

GRANT APPLICATION

(PLEASE PRINT)

| | |
|--------------------------|--|
| Name of Organization | Cowichan Valley Youth Services Society (CVYS) |
| Address of Organization | 294 Coronation Avenue |
| Full Mailing Address | 294 Coronation Avenue, PO Box 743, Duncan, BC V9L 3Y1 |
| Telephone Number & Email | (250) 748-0232, email: office@cvyouth.ca |
| Contact Person/Title | Zoe Lauckner, Executive Director, email: z.lauckner@cvyouth.ca |

Primary purpose of organization: Providing free, confidential counselling support to local youth and their parents/caregivers.

Category under which greatest portion of services fall:

Social Service Sports Cultural Economic Development Other _____

Services available to all members of community: Yes No

If *no*, please list criteria for receiving your service: Youth aged 13-18 & Parents/caregivers of youth

Total Number of people that used your service within the Municipality last year: 770 unique individuals throughout the CVRD

Approximate number of your clients that reside in North Cowichan: 290 from within the Municipality

(Please note that North Cowichan includes the communities of Chemainus, Crofton, Maple Bay, and the Duncan area north of the Cowichan River, and outside the one square mile Duncan core.)

Amount of grant requested: \$7,500.00

Describe how the grant will be used: *(e.g. special projects, operations, maintenance, etc.)*

Funds received from the Municipality of North Cowichan's 2026 Grant-in-Aid would support local youth and their parents/caregivers directly through the Connect Attachment Parenting Program. Connect Attachment is a 10-week program to support parents and caregivers of pre-teens and teens with behavioural and emotional problems. Each session provides parents with a new perspective on parent-teen relationships and adolescent development. The program helps parents see alternatives in dealing with their teens in ways which support healthy relationships while setting limits and helping their teen move forward. There are specific program streams dedicated to parents/caregivers of gender non-conforming youth, as well as youth in care and Indigenous youth. CVYS has trained 2 staff members as program facilitators and is seeking this grant to help fund staff time and associated program delivery costs. CVYS has already secured partnership funding from the Island Savings Community Endowment from 2025-2028 towards this critical program which will greatly offset costs and the contribution requested from local government grant sources. At CVYS, we know the most impactful, meaningful, and lasting change for youth begins with their parents/caregivers. We also know that these are particularly challenging times for young people and their families, with concurrent crises all compounding and creating an environment where it is difficult for many families to survive, let alone to thrive. A \$7,500 contribution from the Municipality of North Cowichan is a critical investment in youth and can mitigate the societal crises that our community is struggling with in terms of homelessness, violence and drug use.

In order to be considered for a Municipal grant, please ensure that you enclose the following: **most recent financial statement and the proposed operating budget.**

Other Information: Have you obtained a previous grant from the Municipality? Yes No

Have you applied to another local government for funding? Yes No

If yes, please list: City of Duncan - Grant in Aid - \$2,000 pending and CVRD - Grant in Aid - \$6,000 pending

Applicant's signature: FIPPA s. 22(1) **Date:** October 3, 2025

In order to be eligible for consideration for a 2026 grant-in-aid, this application and all requested supporting materials must be received no later than October 15th, 2025.

Please submit in person at 7030 Trans Canada Hwy or email to finance@northcowichan.ca

Print Form

Attachment - Alignment with Municipality of North Cowichan Grant-in-Aid Policy Criteria

