood Lodge	169,127	•	34,678	12,000	5,966	35,752	1	186,019
Constance Court	297,423		696	6,240	7,509	11,988		300,143
Dahli Place	1	1	36,991	27,200	176	5,513	,	59,454
Dowler Lodge	56,268	1	1,919	23,760	2,397	19,115	,	65,229
Esquimalt Lions Lodge	309,620	1	•	28,878	8,453	17,943	1	329,008
Forest Heights	(6,453)	•	,	20,000	266	10,315	1	3,798
Grafton Lodge	417,609	1	3,113	: I	10,327	14,733	1	416,316
Nigel Square	6,409	1		12,960	006	18,564	1	1,705
Pembroke Mews	39,119	1		16,000	1,348	1,714	•	54.753
Sitkum Lodge	143,974	1	5,389	18,000	4,508	22,725	,	149,146
Sutcliffe Court	•	•	2,000	433	10		•	5.443
Tillicum Terrace	63,686	1	1	37,080	3,555	49,140	,	55,181
Townley Lodge	277,308	1	/1	21,600	7,384	12,428	1	293,864
Unrealized gain on								
investments	103,139	1	1	ı	ľ	1	(96,838)	6,301
4	\$ 1,967,175	\$ 9,852	\$ 348,998	\$ 303,349	\$ 72,267	\$ 572.783	\$ (96,838)	\$ 2.032.020