



Financial Statements

Pacifica Housing Advisory Association

June 30, 2013

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Independent auditors' report

Grant Thornton LLP
3rd Floor
888 Fort Street
Victoria, BC
V8W 1H8
T +1 250 383 4191
F +1 250 381 4623
www.GrantThornton.ca

To the members of Pacifica Housing Advisory Association

We have audited the accompanying financial statements of the Pacifica Housing Advisory Association, which comprise the statement of financial position as at June 30, 2013, June 30, 2012 and July 1, 2011 and the statement of operations and changes in fund balances, statement of changes in replacement reserve fund, and the statement cash flows for the years ended June 30, 2013 and June 30, 2012, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 the auditor's 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, the auditor considers internal control relevant to the Association'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 Association'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 is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Pacifica Housing Advisory Association as at June 30, 2013, June 30, 2012 and July 1, 2011, and the results of its operations and its cash flows for the years then ended June 30, 2013 and June 30, 2012 in accordance with Canadian accounting standards for not-for-profit organizations.

Report on other legal requirements

As required by the Society Act of British Columbia, we report that, in our opinion these principles have been applied on a basis consistent with that of the preceding year.

Victoria, Canada
October 28, 2013

Grant Thornton LLP

Chartered accountants


Pacifica Housing Advisory Association

Statement of Financial Position

June 30, 2013

	Operating Funds						Total 2013
	General and Administrative Fund	Pacifica Housing Services Fund	Property Management Fund	Total Operating	Capital Asset Fund	Replacement Reserve Fund	
Assets							
Current							
Cash and cash equivalents	\$ 2,221,929	\$ 183,693	\$ -	\$ 2,405,622	\$ -	\$ -	\$ 2,405,622
Accounts receivable	140,145	997	1,873	143,015	-	1,973	144,988
Due from BCHMC	-	-	-	-	67,563	-	67,563
Interfund balances	(1,574,959)	1,180,871	1,012,665	618,577	362,815	(981,392)	-
Prepays	344,998	(309)	-	344,689	-	-	344,689
	<u>1,132,113</u>	<u>1,365,252</u>	<u>1,014,538</u>	<u>3,511,903</u>	<u>430,378</u>	<u>(979,419)</u>	<u>2,962,862</u>
Restricted cash and investments (Note 4)	-	-	360,348	360,348	-	3,556,935	3,917,283
Capital assets (Note 5)	-	-	-	-	41,187,346	-	41,187,346
	<u>\$ 1,132,113</u>	<u>\$ 1,365,252</u>	<u>\$ 1,374,886</u>	<u>\$ 3,872,251</u>	<u>\$ 41,617,724</u>	<u>\$ 2,577,516</u>	<u>\$ 48,067,491</u>

On behalf of the Board:

 Director

 Director

See accompanying notes to the financial statements.

Pacifica Housing Advisory Association

Statement of Financial Position

June 30, 2013

	Operating Funds						Total 2013
	General and Administrative Fund	Pacifica Housing Services Fund	Property Management Fund	Total Operating	Capital Asset Fund	Replacement Reserve Fund	
Liabilities							
Current							
Accrued mortgage interest	\$ -	\$ -	\$ 156,147	\$ 156,147	\$ -	\$ -	\$ 156,147
Accounts payable and accrued liabilities	225,228	89,520	69,117	383,865	62,519	37,441	483,825
Security deposits	3,694	-	356,108	359,802	-	-	359,802
Deferred revenue (Note 6)	1,389	147,463	369,045	517,897	-	-	517,897
Interim construction financing (Note 12)	-	-	-	-	1,000,924	-	1,000,924
Current portion of forgivable 2nd mortgages (Note 14)	-	-	-	-	53,652	-	53,652
Current portion of mortgages (Note 14)	-	-	-	-	2,027,657	-	2,027,657
Due to BCHMC	36,632	-	237,232	273,864	-	-	273,864
	<u>266,943</u>	<u>236,983</u>	<u>1,187,649</u>	<u>1,691,575</u>	<u>3,144,752</u>	<u>37,441</u>	<u>4,873,768</u>
Forgivable loans and mortgages (Note 14)	-	-	-	-	622,302	-	622,302
Mortgages (Note 14)	-	-	-	-	44,804,730	-	44,804,730
	<u>266,943</u>	<u>236,983</u>	<u>1,187,649</u>	<u>1,691,575</u>	<u>48,571,784</u>	<u>37,441</u>	<u>50,300,800</u>
Fund Balances							
Invested in capital assets	-	-	-	-	(7,011,125)	-	(7,011,125)
Externally restricted (Note 7)	-	1,128,269	14,504	1,142,773	3,486	2,421,314	3,567,573
Internally restricted	-	-	-	-	53,579	118,761	172,340
Unrestricted	865,170	-	172,733	1,037,903	-	-	1,037,903
	<u>865,170</u>	<u>1,128,269</u>	<u>187,237</u>	<u>2,180,676</u>	<u>(6,954,060)</u>	<u>2,540,075</u>	<u>(2,233,309)</u>
	<u>\$ 1,132,113</u>	<u>\$ 1,365,252</u>	<u>\$ 1,374,886</u>	<u>\$ 3,872,251</u>	<u>\$ 41,617,724</u>	<u>\$ 2,577,516</u>	<u>\$ 48,067,491</u>

Contingency (Note 8)

See accompanying notes to the financial statements.

Pacifica Housing Advisory Association

Statement of Financial Position

June 30, 2012

	Operating Funds						Total 2012
	General and Administrative Fund	Pacifica Housing Services Fund	Property Management Fund	Total Operating	Capital Asset Fund	Replacement Reserve Fund	
Assets							
Current							
Cash and cash equivalents	\$ 2,041,454	\$ 1,240,959	\$ 50,900	\$ 3,333,313	\$ -	\$ -	\$ 3,333,313
Accounts receivable	98,647	1,822	-	100,469	-	-	100,469
Interfund balances	(1,051,708)	212,083	1,062,745	223,120	347,786	(570,906)	-
Prepays	26,739	1,324	-	28,063	-	-	28,063
	<u>1,115,132</u>	<u>1,456,188</u>	<u>1,113,645</u>	<u>3,684,965</u>	<u>347,786</u>	<u>(570,906)</u>	<u>3,461,845</u>
Restricted cash and investments (Note 4)	-	-	330,150	330,150	79,510	3,630,266	4,039,926
Capital assets (Note 5)	-	-	-	-	40,368,571	-	40,368,571
	<u>\$ 1,115,132</u>	<u>\$ 1,456,188</u>	<u>\$ 1,443,795</u>	<u>\$ 4,015,115</u>	<u>\$ 40,795,867</u>	<u>\$ 3,059,360</u>	<u>\$ 47,870,342</u>

See accompanying notes to the financial statements.

Pacifica Housing Advisory Association

Statement of Financial Position

June 30, 2012

	Operating Funds						Total 2012
	General and Administrative Fund	Pacifica Housing Services Fund	Property Management Fund	Total Operating	Capital Asset Fund	Replacement Reserve Fund	
Liabilities							
Current							
Accrued mortgage interest	\$ -	\$ -	\$ 148,380	\$ 148,380	\$ -	\$ -	\$ 148,380
Accounts payable and accrued liabilities	549,242	36,098	-	585,340	-	-	585,340
Security deposits	4,466	-	325,683	330,149	-	-	330,149
Deferred revenue (Note 6)	1,389	122,086	554,114	677,589	-	-	677,589
Interim construction financing (Note 12)	-	-	-	-	653,876	-	653,876
Current portion of forgivable 2nd mortgages (Note 14)	-	-	-	-	36,800	-	36,800
Current portion of mortgages (Note 14)	-	-	-	-	3,036,108	-	3,036,108
Due to BCHMC	8,668	-	312,156	320,824	98,670	-	419,494
	<u>563,765</u>	<u>158,184</u>	<u>1,340,333</u>	<u>2,062,282</u>	<u>3,825,454</u>	<u>-</u>	<u>5,887,736</u>
Forgivable loans and mortgages (Note 14)	-	-	-	-	410,534	-	410,534
Mortgages (Note 14)	-	-	-	-	44,070,540	-	44,070,540
	<u>563,765</u>	<u>158,184</u>	<u>1,340,333</u>	<u>2,062,282</u>	<u>48,306,528</u>	<u>-</u>	<u>50,368,810</u>
Fund Balances							
Invested in capital assets	-	-	-	-	(7,585,263)	-	(7,585,263)
Externally restricted (Note 7)	-	1,298,004	17,525	1,315,529	21,023	2,892,614	4,229,166
Internally restricted	-	-	-	-	53,579	166,746	220,325
Unrestricted	551,367	-	85,937	637,304	-	-	637,304
	<u>551,367</u>	<u>1,298,004</u>	<u>103,462</u>	<u>1,952,833</u>	<u>(7,510,661)</u>	<u>3,059,360</u>	<u>(2,498,468)</u>
	<u>\$ 1,115,132</u>	<u>\$ 1,456,188</u>	<u>\$ 1,443,795</u>	<u>\$ 4,015,115</u>	<u>\$ 40,795,867</u>	<u>\$ 3,059,360</u>	<u>\$ 47,870,342</u>

Contingency (Note 8)

See accompanying notes to the financial statements.