Cowichan Valley Youth Services (CVYS) - Connect Attachment Parenting Program 2026 Grant-in-Aid Funding Request, \$7,500

| Evaluation Criteria | Criteria | Cowichan Valley Youth Services (CVYS) Response |
|--|--|--|
| PROGRAM / PROJECT QUALITY & MERIT | Evidence of financial need, and need for the activity, project or proposal | The current youth mental health crises in our community points to the need for projects that support youth and their families and which can help to prevent & mitigate factors that are contributing to mental health issues & social disorder in our community. The Connect Attachment Parenting Program offers a new resource in our community for youth and their families to build healthy relationships. The program is not fully funded and needs the grant funds requested to sustain its delivery. |
| | Alignment with Municipal objectives | Aligns with Municipal objectives in the Council Strategic Plan in terms of Engagement priorities by supporting local community groups. |
| | Complements or extends municipal services | Complements and extends municipal services in terms of social wellness by providing support services for mental health and addressing social disorder. |
| | Addresses barriers to services for people with disabilities | Connect Attachment is open to all residents but does not specifically address services for people with disabilities. Programming is held in a fully accessible location however. |
| | Amount of funding requested related to number of residents served | Requested grant funding has potential to directly support over 200 North Cowichan residents. Each Connect Attachment cohort supports up to 15 caregivers, with positive impacts extending to more than 150 youth. |

| | | |
|---|--|---|
| | <p>Clear articulation of the degree to which the activity, project, or proposal supports the mandate and objective of the organization</p> <p>Clear mandate and competent administration</p> | <p>Delivery of the Connect Attachment Parenting Program aligns with CVYS' mandate to support vulnerable youth and their parents and caregivers in the Cowichan Valley.</p> <p>CVYS has operated in the Cowichan region since 1973, with the mandate of providing free, diverse mental health support services and programs to youth and their caregivers for more than five decades. During that time we have managed significant multi-year contracts and operated various high-quality programs, demonstrating high-level administrative competence.</p> |
| <p>ORGANIZATIONAL EFFECTIVENESS & CAPACITY</p> | <p>Financial stability and accountability as demonstrated by prior financial performance</p> <p>Realistic, balanced budgets and timelines</p> <p>Diversified sources of revenue</p> <p>Demonstrated track record of community services</p> <p>Ongoing organizational capacity and proven ability to carry out the proposal</p> | <p>CVYS 2025 Financial Statements are provided for details on financial performance.</p> <p>The 2026 Project budget is provided. CVYS has delivered this program in 2025 and has based the 2026 budget on information gathered from this process to ensure it is realistic with a balanced budget and timelines.</p> <p>CVYS is funded through diverse revenue streams, including a strong base of individual community donors, various grants, and a contract with the Ministry of Children and Families.</p> <p>CVYS has been providing community services for 51 years.</p> <p>CVYS has trained 2 staff as program facilitators to provide sufficient capacity for program delivery. CVYS has a proven ability to carry out this program based on its successful pilot program offering in 2025.</p> |
| <p>COMMUNITY ENGAGEMENT & IMPACT</p> | <p>Level of public access and participation within the municipality</p> | <p>The Connect Attachment Program is offered free to community members who meet program criteria, and every effort is made to dismantle barriers to access. Wherever</p> |

| | | |
|--|--|---|
| | | possible, CVYS provides transportation assistance, child-minding services, and other support to promote access and participation within the municipality. |
| | Number of volunteers | CVYS is governed by a volunteer board of directors (7) and our programs are generously supported by community volunteers (15 and growing). When necessary, child-minding services to support access to the Connect Program are offered by volunteer students from the Child & Youth Care Program at VIU. |
| | Growing interest and attendance | The Connect Attachment Program was first brought to the Cowichan region by CVYS in the spring of 2025 and saw 10 participants in attendance. Our current cohort had more participants than available spaces, demonstrating growing interest in the program and attendance. |
| | Level of engagement and cooperation with other community groups | CVYS works collectively with many community groups: Nourish Cowichan, CVRD, North Cowichan Youth Outreach Programs, Island Health, etc. |
| | Demonstrated support from the community as evidenced by collaborations, partnerships and in-kind support | CVYS has secured support from Island Savings/First West Foundation through a funding partnership and in-kind support from Island Health (Margaret Moss Public Health Unit). Additional funding is needed to sustain program delivery but these partnerships reinforce the community's support for this Program. |



**COWICHAN
VALLEY
YOUTH
SERVICES**

October 3, 2025

Dear Mayor Douglas and North Cowichan Councillors,

Thank you for your consideration of Cowichan Valley Youth Services' (CVYS) 2026 Grant-in-Aid application in support of delivering the Connect Attachment Parenting Program. Connect Attachment is a 10-week program to support parents and caregivers of pre-teens and teens with behavioural and emotional problems. Sessions provide parents with a new perspective on parent-teen relationships and adolescent development. It helps participants to see alternatives to dealing with their teens in ways that support healthy relationships.

Connect Attachment is an evidence-based program with demonstrated success over the last 19 years internationally. Groups have strong participation rates and demonstrated results. Follow-up studies have documented that parents who have completed this program reported feeling more competent and effective in parenting and reported improvements in their children's functioning such as decreases in anxiety, depression and conduct disorders.

With \$15,000 in funding from Island Savings, CVYS started the delivery of this critical program in 2025 with its first cohort completing the program in June 2025. Feedback from local parents and caregivers reinforces the need for this program in our community with participants sharing: "They explained feelings from the teenager's perspective well; they were open for discussion the whole way - I always felt I could give my input."

This program is currently unfunded outside of an existing \$15,000 commitment from Island Savings and just over \$1,600 in community donations. CVYS is seeking \$7,500 in 2026 Grant-in-Aid from the Municipality of North Cowichan to continue program delivery with funds going directly to support the required staff time of the two CVYS trained program facilitators.

We recognize that it is not, and should not be, the sole financial responsibility of local levels of government to ensure community members have access to mental health support. CVYS has worked hard to find community partners, such as Island Savings, to help support the Connect Program. However, we acknowledge that the current youth mental health crisis requires a collaborative, community-level approach. By working with the Municipality of North Cowichan, we are collectively investing in our youth and offering preventative programs, like Connect Attachment, to help mitigate the complex issues of homelessness, violence and drug use that we are seeing in our community. An investment in youth is a direct investment in the future of our community with the ripple effects of this support felt for many generations.

The attachments to this letter address how the requested funding supports the Grant-in-Aid evaluation criteria set out and provides our project budget for more information.

Huy tseep q'u (thank you all) from all of us at CVYS.

Sincerely

FIPPA s. 22(1)

Zoe Laucker
Executive Director, CVYS

COWICHAN VALLEY YOUTH SERVICES SOCIETY
294 Coronation Ave, PO Box 743
Duncan, B.C. V9L 3Y1
T 250-748-0232 F 250-746-0032
cvyouth.ca





**COWICHAN
VALLEY
YOUTH
SERVICES**



Impact Report Municipality of North Cowichan

Prepared by: **Zoe Lauckner** | Executive Director
Cell: 250-510-7252 | z.lauckner@cvyouth.ca

October 2025

**CHAMPIONS FOR YOUTH.
SINCE 1973.**



To our dear friends at the Municipality of North Cowichan,

At Cowichan Valley Youth Services, our work is relationships. We walk alongside young people as they learn to build healthy relationships with themselves, strengthen bonds with family, and discover a sense of belonging in their community. When this work begins in adolescence, it lays the foundation for resilience, confidence, and connection that can carry through a lifetime—and ripple out for generations.

Your generous 2025 Grant in Aid contribution in support of youth outreach counselling has been a powerful expression of relationship in action. Because of your generosity, more young people in North Cowichan were able to access safe, skilled, and compassionate counsellors who met them in moments of fear, confusion, and vulnerability. With your support, these young people found a no-judgment zone where healing could begin, strategies could be learned, and hope could take root.

One of these young people is Marcus. At 17, he faced adulthood feeling completely unprepared, overwhelmed by feelings of worthlessness, isolation, and family conflict, struggling to finish high school, and unsure how to begin taking control of his life. Through CVYS's mobile outreach counselling, Marcus connected with a counsellor who met him where he was, literally picking him up from his rural home. Over time, he built trust and slowly opened up about the challenges weighing him down. Together, they took small, deliberate steps: improving his living space, strengthening communication with his parent, and mapping a path forward for school and work. Today, Marcus is thriving—you can read more about his journey, and how your support made that possible, in the pages that follow.