Pacifica Housing Advisory Association

Statement of Financial Position

July 1, 2011

	Operating Funds						Total July 1 2011
	General and Administrative Fund	Pacifica Housing Services Fund	Property Management Fund	Total Operating	Capital Asset Fund	Replacement Reserve Fund	
Assets							
Current							
Cash and cash equivalents	\$ 1,359,869	\$ 608,860	\$ 39,458	\$ 2,008,187	\$ -	\$ -	\$ 2,008,187
Accounts receivable	44,338	29,309	-	73,647	-	-	73,647
Due from BCHMC	617,227	4,547	-	621,774	-	-	621,774
Interfund balances	(835,390)	153,564	772,369	90,543	364,561	(455,104)	-
Prepays	327,573	1,186	-	328,759	-	-	328,759
	<u>1,513,617</u>	<u>797,466</u>	<u>811,827</u>	<u>3,122,910</u>	<u>364,561</u>	<u>(455,104)</u>	<u>3,032,367</u>
Restricted cash and investments (Note 4)	-	-	282,414	282,414	598,550	3,368,519	4,249,483
Capital assets (Note 5)	-	-	-	-	40,797,427	-	40,797,427
	<u>\$ 1,513,617</u>	<u>\$ 797,466</u>	<u>\$ 1,094,241</u>	<u>\$ 3,405,324</u>	<u>\$ 41,760,538</u>	<u>\$ 2,913,415</u>	<u>\$ 48,079,277</u>

See accompanying notes to the financial statements.

Pacifica Housing Advisory Association

Statement of Financial Position

July 1, 2011

	Operating Funds				Capital Asset Fund	Replacement Reserve Fund	Total July 1 2011
	General and Administrative Fund	Pacifica Housing Services Fund	Property Management Fund	Total Operating			
Liabilities							
Current							
Accrued mortgage interest	\$ -	\$ -	\$ 153,477	\$ 153,477	\$ -	\$ -	\$ 153,477
Accounts payable and accrued liabilities	1,131,400	8,624	-	1,140,024	-	-	1,140,024
Security deposits	4,369	-	277,582	281,951	-	-	281,951
Deferred revenue (Note 6)	1,389	119,670	546,421	667,480	-	-	667,480
Current portion of forgivable 2nd mortgages (Note 14)	-	-	-	-	36,800	-	36,800
Current portion of mortgages (Note 14)	-	-	-	-	3,619,271	-	3,619,271
Due to BCHMC	-	-	142,537	142,537	1,104,037	-	1,246,574
	<u>1,137,158</u>	<u>128,294</u>	<u>1,120,017</u>	<u>2,385,469</u>	<u>4,760,108</u>	<u>-</u>	<u>7,145,577</u>
Forgivable loans and mortgages (Note 14)	-	-	-	-	446,667	-	446,667
Mortgages (Note 14)	-	-	-	-	44,136,645	-	44,136,645
	<u>1,137,158</u>	<u>128,294</u>	<u>1,120,017</u>	<u>2,385,469</u>	<u>49,343,420</u>	<u>-</u>	<u>51,728,889</u>
Fund Balances							
Invested in capital assets	-	-	-	-	(7,668,871)	-	(7,668,871)
Externally restricted (Note 7)	-	669,172	22,392	691,564	(80,661)	2,913,415	3,524,318
Internally restricted	-	-	-	-	166,650	-	166,650
Unrestricted	376,459	-	(48,168)	328,291	-	-	328,291
	<u>376,459</u>	<u>669,172</u>	<u>(25,776)</u>	<u>1,019,855</u>	<u>(7,582,882)</u>	<u>2,913,415</u>	<u>(3,649,612)</u>
	<u>\$ 1,513,617</u>	<u>\$ 797,466</u>	<u>\$ 1,094,241</u>	<u>\$ 3,405,324</u>	<u>\$ 41,760,538</u>	<u>\$ 2,913,415</u>	<u>\$ 48,079,277</u>

Contingency (Note 8)

See accompanying notes to the financial statements.

Pacifica Housing Advisory Association

Statement of Operations and Changes in Fund Balances

June 30, 2013

	Operating Funds						Total 2013
	General and Aministrative Fund	Pacifica Housing Services Fund	Property Management Fund	Total Operating	Capital Asset Fund	Replacement Reserve Fund	
Revenue							
BC Housing Management Commission							
Subsidies (Note 9)	\$ -	\$ 1,382,708	\$ 2,586,738	\$ 3,969,446	\$ -	\$ -	\$ 3,969,446
Special payments (Note 10)	-	-	9,112	9,112	6,284	-	15,396
Tenant rent contributions	-	-	5,405,939	5,405,939	-	-	5,405,939
Vancouver Island Health Authority	-	220,603	15,388	235,991	-	4,500	240,491
Greater Victoria Coalition to End Homelessness	-	117,910	-	117,910	-	-	117,910
Grants	62,500	240,330	-	302,830	66,432	-	369,262
Investment income (Note 4)	26,734	5,170	-	31,904	335	112,874	145,113
Unrealized loss (Note 4)	-	-	-	-	-	(184,232)	(184,232)
Sundry	71,911	75	37,844	109,830	-	-	109,830
Donations and fundraising	11,219	17,370	-	28,589	-	-	28,589
	<u>\$ 172,364</u>	<u>\$ 1,984,166</u>	<u>\$ 8,055,021</u>	<u>\$ 10,211,551</u>	<u>\$ 73,051</u>	<u>\$ (66,858)</u>	<u>\$ 10,217,744</u>

See accompanying notes to the financial statements.

Pacifica Housing Advisory Association

Statement of Operations and Changes in Fund Balances

June 30, 2013

	Operating Funds						Total 2013
	General and Administrative Fund	Pacifica Housing Services Fund	Property Management Fund	Total Operating	Capital Asset Fund	Replacement Reserve Fund	
Expenses							
Amortization of capital assets	\$ -	\$ -	\$ -	\$ -	\$ 2,420,190	\$ -	\$ 2,420,190
Bad debt expense, uncollected rent	-	-	7,620	7,620	-	-	7,620
Bad debt expense, unrecovered maintenance	-	-	28,662	28,662	-	-	28,662
Conferences	482	1,141	3,260	4,883	-	-	4,883
Consultants	12,720	-	-	12,720	-	-	12,720
HST/GST/PST	17,662	3,842	22,453	43,957	-	-	43,957
Insurance	764	-	146,424	147,188	-	-	147,188
Land lease	-	-	237,150	237,150	-	-	237,150
Maintenance materials and subcontracts	337,081	-	-	337,081	-	-	337,081
Maintenance service contracts	110	-	51,306	51,416	-	-	51,416
Market appraisals	-	-	-	-	-	-	-
Marketing	-	-	-	-	-	-	-
Mortgage interest	-	-	1,799,885	1,799,885	-	-	1,799,885
Office and miscellaneous	175,197	44,737	1,643	221,577	-	-	221,577
Professional fees	61,933	-	5,859	67,792	6,284	-	74,076
Program expenses	2,630	682,156	-	684,786	-	-	684,786
Property taxes	-	-	653,840	653,840	-	-	653,840
Utilities	8,660	-	875,694	884,354	-	-	884,354
Wages and benefits	857,282	1,478,269	-	2,335,551	-	-	2,335,551
	<u>1,474,521</u>	<u>2,210,145</u>	<u>3,833,796</u>	<u>7,518,462</u>	<u>2,426,474</u>	<u>-</u>	<u>9,944,936</u>
Excess (deficiency) of revenues over expenses	(1,302,157)	(225,979)	4,221,225	2,693,089	(2,353,423)	(66,858)	272,808
Repayable to BC Housing (Note 13)	-	-	(15,149)	(15,149)	-	-	(15,149)
Excess (deficiency) of revenues over expenses	<u>\$ (1,302,157)</u>	<u>\$ (225,979)</u>	<u>\$ 4,206,076</u>	<u>\$ 2,677,940</u>	<u>\$ (2,353,423)</u>	<u>\$ (66,858)</u>	<u>\$ 257,659</u>

See accompanying notes to the financial statements.

Pacifica Housing Advisory Association

Statement of Operations and Changes in Fund Balances

June 30, 2013

	Operating Funds						Total 2013
	General and Administrative Fund	Pacifica Housing Services Fund	Property Management Fund	Total Operating	Capital Asset Fund	Replacement Reserve Fund	
Interfund transfers							
For administration, maintenance and miscellaneous operating	\$ 1,674,648	\$ (166,800)	\$ (1,507,848)	\$ -	\$ -	\$ -	\$ -
For program expenses	-	270,696	(270,696)	-	-	-	-
For mortgage principal repayments	-	-	(1,947,528)	(1,947,528)	1,947,528	-	-
For replacement reserve	-	-	(456,732)	(456,732)	-	456,732	-
For rent and parking	(24,996)	(46,152)	71,148	-	-	-	-
For capital assets	(33,692)	(1,500)	(10,645)	(45,837)	962,496	(916,659)	-
	<u>1,615,960</u>	<u>56,244</u>	<u>(4,122,301)</u>	<u>(2,450,097)</u>	<u>2,910,024</u>	<u>(459,927)</u>	<u>-</u>
Excess (deficiency) of revenues over expenses	<u>(1,302,157)</u>	<u>(225,979)</u>	<u>4,206,076</u>	<u>2,677,940</u>	<u>(2,353,423)</u>	<u>(66,858)</u>	<u>257,659</u>
Net result of current year operations	313,803	(169,735)	83,775	227,843	556,601	(526,785)	257,659
Fund balances (deficiency), beginning	551,367	1,298,004	103,462	1,952,833	(7,510,661)	3,059,360	(2,498,468)
Acquired from prior building owner	-	-	-	-	-	7,500	7,500
Fund balances (deficiency), ending	<u>\$ 865,170</u>	<u>\$ 1,128,269</u>	<u>\$ 187,237</u>	<u>\$ 2,180,676</u>	<u>\$ (6,954,060)</u>	<u>\$ 2,540,075</u>	<u>\$ (2,233,309)</u>

See accompanying notes to the financial statements.

Pacifica Housing Advisory Association

Statement of Operations and Changes in Fund Balances

June 30, 2012

	Operating Funds						Total 2012
	General and Administrative Fund	Pacifica Housing Services Fund	Property Management Fund	Total Operating	Capital Asset Fund	Replacement Reserve Fund	
Revenue							
BC Housing Management Commission							
Subsidies (Note 9)	\$ -	\$ 1,314,140	\$ 2,600,354	\$ 3,914,494	\$ -	\$ -	\$ 3,914,494
Special payments (Note 10)	39,800	-	6,563	46,363	-	-	46,363
Tenant rent contributions	-	-	5,019,175	5,019,175	-	-	5,019,175
Vancouver Island Health Authority	-	217,995	12,653	230,648	-	-	230,648
Greater Victoria Coalition to End Homelessness	-	532,410	-	532,410	-	-	532,410
Grants	1,500	335,010	-	336,510	38,133	-	374,643
Investment income (Note 4)	20,840	7,551	-	28,391	(10,161)	108,142	126,372
Unrealized gains (Note 4)	-	-	-	-	-	155,530	155,530
Sundry	53,322	-	27,630	80,952	(1,226)	-	79,726
Donations and fundraising	7,115	5,004	5,687	17,806	-	-	17,806
	<u>\$ 122,577</u>	<u>\$ 2,412,110</u>	<u>\$ 7,672,062</u>	<u>\$ 10,206,749</u>	<u>\$ 26,746</u>	<u>\$ 263,672</u>	<u>\$ 10,497,167</u>

See accompanying notes to the financial statements.

Pacifica Housing Advisory Association

Statement of Operations and Changes in Fund Balances

June 30, 2012

	Operating Funds						Total 2012
	General and Administrative Fund	Pacifica Housing Services Fund	Property Management Fund	Total Operating	Capital Asset Fund	Replacement Reserve Fund	
Expenses							
Amortization of capital assets	\$ -	\$ -	\$ -	\$ -	\$ 2,269,140	\$ -	\$ 2,269,140
Bad debt expense, uncollected rent	-	-	10,187	10,187	-	-	10,187
Bad debt expense, unrecovered maintenance	50	-	7,887	7,937	-	-	7,937
Conferences	-	163	3,450	3,613	-	-	3,613
Consultants	-	-	-	-	2,000	-	2,000
HST/GST/PST	2,973	1,862	24,825	29,660	-	-	29,660
Insurance	775	-	127,184	127,959	-	-	127,959
Land lease	-	-	237,150	237,150	-	-	237,150
Maintenance materials and subcontracts	198,662	-	115,741	314,403	-	-	314,403
Maintenance service contracts	-	-	47,556	47,556	-	-	47,556
Market appraisals	-	-	2,700	2,700	-	-	2,700
Marketing	-	-	70	70	-	-	70
Mortgage interest	-	-	1,784,315	1,784,315	-	-	1,784,315
Office and miscellaneous	205,183	38,304	9,244	252,731	-	-	252,731
Professional fees	9,111	-	47,547	56,658	-	-	56,658
Program expenses	-	558,491	-	558,491	-	-	558,491
Property taxes	-	-	558,822	558,822	-	-	558,822
Refund of security deposits collected by previous operator	-	-	2,329	2,329	-	-	2,329
Utilities	-	-	803,705	803,705	-	-	803,705
Wages and benefits	884,156	1,255,882	-	2,140,038	-	-	2,140,038
	<u>1,300,910</u>	<u>1,854,702</u>	<u>3,782,712</u>	<u>6,938,324</u>	<u>2,271,140</u>	<u>-</u>	<u>9,209,464</u>
Excess (deficiency) of revenues over expenses	(1,178,333)	557,408	3,889,350	3,268,425	(2,244,394)	263,672	1,287,703
Repayable to BC Housing (Note 13)	-	-	(169,621)	(169,621)	-	-	(169,621)
Excess (deficiency) of revenues over expenses	<u>\$ (1,178,333)</u>	<u>\$ 557,408</u>	<u>\$ 3,719,729</u>	<u>\$ 3,098,804</u>	<u>\$ (2,244,394)</u>	<u>\$ 263,672</u>	<u>\$ 1,118,082</u>

See accompanying notes to the financial statements.

Pacifica Housing Advisory Association

Statement of Operations and Changes in Fund Balances

June 30, 2012

	Operating Funds						Total 2012
	General and Administrative Fund	Pacifica Housing Services Fund	Property Management Fund	Total Operating	Capital Asset Fund	Replacement Reserve Fund	
Interfund transfers							
For administration, maintenance and miscellaneous operating	\$ 1,383,371	\$ (153,107)	\$ (1,230,264)	\$ -	\$ -	\$ -	\$ -
For program expenses	-	270,685	(270,685)	-	-	-	-
For mortgage principal repayments	-	-	(1,725,773)	(1,725,773)	1,725,773	-	-
For replacement reserve	-	-	(424,278)	(424,278)	-	424,278	-
For rent and parking	(25,000)	(46,154)	71,154	-	-	-	-
For capital assets	(5,130)	-	(10,645)	(15,775)	590,842	(575,067)	-
	<u>1,353,241</u>	<u>71,424</u>	<u>(3,590,491)</u>	<u>(2,165,826)</u>	<u>2,316,615</u>	<u>(150,789)</u>	<u>-</u>
Excess (deficiency) of revenues over expenses	<u>(1,178,333)</u>	<u>557,408</u>	<u>3,719,729</u>	<u>3,098,804</u>	<u>(2,244,394)</u>	<u>263,672</u>	<u>1,118,082</u>
Net result of current year operations	174,908	628,832	129,238	932,978	72,221	112,883	1,118,082
Fund balances (deficiency), beginning	376,459	669,172	(25,776)	1,019,855	(7,582,882)	2,913,415	(3,649,612)
Acquired from prior building owner	-	-	-	-	-	33,062	33,062
Fund balances (deficiency), ending	<u>\$ 551,367</u>	<u>\$ 1,298,004</u>	<u>\$ 103,462</u>	<u>\$ 1,952,833</u>	<u>\$ (7,510,661)</u>	<u>\$ 3,059,360</u>	<u>\$ (2,498,468)</u>

See accompanying notes to the financial statements.

Pacifica Housing Advisory Association

Statement of Cash Flows

June 30, 2013

	Operating Activities				Financing and Investing Activities				
	General and Administrative Fund	Pacifica Housing Services Fund	Property Management Fund	Total 2013	Total 2012	Capital Asset Fund	Replacement Reserve Fund	Total 2013	Total 2012
Sources of cash									
BCHMC	\$ -	\$ 1,408,085	\$ 2,539,260	\$ 3,947,345	\$ 3,975,508	\$ 6,284	\$ -	\$ 6,284	\$ -
Tenant rent contributions	-	-	5,202,725	5,202,725	5,029,293	-	-	-	-
Other contracts/grants	62,500	578,843	4,743	646,086	1,089,066	30,338	-	30,338	-
Investing activities	25,962	5,170	37,844	68,976	28,488	335	-	335	-
Donations	11,219	17,370	-	28,589	18,193	-	-	-	-
Other receipts	71,911	75	(6,566)	65,420	80,952	-	4,500	4,500	3,000
Financing activities	-	-	-	-	625,895	1,953,161	-	1,953,161	1,194,007
	<u>171,592</u>	<u>2,009,543</u>	<u>7,778,006</u>	<u>9,959,141</u>	<u>10,847,395</u>	<u>1,990,118</u>	<u>4,500</u>	<u>1,994,618</u>	<u>1,197,007</u>
Uses of cash									
Payments for operating expenses									
Salaries and benefits	(851,617)	(1,470,118)	-	(2,321,735)	(2,135,946)	-	-	-	-
Materials and services	(1,265,177)	(684,147)	(1,964,794)	(3,914,118)	(3,244,564)	(6,284)	-	(6,284)	(2,000)
Security deposits	-	-	227	227	365	-	-	-	-
Mortgage interest	-	-	(1,797,469)	(1,797,469)	(1,789,412)	-	-	-	-
Mortgage principal	-	-	-	-	-	(1,796,923)	-	(1,796,923)	(1,708,894)
Capital assets acquired	-	-	-	-	-	(3,096,935)	-	(3,096,935)	(1,821,504)
	<u>(2,116,794)</u>	<u>(2,154,265)</u>	<u>(3,762,036)</u>	<u>(8,033,095)</u>	<u>(7,169,557)</u>	<u>(4,900,142)</u>	<u>-</u>	<u>(4,900,142)</u>	<u>(3,532,398)</u>
Net increase (decrease) in cash and cash equivalents	<u>(1,945,202)</u>	<u>(144,722)</u>	<u>4,015,970</u>	<u>1,926,046</u>	<u>3,677,838</u>	<u>(2,910,024)</u>	<u>4,500</u>	<u>(2,905,524)</u>	<u>(2,335,391)</u>
Cash and investments, beginning	<u>2,041,454</u>	<u>1,240,959</u>	<u>50,900</u>	<u>3,333,313</u>	<u>2,008,187</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Interfund transfers									
For administration and maintenance	1,674,648	(166,800)	(1,507,848)	-	-	-	-	-	-
For program expenses	-	270,696	(270,696)	-	-	-	-	-	-
Repayment of mortgage principal	-	-	(1,947,528)	(1,947,528)	(1,725,773)	1,947,528	-	1,947,528	1,725,773
For capital assets	(33,692)	(1,500)	(10,645)	(45,837)	(15,775)	962,496	(879,218)	83,278	15,776
Replacement reserve provision	-	-	(456,732)	(456,732)	(424,278)	-	456,732	456,732	424,278
Rent and parking	(24,996)	(46,152)	71,148	-	-	-	-	-	-
To fund current activities	509,717	(968,788)	55,431	(403,640)	(186,886)	-	417,986	417,986	169,564
	<u>2,125,677</u>	<u>(912,544)</u>	<u>(4,066,870)</u>	<u>(2,853,737)</u>	<u>(2,352,712)</u>	<u>2,910,024</u>	<u>(4,500)</u>	<u>2,905,524</u>	<u>2,335,391</u>
Cash and investments, ending	\$ <u>2,221,929</u>	\$ <u>183,693</u>	\$ <u>-</u>	\$ <u>2,405,622</u>	\$ <u>3,333,313</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

See accompanying notes to the financial statements.