This is the heart of what your partnership makes possible. Because of you, youth like Marcus are not only finding relief from distress but also stepping into their futures with strength and optimism. The impact of your generosity extends far beyond individual sessions—it reaches families, schools, and supports the health of our communities.

Thank you, Mayor Douglas and North Cowichan Councillors, for choosing to invest in prevention, in resilience, and in the lives of young people. We are so grateful for your partnership in this vital work.

Sincerely,

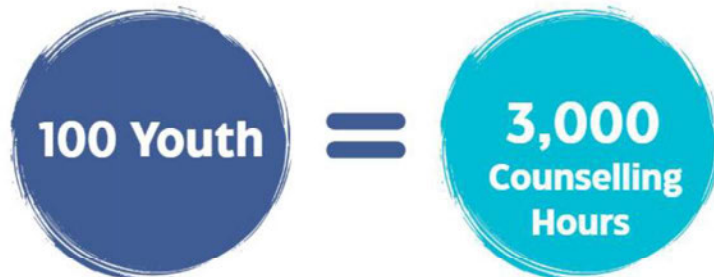
FIPPA s. 22(1)

Zoe Lauckner

Executive Director, Cowichan Valley Youth Services

Your Impact - By the Numbers

Over the past year, support from the Municipality of North Cowichan supported approximately 100 young people, providing more than 3,000 hours of individualized outreach counselling.



Your gift ensured that these vital services remained accessible even during the province's longest BC Transit strike in history, effectively removing a significant barrier for youth seeking mental health support and demonstrating the importance of flexible, community-based outreach. Our Youth & Family Counsellors travel 5,000 kilometres per year on average, demonstrating the need for this model of mental health support in a region as geographically spread as ours.

Of the young people your grant supported, aged 13–18, most sought help for anxiety, depression, family conflict, parent-teen relationship challenges, and peer or social difficulties. Many also face intersecting challenges such as poverty, housing or food insecurity, and substance use. These complex experiences underscore the importance of early, accessible intervention, which your partnership makes possible.

MOST COMMON PRESENTING NEEDS



Evidence shows that timely mental health support for adolescents significantly reduces the risk of persistent mental illness, improves social and academic outcomes, and can prevent crises that might otherwise require more intensive services later. We know that youth who receive early counselling and intervention are more likely to develop effective coping strategies, stronger interpersonal skills, and resilience, all of which support long-term wellbeing.

Additionally, research in adolescent mental health demonstrates that individualized outreach counselling can reduce symptoms of depression and anxiety by 30–40% within six months and helps mitigate risk factors associated with self-harm and substance misuse.

Through a relational, non-judgmental space, our Youth and Family Outreach Counsellors work collaboratively with each young person to explore their challenges, practice coping strategies, develop new communication patterns, and navigate conflict. This approach empowers youth to take an active role in shaping a healthier, more resilient future. Each session not only addresses immediate needs but also lays the groundwork for lifelong mental health and wellbeing, demonstrating how your investment in outreach counselling yields both immediate relief and long-term impact.



By supporting this initiative, the Municipality of North Cowichan has directly contributed to breaking cycles of isolation, fostering positive mental health trajectories, and ensuring that youth in our communities can access the help they need, when they need it most.

Thank you for helping to make such significant differences in the lives of local youth!

Increasing Access & Dismantling Barriers

At 17, Marcus knew he was soon to be entering adulthood but felt completely unprepared. A deep sense of worthlessness and lack of motivation coloured every aspect of his life. He was struggling to complete his final year of high-school, had zero job prospects nor any hope for gaining employment, had just experienced a devastating breakup with his first-ever girlfriend, and was in constant conflict with his dad. He had lost control of his living space and was living amongst garbage and food waste, and simply did not know where to begin cleaning up his space, his life, or his mind. Everything felt like it was just too much. When his dad, frustrated, would challenge his inactivity, Marcus felt further put down and worthless. Why even try if nothing would make a difference and if he would never be 'good enough'?