Pacifica Housing Advisory Association

Statement of Changes in Replacement Reserve Fund

June 30, 2013

Project	Alderbrae	Bethune	Briarwood	Camas Gardens	Centre Court	Clover Place	Colwood Lakes	Fieldcrest	Georgian Apts	Hawthorne	Hidden Creek
Fund balance, beginning	\$ 268,221	\$ 145,283	\$ 172,522	\$ 41,151	\$ 86,635	\$ 18,138	\$ 37,268	\$ 42,964	\$ 479	\$ (16,005)	\$ 21,875
VIHA	-	-	-	-	-	-	-	-	-	-	-
Acquisition from previous owner	-	-	-	-	-	-	-	-	-	-	-
Investment income	9,906	5,366	6,371	1,520	3,199	670	1,371	1,587	17	(591)	806
Unrealized gains (loss)	(16,154)	(8,750)	(10,390)	(2,478)	(5,218)	(1,093)	(2,244)	(2,588)	(28)	964	(1,317)
Transfer from operating fund	24,732	25,572	10,884	31,680	7,452	12,960	21,624	6,768	-	-	11,688
Transfer to capital asset fund for asset replacement (details below)	<u>(32,814)</u>	<u>(25,518)</u>	<u>(42,854)</u>	<u>(3,461)</u>	<u>(7,333)</u>	<u>(3,373)</u>	<u>(56,265)</u>	<u>(12,620)</u>	-	<u>(23,029)</u>	<u>(44,707)</u>
Fund balance, ending	\$ <u>253,891</u>	\$ <u>141,953</u>	\$ <u>136,533</u>	\$ <u>68,412</u>	\$ <u>84,735</u>	\$ <u>27,302</u>	\$ <u>1,754</u>	\$ <u>36,111</u>	\$ <u>468</u>	\$ <u>(38,661)</u>	\$ <u>(11,655)</u>
Capital asset replacements for the year											
Appliances	\$ -	\$ 384	\$ 2,124	\$ 718	\$ 448	\$ 597	\$ 5,614	\$ 518	\$ -	\$ 405	\$ 3,574
Flooring	13,802	6,961	11,975	-	2,275	-	25,826	4,963	-	11,325	14,462
Heating	2,461	2,037	1,427	-	1,374	-	3,971	780	-	675	2,881
Interior structure	-	2,501	3,094	-	-	-	1,981	-	-	600	1,200
Painting	15,891	5,229	20,649	2,392	3,236	2,776	16,719	5,134	-	8,930	22,229
Roofing	-	5,902	-	-	-	-	-	-	-	-	-
Window coverings	660	469	1,018	351	-	-	2,154	156	-	1,094	361
Other	-	2,035	2,567	-	-	-	-	1,069	-	-	-
	\$ <u>32,814</u>	\$ <u>25,518</u>	\$ <u>42,854</u>	\$ <u>3,461</u>	\$ <u>7,333</u>	\$ <u>3,373</u>	\$ <u>56,265</u>	\$ <u>12,620</u>	\$ <u>-</u>	\$ <u>23,029</u>	\$ <u>44,707</u>

See accompanying notes to the financial statements.

Pacifica Housing Advisory Association

Statement of Changes in Replacement Reserve Fund

June 30, 2013

Project	Kew Court	Langham	Larchwood	Manchester	Meaford	Medewiwin	Millerwood	Oak Grove	Oak Park	Pacific Court
Fund balance, beginning	\$ 334,953	\$ 163,641	\$ 160,709	\$ 236,094	\$ 131,398	\$ 166,037	\$ 25,130	\$ -	\$ 216,926	\$ 118,085
VIHA	-	-	-	-	-	-	-	-	-	-
Acquisition from previous owner	-	-	-	-	-	-	-	7,500	-	-
Investment income	12,339	6,043	5,920	8,719	4,852	6,132	928	-	8,011	4,361
Unrealized gains	(20,174)	(9,855)	(9,679)	(14,219)	(7,914)	(10,000)	(1,513)	-	(13,065)	(7,112)
Transfer from operating fund	29,016	9,684	-	25,092	-	18,468	-	16,608	22,800	21,264
Transfer to capital asset fund for asset replacement (details below)	<u>(144,550)</u>	<u>(30,019)</u>	<u>(16,343)</u>	<u>(36,331)</u>	<u>(3,460)</u>	<u>(8,666)</u>	<u>(9,337)</u>	<u>(31,942)</u>	<u>(54,809)</u>	<u>(43,369)</u>
Fund balance, ending	\$ <u>211,584</u>	\$ <u>139,494</u>	\$ <u>140,607</u>	\$ <u>219,355</u>	\$ <u>124,876</u>	\$ <u>171,971</u>	\$ <u>15,208</u>	\$ <u>(7,834)</u>	\$ <u>179,863</u>	\$ <u>93,229</u>

Capital asset replacements for the year

Appliances	\$ 461	\$ 3,496	\$ 1,884	\$ 2,009	\$ -	\$ 798	\$ 1,398	\$ 598	\$ 873	\$ 4,396
Flooring	15,628	12,935	8,517	19,872	-	3,691	-	15,355	27,527	9,928
Heating	1,441	1,600	2,210	2,025	-	-	1,350	2,619	675	5,779
Interior structure	-	-	-	600	-	-	-	600	2,667	3,440
Painting	125,708	11,447	3,548	10,233	3,460	4,177	6,336	11,765	21,119	19,429
Roofing	-	-	-	-	-	-	-	-	-	-
Window coverings	112	541	184	1,030	-	-	253	1,005	1,948	397
Other	1,200	-	-	562	-	-	-	-	-	-
	\$ <u>144,550</u>	\$ <u>30,019</u>	\$ <u>16,343</u>	\$ <u>36,331</u>	\$ <u>3,460</u>	\$ <u>8,666</u>	\$ <u>9,337</u>	\$ <u>31,942</u>	\$ <u>54,809</u>	\$ <u>43,369</u>

See accompanying notes to the financial statements.

Pacifica Housing Advisory Association

Statement of Changes in Replacement Reserve Fund

June 30, 2013

Project	Pear Tree	Riverbend	Rivergate	Rudd Park	Seawind	Tamarack	The Pacifica	The Wing	Total 2013	Total 2012
Fund balance, beginning	\$ 22,701	\$ 173,227	\$ 30,647	\$ 162,144	\$ 91,849	\$ 59,159	\$ 44,185	\$ 103,944	\$ 3,059,360	\$ 2,913,415
VIHA	-	-	-	-	-	-	4,500	-	4,500	-
Acquisition from previous owner	-	-	-	-	-	-	-	-	7,500	33,062
Investment income	838	6,398	1,132	5,988	3,392	2,179	1,626	3,813	112,893	108,142
Unrealized gains	(1,367)	(10,433)	(1,846)	(9,765)	(5,532)	(3,563)	(2,661)	(6,257)	(184,251)	155,530
Transfer from operating fund	11,580	10,560	13,044	18,828	8,904	32,460	18,000	47,064	456,732	424,278
Transfer to capital asset fund for asset replacement (details below)	(1,726)	(24,885)	(29,204)	(43,251)	(8,237)	(55,342)	(29,889)	(93,325)	(916,659)	(575,067)
Fund balance, ending	\$ 32,026	\$ 154,867	\$ 13,773	\$ 133,944	\$ 90,376	\$ 34,893	\$ 35,761	\$ 55,239	\$ 2,540,075	\$ 3,059,360
Capital asset replacements for the year										
Appliances	\$ 1,051	\$ 1,006	\$ 2,024	\$ 2,129	\$ 966	\$ 2,477	\$ 4,180	\$ -	\$ 44,128	\$ 37,486
Flooring	-	12,138	7,148	23,961	432	23,552	15,626	40,271	328,170	239,440
Heating	675	2,506	675	2,037	777	5,320	125	-	45,420	37,238
Interior structure	-	737	1,693	2,374	600	-	-	-	22,087	13,576
Painting	-	8,498	17,425	12,065	5,385	22,574	8,636	51,847	446,837	227,030
Roofing	-	-	-	-	-	-	-	-	5,902	-
Window coverings	-	-	239	685	77	1,419	1,322	1,207	16,682	20,297
Other	-	-	-	-	-	-	-	-	7,433	-
	\$ 1,726	\$ 24,885	\$ 29,204	\$ 43,251	\$ 8,237	\$ 55,342	\$ 29,889	\$ 93,325	\$ 916,659	\$ 575,067

See accompanying notes to the financial statements.

Pacifica Housing Advisory Association

Notes to the Financial Statements

June 30, 2013

1. Purpose of the organization

Pacifica Housing Advisory Association (the "Association") is incorporated under the British Columbia Society Act as a not-for-profit organization and is non-taxable under Section 149 of the Income Tax Act. Its principal activity is the provision of low cost rental accommodation. Its activities are subsidized by the British Columbia Housing Management Commission ("BCHMC") and other governmental agencies.

2. Summary of significant accounting policies

Basis of presentation

The Association has elected to apply the standards of Part III of the CICA Accounting Handbook in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO").

Fund accounting

The Association follows the restricted fund method of accounting for contributions. The Association records its activities in the following funds:

The General and Administrative Fund accounts for the Association's fundraising and membership activities and provides maintenance and administrative services to the Property Management Fund and administrative services to the Pacifica Housing Services Fund.

The Pacifica Housing Services Fund accounts for the activities of Pacifica Housing Services, a division of the Association that provides outreach and support services to difficult to house individuals.

The Property Management Fund reports restricted operating grants, revenues and expenses related to the Association's subsidized housing and other rental activities.

The Capital Asset Fund reflects the ownership and equity related to the Association's capital assets used for subsidized housing and other activities.

In accordance with the provisions of the agreements with BCHMC, a Replacement Reserve Fund has been established for certain buildings to pay for capital replacement. The provisions are charged annually to rental operations. Funds supporting this reserve are invested separately from the Association's other funds.

Pacifica Housing Advisory Association

Notes to the Financial Statements

June 30, 2013

2. Summary of significant accounting policies (continued)

Revenue recognition

Contributions received from BCHMC for mortgage principal payments are initially recorded in the Property Management Fund and are subsequently reported as an interfund transfer as appropriate.

Rent received from tenants is recorded as revenue in the Property Management Fund when housing has been provided for the period recognized.

Other BCHMC contributions are recognized monthly as due.

Restricted revenue related to general operations is recognized as revenue of the operating funds in the year in which the related expenses are incurred. All other restricted revenues are recognized as revenue of the appropriate restricted fund. Unrestricted revenues are recognized as revenue of the appropriate operating fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income earned on the replacement reserve balance is recognized as revenue in the Replacement Reserve Fund in the period in which the income is earned.

Interest earned on funds held in trust for repayment of the mortgage principal is recognized as revenue in the Capital Fund in the period in which the income is earned.

Donations-in-kind

The Association records donated materials, services and facilities in those cases where:

- the Association controls the way they are used;
- there is a measurable basis for arriving at fair value; and
- the services are essential services, which would normally be purchased and paid for if not donated.

The Association would not be able to carry out its activities without the services of the many volunteers who donate a considerable number of hours. Because of the difficulty of compiling and valuing these hours, contributed services are not recognized in the financial statements.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks, and short-term deposits with original maturities of three months or less.

Pacifica Housing Advisory Association

Notes to the Financial Statements

June 30, 2013

2. Summary of significant accounting policies (continued)

Land leases, buildings and fixtures, modernizations and improvements

Land leases, buildings and fixtures, modernizations and improvements are stated at cost. Amortization is provided on the straight-line basis at the following rates:

Land leases	lease term
Buildings	35 years
Fixtures, modernizations and improvements	5 years

Land leases currently held are for a term of 60 years except for the lease on Medewiwin Apartments, which is for a term of 35 years.

Interest on construction financing

Interest accrued on construction financing is capitalized to the cost of the project.

Furniture, equipment and vehicles

Furniture, equipment and vehicles are stated at cost. Amortization is provided on the declining balance basis at the following annual rates:

Furniture and equipment	20%
Computers	30%
Vehicles	30%

Mortgage principal repayments

The amount of principal repaid during the year on long-term debt is charged to property management operations and is reported as an interfund transfer to the capital fund on the statement of changes in fund balances. The mortgage interest payment due in the month following the year-end is accrued at year-end.

Pacifica Housing Advisory Association

Notes to the Financial Statements

June 30, 2013

2. Summary of significant accounting policies (continued)

Administration and maintenance fees

The General and Administrative Fund incurs the costs of maintenance and administration of the subsidized housing projects. This fund recovers these costs from each rental building on a standard fee per rental unit basis, which is negotiated annually with BCHMC.

The General and Administrative Fund incurs the costs of administering the activities of the Pacifica Housing Services Fund and recovers these costs at the negotiated contract rates.

Financial instruments

Initial measurement

The Association's financial instruments are measured at fair value when issued or acquired. For financial instruments subsequently measured at cost or amortized cost, fair value is adjusted by the amount of the related financing fees and transaction costs. Transaction costs and financing fees relating to financial instruments that are measured subsequently at fair value are recognized in operations in the year in which they are incurred.

Subsequent measurement

At each reporting date, the Association measures its financial assets and liabilities at cost or amortized cost (less impairment in the case of financial assets), except for equities quoted in an active market, which must be measured at fair value. All changes in fair value of the Association's investments in bonds are recorded in the statement of operations. The financial instruments measured at amortized cost are cash and cash equivalents, accounts receivable, grants receivable, accounts payable and long-term debt.

For financial assets measured at cost or amortized cost, the Association assesses whether there are any indications of impairment at the end of each reporting period. If there is an indication of impairment, and the Association determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the statement of operations. Any reversals of previously recognized impairment losses are recognized in operations in the year the reversal occurs.

Long-lived assets

The Association regularly reviews the carrying value of long-lived assets and continually makes estimates regarding future cash flows and other factors to determine the fair value of the respective assets. If these estimates or their related assumptions change in the future, the Association may be required to record impairment charges for these assets if the revised estimates are less than the carrying value.

Pacifica Housing Advisory Association

Notes to the Financial Statements

June 30, 2013

2. Summary of significant accounting policies (continued)

Use of estimates

In preparing the Association's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the period. These estimates include, but are not limited to, the collectability of receivables, the accrual of liabilities, and the useful life of capital assets used to calculate amortization. Actual results could differ from these estimates.

3. Impact of the change in the basis of accounting

The Association has elected to apply the standards of Part III of the CICA Accounting Handbook in accordance with Canadian generally accepted accounting principles for not-for-profit organizations.

These financial statements are the first financial statements for which the entity has applied Canadian generally accepted accounting standards for not-for-profit organizations hereafter referred to as "ASNPO". The financial statements for the year ended June 30, 2013 were prepared in accordance with the accounting principles and provisions set out in FIRST-TIME ADOPTION, Section 1501, for first time adopters of this basis of accounting.

On transition to ASNPO the Association has not made any adjustments to net assets for prior years.

4. Restricted cash and investments

Property Management Fund

Security deposits and accrued interest are set aside as restricted cash and investments.

Capital Asset Fund

This balance represents mortgage funding incurred in excess of project requirements. These funds are held by BCHMC and are credited to the externally restricted fund balance. On the mortgage renewal date for each respective project, accumulated funds are used to pay down outstanding liabilities. The amounts for each project are as follows:

	<u>2013</u>	<u>2012</u>	<u>July 1 2011</u>
Medewiwin	\$ -	\$ 79,510	\$ 78,688
The Wing	-	-	519,862
	<u>\$ -</u>	<u>\$ 79,510</u>	<u>\$ 598,550</u>

Pacifica Housing Advisory Association

Notes to the Financial Statements

June 30, 2013

4. Restricted cash and investments (continued)

Replacement Reserve Fund

Under the terms of the operating agreements with BCHMC, the Replacement Reserve accounts of certain rental buildings are credited in the amount determined by the budget provision per annum plus investment income earned. These funds, along with the accumulated investment income, are held in separate bank and brokerage accounts and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or the Credit Union Deposit Insurance Corporation; guaranteed by a Canadian Government; or other investments as permitted by BCHMC.

At the 2013 fiscal year end, the replacement reserve was funded and maintained in accordance with the operating agreements and all investment income accruing to the fund has been recorded.

The restricted cash and investments in the Replacement Reserve Fund are recorded at amortized cost and fair market value respectively and consist of:

	<u>2013</u>	<u>2012</u>	<u>July 1 2011</u>
Cash	\$ 307,574	\$ 357,059	\$ 425,150
Investments	<u>3,249,361</u>	<u>3,273,207</u>	<u>2,943,369</u>
	<u>\$ 3,556,935</u>	<u>\$ 3,630,266</u>	<u>\$ 3,368,519</u>

The market values of interest bearing investments change as a result of market interest rate fluctuations.

The investments bear interest from 1.50% to 5.69% and have maturity dates at various intervals from 1 month to 24 years.

Investments at the year-end are comprised of:

	<u>2013</u>
Government of Canada, provincial and municipal finance bonds	\$ 2,489,789
Canadian Chartered Banks, subordinated debentures	<u>759,572</u>
	<u>\$ 3,249,361</u>

Investment income includes unrealized gains (losses) related to measuring the investments at the market value as at June 30, 2013. The total unrealized loss included in investment income for the year ended June 30, 2013 is \$184,232 (2012: gain of \$155,530). Investment management fees of \$22,615 (2012: \$22,044) have been netted against investment income.

Pacifica Housing Advisory Association

Notes to the Financial Statements

June 30, 2013

5. Capital assets

			<u>2013</u>	<u>2012</u>	<u>July 1 2011</u>
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net book value</u>	<u>Net book value</u>	<u>Net book value</u>
Land	\$ 2,067,665	\$ -	\$ 2,067,665	\$ 2,067,665	\$ 1,496,485
Land leases	9,900,953	2,745,039	7,155,914	6,926,462	7,109,411
Buildings	54,970,508	24,994,785	29,975,723	30,081,246	30,972,099
Building under development	471,839	-	471,839	75,349	-
Fixtures, modernizations, and improvements	7,333,877	5,859,288	1,474,589	1,198,198	1,198,255
Furniture, equipment and vehicles	<u>181,216</u>	<u>139,600</u>	<u>41,616</u>	<u>19,651</u>	<u>21,177</u>
	<u>\$ 74,926,058</u>	<u>\$ 33,738,712</u>	<u>\$ 41,187,346</u>	<u>\$ 40,368,571</u>	<u>\$ 40,797,427</u>

Leases have been negotiated with the Province of British Columbia for the land utilized by twenty-four of the rental projects owned by the Association. All are for 60 years, except the lease for Medewiwin, which is 35 years. The values of these leases for twenty of the projects have been paid in full with funds advanced during completion of the projects. The other three rental projects make monthly lease payments, to be adjusted every twenty years. The annual total costs for each of these projects are:

Centre Court	\$ 33,660
Manchester Corners	115,200
Rudd Park	<u>88,290</u>
	<u>\$ 237,150</u>

The next adjustment date is 2027.

Oak Grove acquisition

On July 1, 2012, the Association purchased, as a going concern, all the property, assets and undertakings related to Oak Grove, a 27 unit leasehold rental housing project located in Duncan, BC. In exchange, it assumed all of the vendor's debts related to the property and its responsibilities under a Non Profit Society Operating agreement with BCHMC.