Thanks to Cowichan Valley Youth Service's mobile outreach counselling support, Marcus, who lived rurally and far from access to public transportation, was able to connect with a skilled counsellor who picked him up directly from his house. Over the span many months, at his own pace, Marcus built a relationship of trust with the counsellor. Afraid at first to share his thoughts of worthlessness or the state of his living conditions, it took time for him to trust that she wouldn't judge him or put him down as was a common experience with his family members. He began to share more about the barriers he was facing – the conflict with his parent, the constant state of depression, the lack of motivation and hope for the future – and together they began exploring ways Marcus could once again regain a sense of control over his life.



One small step at a time – the phrase that became the mantra of their sessions together. What started as a daily walk turned into other small changes in habits. Marcus' counsellor spent a few sessions helping him to clean his living space so he could have a fresh start and facilitated conversations between him and his parent to aid in their communication patterns. Marcus soon finished the final course needed to

graduate high school and got a job at a local retail establishment. Within the first four months there he was named 'employee of the month.' His confidence bloomed and, in every way, Marcus is now on the path to truly thriving.

Thank you, Mayor Douglas and North Cowichan Councillors for making this transformation possible for Marcus and for helping countless other youth in North Cowichan thrive!

Connect Attachment Program 2026

REVENUES

| Funding Source | Amount | Status |
|------------------------------------|---------------------|---------------|
| City of Duncan | \$ 2,000.00 | Pending |
| Municipality of North Cowichan | \$ 7,500.00 | Pending |
| CVRD | \$ 6,000.00 | Pending |
| Island Savings Community Endowment | \$ 15,000.00 | Confirmed |
| Community Donations | \$ 1,620.00 | Confirmed |
| Total Revenue | \$ 32,120.00 | |

EXPENSES

| | | |
|-------------------------|---------------------|--|
| Salaries | \$ 27,000.00 | Connect Attachment Facilitator wages |
| Food & Beverages | \$ 1,200.00 | light snacks and beverages are provided at each group (11 weeks/sessions x 2 group cohorts @ \$30 per session) |
| Family Support | \$ 500.00 | transportation, child care, immediate needs to support participation |
| Advertising & Promotion | \$ 500.00 | print and digital advertising, community outreach to connect with prospective participants |
| Administration | \$ 2,920.00 | 10% of program costs to support program delivery and operations |
| Total Expenses | \$ 32,120.00 | |

Revenue over expense \$ -

Cowichan Valley Youth Services Society
Financial Statements
March 31, 2025

To the Board of Cowichan Valley Youth Services Society:

We have reviewed the accompanying financial statements of Cowichan Valley Youth Services Society (the "Society") which comprise the statement of financial position as at March 31, 2025, and the statements of operations, changes in net assets and cash flows for the year then ended, 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the Society, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Cowichan Valley Youth Services Society as at March 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Duncan, British Columbia