Pacifica Housing Advisory Association

Notes to the Financial Statements

June 30, 2013

5. Capital assets (continued)

As a result, the Association assumed debts of \$1,772,346. Of this amount, \$286,486 is in the form of a forgivable loan from BCHMC. The assets associated with the purchase have been recorded in the 2013 fiscal year at \$1,758,492. The transaction was recorded as follows:

Building	\$	1,370,492
Land lease		388,000
Prepaid property taxes		<u>13,854</u>
	\$	<u>1,772,346</u>
Mortgage payable	\$	1,485,860
Forgivable second mortgage		<u>286,486</u>
	\$	<u>1,772,346</u>

Wilson project

During fiscal 2010, the Association completed a partially constructed building on land located on Wilson Street in Victoria, BC to provide 51 units for lower end market housing. A 60 year lease over the land was negotiated with the Province of British Columbia. Interim construction financing was provided by BCHMC. The project opened April, 2010, under the name the Wing.

During fiscal 2011, first mortgage financing of \$7,784,530 was obtained. During 2012, additional project costs of \$23,006 were incurred. There were no additional costs incurred during the period. As at June 30, 2013, there is a balance owing to BCHMC of \$594,164. This amount will be partially settled through a \$300,000 forgivable loan.

Uplands project

During fiscal 2012, the Association began development of a supportive housing complex on Uplands Drive in Nanaimo, BC to provide 33 units for housing previously homeless individuals. Interim construction financing was provided by BCHMC. The project is anticipated to open in September 2014, under the name Uplands Walk.

During fiscal 2012, project costs of \$75,349 were incurred. During fiscal 2013, project costs of \$396,490 were incurred. As at June 30, 2013, there is a balance owing to BCHMC of \$406,760.

Pacifica Housing Advisory Association

Notes to the Financial Statements

June 30, 2013

6. Deferred revenue

Deferred revenue includes rent subsidies received in advance and certain grants for which corresponding expenditures have not yet been incurred.

	<u>2013</u>	<u>2012</u>
Balance, July 1	\$ 677,589	\$ 667,480
Recognized as revenue in the year	<u>(643,651)</u>	<u>(642,140)</u>
	33,938	25,340
Subsequent month payments from BCHMC	355,688	317,290
Contract revenue, other	<u>128,271</u>	<u>334,959</u>
Balance, June 30	<u>\$ 517,897</u>	<u>\$ 677,589</u>

7. Externally restricted fund balances

Major categories of externally imposed restrictions on fund balances are as follows:

	<u>2013</u>	<u>2012</u>	<u>July 1 2011</u>
Restricted by other contracts	\$ 1,146,259	\$ 1,319,014	\$ 695,050
Restricted for payment of mortgage at maturity	-	17,538	27,698
Restricted for capital items	<u>2,421,314</u>	<u>2,892,614</u>	<u>2,801,570</u>
	<u>\$ 3,567,573</u>	<u>\$ 4,229,166</u>	<u>\$ 3,524,318</u>

The externally restricted fund balance in the property management fund is comprised of accumulated operating surpluses from specific properties. Deficits are accounted for as unrestricted amounts in the property management fund.

Pacifica Housing Advisory Association

Notes to the Financial Statements

June 30, 2013

8. Contingency

Non-rent-geared-to-income

The cumulative non-Rent-Geared-to-Income (non-RGI) assistance of \$2,264,348 (2012: \$2,240,620, 2011: \$2,192,280) is repayable to BCHMC in the event that the total non-RGI tenant rent contribution in any year exceeds the economic rent of the suites occupied by non-RGI tenants. The Association may be required to commence repayment of the cumulative non-RGI assistance on the first day of the following fiscal year.

If repayable, the balance would bear interest at bank prime and the required monthly payments would be set annually, based upon the amount by which non-RGI tenant rent contribution exceeded economic rent for these suites in the prior year.

	<u>2013</u>	<u>2012</u>
Repayable assistance		
Balance, July 1	\$ 2,240,620	\$ 2,192,280
Additions in current year	<u>23,728</u>	<u>48,340</u>
Balance, June 30	<u>\$ 2,264,348</u>	<u>\$ 2,240,620</u>

9. Rent subsidy assistance payments

The subsidized housing projects in the Property Management Fund have received subsidy assistance from the BCHMC, on behalf of Canada Mortgage and Housing Corporation and the Province of BC, except for the Homes BC projects. The Homes BC projects of Hidden Creek, Kew Court, Larchwood, Tamarack Close and Medewiwin Apartments received a total of \$618,521 (2012: \$639,478) from BCHMC on behalf of the Provincial Government, to enable the projects to provide housing to low income individuals. Assistance for each unit is based on the economic rent, as determined by BCHMC, less rent received from the tenants.

Pacifica Housing Advisory Association

Notes to the Financial Statements

June 30, 2013

10. Special payments

The BCHMC has provided the following special and modernization and improvement payments:

	<u>2013</u>	<u>2012</u>
General and Administrative Fund		
Payment for property management software	-	39,800
	<u>-</u>	<u>39,800</u>
Property Management Fund		
Legal cost assistance	5,859	-
Maintenance cost assistance	3,253	6,563
	<u>9,112</u>	<u>6,563</u>
Capital Fund		
Legal cost assistance	6,284	-
	<u>6,284</u>	<u>-</u>
	<u>\$ 15,396</u>	<u>\$ 46,363</u>

11. Repayable building envelope funding

The BCHMC has provided funding for building envelope repairs that are repayable from proceeds of litigation, if any, as follows:

	<u>2013</u>	<u>2012</u>
Balance, July 1	\$ 3,024,152	\$ 3,024,152
Balance, June 30	<u>\$ 3,024,152</u>	<u>\$ 3,024,152</u>

Pacifica Housing Advisory Association

Notes to the Financial Statements

June 30, 2013

12. Interim construction financing

The Association receives interim financing from BCHMC for the development of new housing projects. The amounts bear interest and have no fixed terms of repayment.

	<u>2013</u>	<u>2012</u>
Balance, July 1	\$ 653,876	\$ 1,104,037
Funding Received		
Uplands	347,048	59,712
Wilson Street	-	23,006
	<u>1,000,924</u>	<u>1,186,755</u>
Repayments from		
Long term debt proceeds	-	532,879
	<u>-</u>	<u>532,879</u>
Balance, June 30	<u>\$ 1,000,924</u>	<u>\$ 653,876</u>

13. Repayable to BC Housing

BCHMC conducts an annual review of the financial statements. The operating surplus or deficit for any project under the Non-Profit Social Housing and the Homes BC Homeless at Risk programs is repayable to, or receivable from, BCHMC. This amount is estimated and accrued by management. The subsidies for any project funded under the Homes BC Non-Profit Social Housing program are recalculated and adjusted in the fiscal year they are determined. Accordingly, these items are reflected as follows:

	<u>2013</u>	<u>2012</u>	<u>July 1 2011</u>
Repayable net surpluses Non-Profit Social Housing, Homeless at Risk and operator agreements	\$ (15,149)	\$ (144,211)	\$ (53,392)
Rent subsidy adjustments – Homes BC Non-Profit Social Housing, adjustment to operations	-	(25,410)	-
	<u>\$ (15,149)</u>	<u>\$ (169,621)</u>	<u>\$ (53,392)</u>

Pacifica Housing Advisory Association

Notes to the Financial Statements

June 30, 2013

14. Mortgages payable

Project	Interest rate	Maturity date	2013	2012	July 1 2011
Alderbrae	3.130%	October 1, 2020	\$ 1,090,729	\$ 1,181,423	\$ 1,269,389
Bethune	3.130%	October 1, 2020	1,095,495	1,169,052	1,240,404
Briarwood	4.370%	March 1, 2018	1,422,206	1,486,659	1,548,395
Centre Court	3.650%	June 1, 2018	246,482	269,237	291,187
Colwood Lakes	3.440%	July 1, 2019	883,285	1,038,638	-
Colwood Lakes	1.549%	July 1, 2024	294,000	-	-
Fieldcrest	3.430%	June 1, 2020	1,174,380	1,226,199	1,276,291
Georgian Apts	4.953%	October 1, 2016	209,792	216,690	223,259
Hawthorne	4.370%	March 1, 2018	1,248,514	1,308,634	1,366,219
Hidden Creek	3.337%	February 1, 2015	2,075,942	2,161,009	2,243,308
Kew Crt	4.166%	January 1, 2021	3,477,256	3,599,457	3,716,782
Langham	4.370%	March 1, 2018	1,370,771	1,436,778	1,500,002
Larchwood	4.566%	February 1, 2021	2,191,092	2,245,539	2,297,454
Manchester	2.939%	September 1, 2015	3,074,294	3,130,875	3,185,829
Manchester	4.370%	March 1, 2018	796,996	862,676	925,586
Meaford	2.090%	June 1, 2023	426,021	459,131	491,221
Medewiwin	2.878%	January 1, 2023	620,990	727,598	751,797
Millerwood	3.650%	June 1, 2018	444,815	476,856	507,761
Oakgrove	3.650%	June 1, 2018	1,421,494	-	-
Oakpark	3.330%	December 1, 2020	907,488	981,498	1,053,182
Pacific Crt	2.930%	August 1, 2021	1,818,414	1,931,866	2,039,740
Pear Tree	3.430%	February 1, 2021	556,160	591,592	625,877
Riverbend	4.370%	March 1, 2018	1,187,139	1,246,107	1,302,590
Rivergate	3.130%	October 1, 2020	1,562,235	1,668,891	1,772,349
Rudd Pk	3.650%	June 1, 2018	675,481	735,235	792,871
Seawind	3.650%	June 1, 2018	348,587	377,287	404,971
Tamarack	3.220%	April 1, 2015	5,660,604	5,861,854	6,056,778
The Pacifica	5.780%	November 1, 2024	3,048,559	3,096,734	3,142,241
The Wing	3.800%	December 1, 2020	7,503,165	7,619,133	7,730,433
			<u>46,832,386</u>	<u>47,106,648</u>	<u>47,755,916</u>
Less: current portion			<u>2,027,657</u>	<u>3,036,108</u>	<u>3,619,271</u>
			<u>\$ 44,804,729</u>	<u>\$ 44,070,540</u>	<u>\$ 44,136,645</u>

Pacifica Housing Advisory Association

Notes to the Financial Statements

June 30, 2013

14. Mortgages payable (continued)

Each mortgage is secured by the respective property. Principal payments due within each of the next five years on these mortgages are approximately as follows:

2014	\$	2,027,657
2015		9,237,293
2016		4,757,763
2017		2,048,433
2018		7,074,294
Thereafter		<u>21,686,946</u>
	\$	<u>46,832,386</u>

Forgivable second mortgages

BC Housing holds a second mortgage over Oak Grove and CMHC holds second mortgages over the Georgian Apartments and Clover Place. Under the terms of these mortgages, extended under the Residential Rehabilitation Assistance Program, the principal is non-interest bearing subject to certain conditions. The principal balances are reduced by way of forgiving the principal balance in equal amounts over the 15-year terms of the loans.

	<u>2013</u>	<u>2012</u>	<u>July 1 2011</u>
Current portion	\$ 53,652	\$ 36,800	\$ 36,800
Long-term portion	<u>622,302</u>	<u>410,534</u>	<u>446,667</u>
	<u>\$ 675,954</u>	<u>\$ 447,334</u>	<u>\$ 483,467</u>

The amount taken into income, in the current period, by way of loan principal forgiveness is \$57,865 (2012: \$36,133).

15. Accumulated operating surplus

The accumulated fund balances for the projects under Homes BC Operating Agreements are being spent and accounted for as provided in the Homes BC Operating Agreement.

Pacifica Housing Advisory Association

Notes to the Financial Statements

June 30, 2013

16. Financial instrument risks

The Association's main financial instrument risk exposure is detailed as follows.

Credit risk

The Association has determined that the financial assets with credit risk exposure are accounts and grants receivable since failure of any of these parties to fulfill their obligations could result in significant financial losses for the Association. The Association minimizes its risk through regular monitoring and follow-up of its outstanding receivables.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Association is exposed to interest rate risk with respect to investments in bonds and its mortgages payable. It minimizes the exposure to interest rate risk whenever possible by utilizing a conservative investment policy

Liquidity risk

The Association's liquidity risk represents the risk that the Association could encounter difficulty in meeting obligations associated with its financial liabilities. The Association is, therefore, exposed to liquidity risk with respect to its accounts payable and mortgages payable.

Pacifica Housing Advisory Association

Schedule of Rental Operations and Changes in Fund Balances

June 30, 2013

	Alderbrae	Bethune	Briarwood	Camas Gardens	Centre Court	Clover Place	Colwood Lakes	Fieldcrest	Georgian Apts
Revenue									
BC Housing Management Commission									
Subsidies	\$ 96,014	\$ 82,617	\$ 107,003	\$ -	\$ 44,675	\$ -	\$ 23,105	\$ 78,407	\$ -
Special payments	-	-	-	-	-	-	5,858	-	-
Tenant rent contributions	165,143	143,514	115,000	234,758	72,138	92,009	321,647	77,419	32,328
Vancouver Island Health Authority	-	-	-	-	-	-	-	-	-
Sundry	-	-	-	-	-	-	-	-	1,800
Donations and fundraising	-	-	-	-	-	-	-	-	-
	<u>261,157</u>	<u>226,131</u>	<u>222,003</u>	<u>234,758</u>	<u>116,813</u>	<u>92,009</u>	<u>350,610</u>	<u>155,826</u>	<u>34,128</u>
Expenses									
Bad debt expense, uncollected rent	147	(58)	120	(365)	-	(960)	690	-	(9)
Bad debt expense, unrecovered maintenance	827	-	2,383	-	552	-	2,093	-	(172)
Conferences	-	3,260	-	-	-	-	-	-	-
HST/GST/PST	235	(567)	1,414	1,557	226	370	2,951	167	(93)
Insurance	6,637	5,538	4,121	7,862	2,408	2,252	7,909	3,024	1,157
Land lease	-	-	-	-	33,660	-	-	-	-
Maintenance materials and subcontracts	-	-	-	-	-	-	-	-	-
Maintenance service contracts	477	127	397	7,850	-	938	2,706	-	89
Market appraisals	-	-	-	-	-	-	-	-	-
Marketing	-	-	-	-	-	-	-	-	-
Mortgage interest	35,400	35,258	63,018	-	9,364	-	39,201	40,894	10,470
Office and miscellaneous	-	-	-	-	-	-	-	-	-
Professional fees	-	-	-	-	-	-	5,859	-	-
Property taxes	27,941	21,647	27,365	-	12,866	-	34,961	16,355	4,341
Refund of security deposits collected by previous operator	-	-	-	-	-	-	-	-	-
Utilities	26,032	22,615	19,696	77,390	13,067	27,815	28,939	13,098	5,287
	<u>97,696</u>	<u>87,820</u>	<u>118,514</u>	<u>94,294</u>	<u>72,143</u>	<u>30,415</u>	<u>125,309</u>	<u>73,538</u>	<u>21,070</u>
Excess (deficiency) of revenues over expenses	163,461	138,311	103,489	140,464	44,670	61,594	225,301	82,288	13,058
Recoverable from/(repayable to) BC Housing	13,613	949	10,035	(38,236)	4,395	-	-	4,630	-
Excess (deficiency) of revenues over expenses	<u>177,074</u>	<u>139,260</u>	<u>113,524</u>	<u>102,228</u>	<u>49,065</u>	<u>61,594</u>	<u>225,301</u>	<u>86,918</u>	<u>13,058</u>
Interfund transfers									
For administration, maintenance and miscellaneous	(61,584)	(40,068)	(38,076)	(70,548)	(18,840)	(36,504)	(78,300)	(28,260)	(2,676)
For program expenses	-	-	-	-	-	-	-	-	-
For mortgage principal repayments	(90,758)	(73,620)	(64,564)	-	(22,773)	-	(128,515)	(51,890)	(6,898)
For replacement reserve	(24,732)	(25,572)	(10,884)	(31,680)	(7,452)	(12,960)	(21,624)	(6,768)	-
For rent and parking	-	-	-	-	-	-	-	-	-
For capital assets	-	-	-	-	-	-	-	-	-
	<u>(177,074)</u>	<u>(139,260)</u>	<u>(113,524)</u>	<u>(102,228)</u>	<u>(49,065)</u>	<u>(49,464)</u>	<u>(228,439)</u>	<u>(86,918)</u>	<u>(9,574)</u>
Net result of current year operations	-	-	-	-	-	12,130	(3,138)	-	3,484
Fund balances (deficiency), beginning	-	-	-	-	-	47,791	(9,030)	-	(1,958)
Fund balances (deficiency), ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 59,921	\$ (12,168)	\$ -	\$ 1,526

Pacifica Housing Advisory Association

Schedule of Rental Operations and Changes in Fund Balances

June 30, 2013

	Hawthorne	Hidden Creek	Kew Court	Langham	Larchwood	Manchester	Meaford	Medewiwin
Revenue								
BC Housing Management Commission								
Subsidies	\$ 79,440	\$ 62,721	\$ 166,218	\$ 109,704	\$ 54,381	\$ 313,979	\$ 18,630	\$ 133,423
Special payments	-	-	-	-	-	-	-	-
Tenant rent contributions	108,736	212,816	306,240	115,453	191,112	186,041	71,179	116,129
Vancouver Island Health Authority	-	-	-	-	-	-	-	-
Sundry	-	-	-	315	-	-	-	-
Donations and fundraising	-	-	-	-	-	-	-	-
	<u>188,176</u>	<u>275,537</u>	<u>472,458</u>	<u>225,472</u>	<u>245,493</u>	<u>500,020</u>	<u>89,809</u>	<u>249,552</u>
Expenses								
Bad debt expense, uncollected rent	-	-	772	530	-	-	-	(16)
Bad debt expense, unrecovered maintenance	1,323	1,228	(85)	-	-	3,431	-	(188)
Conferences	-	-	-	-	-	-	-	-
HST/GST/PST	598	373	1,716	343	268	625	18	564
Insurance	3,609	6,306	7,263	4,200	6,460	6,421	2,846	2,658
Land lease	-	-	-	-	-	115,200	-	-
Maintenance materials and subcontracts	-	-	-	-	-	-	-	-
Maintenance service contracts	-	1,697	439	5,034	2,361	-	802	2,308
Market appraisals	-	-	-	-	-	-	-	-
Marketing	-	-	-	-	-	-	-	-
Mortgage interest	55,405	70,332	146,376	60,830	100,452	126,717	13,919	30,194
Office and miscellaneous	-	-	-	-	-	-	-	1,643
Professional fees	-	-	-	-	-	-	-	-
Property taxes	20,712	36,453	60,189	21,107	45,864	30,785	11,104	76
Refund of security deposits collected by previous operator	-	-	-	-	-	-	-	-
Utilities	21,124	18,038	33,065	25,680	11,398	33,277	6,779	50,484
	<u>102,771</u>	<u>134,427</u>	<u>249,735</u>	<u>117,724</u>	<u>166,803</u>	<u>316,456</u>	<u>35,468</u>	<u>87,723</u>
Excess (deficiency) of revenues over expenses	85,405	141,110	222,723	107,748	78,690	183,564	54,341	161,829
Recoverable from/(repayable to) BC Housing	8,725	-	-	4,662	-	20,376	(494)	(8,335)
Excess (deficiency) of revenues over expenses	<u>94,130</u>	<u>141,110</u>	<u>222,723</u>	<u>112,410</u>	<u>78,690</u>	<u>203,940</u>	<u>53,847</u>	<u>153,494</u>
Interfund transfers								
For administration, maintenance and miscellaneous	(33,912)	(66,240)	(74,736)	(36,612)	(25,668)	(56,520)	(20,712)	(67,824)
For program expenses	-	-	-	-	-	-	-	(40,440)
For mortgage principal repayments	(60,218)	(85,068)	(121,993)	(66,114)	(54,305)	(122,328)	(33,135)	(26,762)
For replacement reserve	-	(11,688)	(29,016)	(9,684)	-	(25,092)	-	(18,468)
For rent and parking	-	-	-	-	-	-	-	-
For capital assets	-	-	-	-	-	-	-	-
	<u>(94,130)</u>	<u>(162,996)</u>	<u>(225,745)</u>	<u>(112,410)</u>	<u>(79,973)</u>	<u>(203,940)</u>	<u>(53,847)</u>	<u>(153,494)</u>
Net result of current year operations	-	(21,886)	(3,022)	-	(1,283)	-	-	-
Fund balances (deficiency), beginning	-	(29,595)	17,523	-	(50,005)	-	-	-
Fund balances (deficiency), ending	\$ -	\$ (51,481)	\$ 14,501	\$ -	\$ (51,288)	\$ -	\$ -	\$ -