July 22, 2025



Chartered Professional Accountants

Cowichan Valley Youth Services Society
Statement of Financial Position

As at March 31, 2025

| | 2025 | 2024 |
|--|-------------|-------------|
| Assets | | |
| Current | | |
| Cash | 58,539 | 97,017 |
| Term deposits (Note 4) | 862,004 | 168,724 |
| Accounts receivable | - | 36,176 |
| Goods & Services Tax receivable | 457 | 187 |
| Prepaid expenses and deposits | 9,308 | 3,974 |
| | 930,308 | 306,078 |
| Restricted cash and term deposits (Note 5) | 119,596 | 119,596 |
| Capital assets (Note 6) | 804,931 | 808,941 |
| | 1,854,835 | 1,234,615 |
| Liabilities | | |
| Current | | |
| Accounts payable and accruals | 18,401 | 12,701 |
| Payroll deductions payable | 18,503 | 17,800 |
| Vacation payable | 27,755 | 13,110 |
| Deferred revenue (Note 8) | 650,358 | 21,500 |
| Current portion of long-term debt (Note 9) | 167,582 | 11,896 |
| | 882,599 | 77,007 |
| Long-term debt (Note 9) | 299,531 | 467,114 |
| Deferred contributions restricted for capital assets (Note 10) | 265,060 | 271,723 |
| | 1,447,190 | 815,844 |
| Net Assets | | |
| Unrestricted | 215,292 | 240,967 |
| Invested in capital assets | 192,353 | 177,804 |
| | 407,645 | 418,771 |
| | 1,854,835 | 1,234,615 |

Approved on behalf of the Board of Directors

FIPPA s. 22(1)

Director

FIPPA s. 22(1)

Director

The accompanying notes are an integral part of these financial statements

Cowichan Valley Youth Services Society
Statement of Operations
For the year ended March 31, 2025

| | 2025 | 2024 |
|---|------------------|------------------|
| Revenue | | |
| Ministry of Children and Family Development | 497,522 | 518,307 |
| Other contributions, program funding and donations | 404,660 | 126,461 |
| Civil Forfeiture - Province of British Columbia | 39,788 | - |
| Interest | 27,739 | 6,852 |
| Donations in kind <i>(Note 11)</i> | 16,997 | 17,968 |
| Amortization of deferred contributions restricted for capital assets <i>(Note 10)</i> | 13,665 | 11,321 |
| Service Canada | - | 357,713 |
| Total revenue | 1,000,371 | 1,038,622 |
| Expenses | | |
| Accounting and legal | 23,691 | 15,064 |
| Advertising | 7,655 | 3,248 |
| Amortization | 19,947 | 16,254 |
| Contracted services | 19,274 | - |
| Information technology | 23,861 | 18,649 |
| Insurance | 6,016 | 5,906 |
| Interest on long-term debt | 21,312 | 19,995 |
| Office and miscellaneous | 9,254 | 13,377 |
| Participant wages | 49,412 | 114,981 |
| Professional development | 8,219 | 350 |
| Program supplies | 20,658 | 27,100 |
| Property tax expense | 12,209 | 6,630 |
| Repairs and maintenance | 31,067 | 25,206 |
| Salaries and benefits | 733,187 | 707,941 |
| Telephone | 5,960 | 13,168 |
| Travel | 16,795 | 14,527 |
| Utilities | 2,980 | 3,041 |
| Total expenses | 1,011,497 | 1,005,437 |
| Excess (deficiency) of revenue over expenses | (11,126) | 33,185 |

The accompanying notes are an integral part of these financial statements

Cowichan Valley Youth Services Society
Statement of Changes in Net Assets

For the year ended March 31, 2025

| | <i>Unrestricted</i> | <i>Invested in capital assets</i> | 2025 | 2024 |
|---|---------------------|---------------------------------------|-----------------|-------------|
| Net assets, beginning of year | 240,967 | 177,804 | 418,771 | 385,586 |
| Excess (deficiency) of revenue over expenses | 16,468 | (27,594) | (11,126) | 33,185 |
| Purchase of capital assets | (8,935) | 8,935 | - | - |
| Mortgage payments | (33,208) | 33,208 | - | - |
| Net assets, end of year | 215,292 | 192,353 | 407,645 | 418,771 |

The accompanying notes are an integral part of these financial statements

Cowichan Valley Youth Services Society

Statement of Cash Flows

For the year ended March 31, 2025

| | 2025 | 2024 |
|---|------------------|-----------------|
| Cash provided by (used for) the following activities | | |
| Operating | | |
| Cash receipts from contracts and other | 1,606,733 | 929,863 |
| Cash receipts from unrestricted investment income | 11,931 | 6,852 |
| Cash paid for program service expenses | (185,623) | (126,150) |
| Cash paid for salaries and benefits | (767,252) | (827,606) |
| Cash paid for interest | (21,312) | (19,996) |
| | 644,477 | (37,037) |
| Financing | | |
| Repayment of long-term debt | (11,897) | (10,445) |
| Cash contributions received for capital assets | 7,002 | - |
| | (4,895) | (10,445) |
| Investing | | |
| Purchase of term deposits | (963,417) | (186,557) |
| Proceeds on disposal of term deposits | 301,295 | 234,988 |
| Purchase of capital assets | (15,938) | (2,691) |
| | (678,060) | 45,740 |
| Decrease in cash resources | (38,478) | (1,742) |
| Cash resources, beginning of year | 97,017 | 98,759 |
| Cash resources, end of year | 58,539 | 97,017 |

The accompanying notes are an integral part of these financial statements

Cowichan Valley Youth Services Society

Notes to the Financial Statements

For the year ended March 31, 2025

1. Incorporation and nature of the organization

Cowichan Valley Youth Services Society (the "Society") was incorporated on June 25, 1973 under the Societies Act (British Columbia) and is a registered charity for income tax purposes. It provides counselling services and programs that offer emotional, social, educational and employment support for teenagers and their families throughout the Cowichan Valley

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada, and include the following significant accounting policies:

Fund accounting

The Society follows the deferral method of accounting for contributions and reports using fund accounting, and maintains a General Fund and a Capital Fund.

The General Fund reports the Society's programs and operations of the Cowichan Valley Youth Services Society.

The Capital Fund reports the Society's capital assets, deferred contributions, revenue and expenses related to Cowichan Valley Youth Services Society's capital assets.

Revenue recognition

The Society follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Contributions for capital assets are deferred and amortized on the same basis as the underlying assets.

Unrestricted investment income is recognized as revenue when earned.

Revenue from contracted services is recognized in accordance with the terms of the individual contracts.

Donations in kind

Contributions of materials and services are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the Society's operations and would otherwise have been purchased. The value of volunteer hours contributed by the Board of Directors is not recognized in the financial statements.

Allocation of expenses

The Society engages in youth and support programs. The costs of each program include the costs of personnel, premises and other expenses that are directly related to providing the program. The Society also incurs a number of general support expenses that are common to the administration of the Society and each of its programs.

The Society allocates certain of its general support expenses by identifying the appropriate basis of allocating each component expense, and applies that basis consistently each year. Administrative costs are allocated on the basis of the contractual budgets of each program.

2. Significant accounting policies *(Continued from previous page)*

Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Such estimates include providing for amortization of capital assets, deferred contributions restricted for capital assets, and valuing in kind donations. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Account payable accruals are based on management best estimate of expected costs.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future years could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the years in which they become known.

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution plus all costs directly attributable to the acquisition.

Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives.

| | Rate |
|------------------------|-------------|
| Buildings | 4 % |
| Computer equipment | 20 % |
| Furniture and fixtures | 20 % |

Financial instruments

The Society recognizes financial instruments when the Society becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments issued in an arm's length transaction are initially recorded at their fair value.

At initial recognition, the Society may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Society has not made such an election during the year.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess of revenues over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Cash and cash equivalents

Cash and cash equivalents include balances with banks. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

3. Economic dependence

The Society's primary source of revenue is funding from contracts with the Government of British Columbia (Ministry of Children and Family Development). The Society's ability to continue operations is dependant on contract renewal.

Cowichan Valley Youth Services Society
Notes to the Financial Statements
For the year ended March 31, 2025

4. Term deposits

The Society has investments in term deposits with Island Savings Credit Union. These deposits accrue interest between the rates of 1.25% and 5.75% and mature between August 19, 2025 - March 9, 2026 . All of the term deposits are cashable or renew within the next fiscal year, and therefore they have been classified as current assets.