Pacifica Housing Advisory Association

Schedule of Rental Operations and Changes in Fund Balances

June 30, 2013

	Millerwood	Oak Grove	Oak Park	Pacific Court	Pear Tree	Queens	Riverbend	Rivergate
Revenue								
BC Housing Management Commission								
Subsidies	\$ 25,132	\$ 105,492	\$ 88,558	\$ 118,725	\$ 61,083	\$ -	\$ 69,258	\$ 108,491
Special payments	-	-	-	-	-	-	-	-
Tenant rent contributions	62,518	121,486	135,312	178,124	51,957	185,997	124,059	204,920
Vancouver Island Health Authority	-	-	-	-	-	-	-	-
Sundry	-	-	-	-	-	-	-	180
Donations and fundraising	-	-	-	-	-	-	-	-
	<u>87,650</u>	<u>226,978</u>	<u>223,870</u>	<u>296,849</u>	<u>113,040</u>	<u>185,997</u>	<u>193,317</u>	<u>313,591</u>
Expenses								
Bad debt expense, uncollected rent	-	-	-	651	-	486	-	451
Bad debt expense, unrecovered maintenance	3,200	-	2,558	1,650	-	-	-	1,648
Conferences	-	-	-	-	-	-	-	-
HST/GST/PST	84	368	445	292	54	69	244	574
Insurance	2,732	5,087	5,433	6,070	2,834	599	4,117	5,782
Land lease	-	-	-	-	-	-	-	-
Maintenance materials and subcontracts	-	-	-	-	-	-	-	-
Maintenance service contracts	-	-	1,822	-	-	3,487	-	-
Market appraisals	-	-	-	-	-	-	-	-
Marketing	-	-	-	-	-	-	-	-
Mortgage interest	16,720	52,796	31,016	54,670	19,568	-	52,724	50,310
Office and miscellaneous	-	-	-	-	-	-	-	-
Professional fees	-	-	-	-	-	-	-	-
Property taxes	8,439	28,727	23,054	32,050	10,320	-	21,066	27,656
Refund of security deposits collected by previous operator	-	-	-	-	-	-	-	-
Utilities	10,281	6,445	21,018	19,540	10,973	26,827	13,586	69,382
	<u>41,456</u>	<u>93,423</u>	<u>85,346</u>	<u>114,923</u>	<u>43,749</u>	<u>31,468</u>	<u>91,737</u>	<u>155,803</u>
Excess (deficiency) of revenues over expenses	46,194	133,555	138,524	181,926	69,291	154,529	101,580	157,788
Recoverable from/(repayable to) BC Housing	4,705	(3,806)	7,842	16,904	(3,450)	(87,281)	9,490	18,522
Excess (deficiency) of revenues over expenses	<u>50,899</u>	<u>129,749</u>	<u>146,366</u>	<u>198,830</u>	<u>65,841</u>	<u>67,248</u>	<u>111,070</u>	<u>176,310</u>
Interfund transfers								
For administration, maintenance and miscellaneous	(18,828)	(48,972)	(49,500)	(64,044)	(18,828)	(67,248)	(41,448)	(56,520)
For program expenses	-	-	-	-	-	-	-	-
For mortgage principal repayments	(32,071)	(64,169)	(74,066)	(113,522)	(35,433)	-	(59,062)	(106,746)
For replacement reserve	-	(16,608)	(22,800)	(21,264)	(11,580)	-	(10,560)	(13,044)
For rent and parking	-	-	-	-	-	-	-	-
For capital assets	-	-	-	-	-	-	-	-
	<u>(50,899)</u>	<u>(129,749)</u>	<u>(146,366)</u>	<u>(198,830)</u>	<u>(65,841)</u>	<u>(67,248)</u>	<u>(111,070)</u>	<u>(176,310)</u>
Net result of current year operations	-	-	-	-	-	-	-	-
Fund balances (deficiency), beginning	-	-	-	-	-	-	-	-
Fund balances (deficiency), ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Pacifica Housing Advisory Association

Schedule of Rental Operations and Changes in Fund Balances

June 30, 2013

	Rudd Park	Seawind	Tamarack	The Pacifica	Waterview	The Wing	Total 2013	Total 2012
Revenue								
BC Housing Management Commission								
Subsidies	\$ 143,653	\$ 32,927	\$ 201,778	\$ 87,840	\$ 173,484	\$ -	\$ 2,586,738	\$ 2,600,354
Special payments	-	-	-	-	3,254	-	9,112	6,563
Tenant rent contributions	142,097	58,145	417,458	210,517	245,989	705,698	5,405,939	5,019,175
Vancouver Island Health Authority	-	-	-	15,388	-	-	15,388	12,653
Sundry	-	-	2,595	12,321	-	20,633	37,844	27,630
Donations and fundraising	-	-	-	-	-	-	-	5,687
	<u>285,750</u>	<u>91,072</u>	<u>621,831</u>	<u>326,066</u>	<u>422,727</u>	<u>726,331</u>	<u>8,055,021</u>	<u>7,672,062</u>
Expenses								
Bad debt expense, uncollected rent	704	574	1,664	348	993	898	7,620	10,187
Bad debt expense, unrecovered maintenance	1,103	463	2,999	425	1,730	1,494	28,662	7,887
Conferences	-	-	-	-	-	-	3,260	3,450
HST/GST/PST	119	(96)	814	1,283	1,303	6,135	22,453	24,825
Insurance	5,998	2,186	11,464	4,308	601	8,542	146,424	127,184
Land lease	88,290	-	-	-	-	-	237,150	237,150
Maintenance materials and subcontracts	-	-	-	-	-	-	-	115,741
Maintenance service contracts	-	-	5,999	6,087	2,478	6,208	51,306	47,556
Market appraisals	-	-	-	-	-	-	-	2,700
Marketing	-	-	-	-	-	-	-	70
Mortgage interest	25,610	13,174	184,564	175,625	-	285,278	1,799,885	1,784,315
Office and miscellaneous	-	-	-	-	-	-	1,643	9,244
Professional fees	-	-	-	-	-	-	5,859	47,547
Property taxes	20,512	10,486	55,162	44,501	-	101	653,840	558,822
Refund of security deposits collected by previous operator	-	-	-	-	-	-	-	2,329
Utilities	26,078	10,480	36,174	47,824	73,172	70,130	875,694	803,705
	<u>168,414</u>	<u>37,267</u>	<u>298,840</u>	<u>280,401</u>	<u>80,277</u>	<u>378,786</u>	<u>3,833,796</u>	<u>3,782,712</u>
Excess (deficiency) of revenues over expenses	117,336	53,805	322,991	45,665	342,450	347,545	4,221,225	3,889,350
Recoverable from/(repayable to) BC Housing	13,372	4,535	-	-	(16,302)	-	(15,149)	(169,621)
Excess (deficiency) of revenues over expenses	<u>130,708</u>	<u>58,340</u>	<u>322,991</u>	<u>45,665</u>	<u>326,148</u>	<u>347,545</u>	<u>4,206,076</u>	<u>3,719,729</u>
Interfund transfers								
For administration, maintenance and miscellaneous	(52,080)	(20,712)	(93,300)	(41,136)	(95,892)	(82,260)	(1,507,848)	(1,230,264)
For program expenses	-	-	-	-	(230,256)	-	(270,696)	(270,685)
For mortgage principal repayments	(59,800)	(28,724)	(201,251)	(48,175)	-	(115,568)	(1,947,528)	(1,725,773)
For replacement reserve	(18,828)	(8,904)	(32,460)	(18,000)	-	(47,064)	(456,732)	(424,278)
For rent and parking	-	-	-	71,148	-	-	71,148	71,154
For capital assets	-	-	-	(10,645)	-	-	(10,645)	(10,645)
	<u>(130,708)</u>	<u>(58,340)</u>	<u>(327,011)</u>	<u>(46,808)</u>	<u>(326,148)</u>	<u>(244,892)</u>	<u>(4,122,301)</u>	<u>(3,590,491)</u>
Net result of current year operations	-	-	(4,020)	(1,143)	-	102,653	83,775	129,238
Fund balances (deficiency), beginning	-	-	(154,618)	29,455	-	253,899	103,462	(25,776)
Fund balances (deficiency), ending	\$ -	\$ -	\$ (158,638)	\$ 28,312	\$ -	\$ 356,552	\$ 187,237	\$ 103,462