5. Restricted cash and term deposits

The Society has \$119,596 (2024 - \$119,596) restricted for capital asset purchases or future mortgage payments of amounts owing on the Youth Hub building vendor mortgage. Subsequent to year end, these restricted funds have been fully used to pay down a portion of the outstanding mortgage as described in note 9.

The restricted amount is invested in redeemable term deposits with terms as described in note 4.

6. Capital assets

| | <i>Cost</i> | <i>Accumulated amortization</i> | <i>2025 Net book value</i> | <i>2024 Net book value</i> |
|------------------------|----------------|-------------------------------------|------------------------------------|------------------------------------|
| Land | 480,910 | - | 480,910 | 480,910 |
| Buildings | 342,537 | 38,483 | 304,054 | 308,821 |
| Computer equipment | 23,780 | 8,775 | 15,005 | 12,757 |
| Furniture and fixtures | 7,449 | 2,487 | 4,962 | 6,453 |
| | 854,676 | 49,745 | 804,931 | 808,941 |

7. Credit facilities

The society has a \$10,000 line of credit with an interest rate of prime plus 1% secured by a term deposit. As at March 31, 2025 the line of credit had a nil balance, First West Credit prime rate at March 31, 2025 was 5.95%.

8. Deferred revenue and contributions

Deferred revenue and contributions consists of unspent funding from contracted services and funding contributions. Recognition of these amounts as revenue is deferred to periods when the specified expenditure of these funds are made. Components of the deferred revenue and contributions balance are as follows:

| | <i>2025</i> | <i>2024</i> |
|--------------------------------|----------------|---------------|
| Balance, beginning of the year | 21,500 | 80,734 |
| Add: Funding received | 1,438,102 | 906,524 |
| Less: Revenue recognized | (809,244) | (965,758) |
| | 650,358 | 21,500 |

Cowichan Valley Youth Services Society
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9. Long-term debt

| | 2025 | 2024 |
|--|----------------|---------|
| Vendor mortgage bearing interest at 4.5% semi-annually with monthly payments of \$2,767 due on the first of each month. The mortgage expires May 1, 2027 and is secured by land and building with a net book value of \$784,964 (2024 - \$789,731) | 467,113 | 479,010 |
| Less: Current portion | 167,582 | 11,896 |
| | 299,531 | 467,114 |

Principal repayments on long-term debt in each of the next five years, assuming long-term debt subject to refinancing is renewed are estimated as follows:

| | <i>Principal</i> |
|--------------|------------------|
| 2026 | 167,582 |
| 2027 | 20,141 |
| 2028 | 21,067 |
| 2029 | 22,035 |
| 2030 | 23,047 |
| Total | 253,872 |

Subsequent to year end, \$150,000 was paid toward the principal of the vendor mortgage.

10. Deferred contributions restricted for capital assets

Deferred contributions restricted for capital assets consist of the unamortized amount of contributions received for the purchase of capital assets or the reduction of mortgage. Recognition of these amounts as revenue is deferred to periods when the related capital assets are amortized. Changes in deferred capital contributions are as follows:

| | 2025 | 2024 |
|---|-----------------|----------|
| Balance, beginning of year | 271,723 | 283,044 |
| Amount received during the year | 7,003 | - |
| Less: Amounts recognized as revenue during the year | (13,666) | (11,321) |
| Balance, end of year | 265,060 | 271,723 |

11. Donations in Kind

Donations in kind are reflected in the following accounts

| | 2025 | 2024 |
|------------------------|---------------|--------|
| Information technology | - | 2,250 |
| Property taxes | 12,209 | 6,630 |
| Professional fees | 2,000 | 2,000 |
| Program supplies | 2,788 | 7,088 |
| | 16,997 | 17,968 |

Cowichan Valley Youth Services Society
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12. Director, employee and contractor compensation

During the year, there is one employee, contractor or director whose compensation was greater than \$75,000 (2024 - none).