
VANTAGE POINT STRATEGIES SOCIETY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

INDEPENDENT AUDITORS' REPORT

To the Members of Vantage Point Strategies Society

Report on the Financial Statements

Opinion

We have audited the financial statements of Vantage Point Strategies Society (the "Society"), which comprise the statement of financial position as at December 31, 2020, and the statements of changes in net assets, operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2020, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standard 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.

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

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

INDEPENDENT AUDITORS' REPORT

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITORS' REPORT

Report on Other Legal and Regulatory Requirements

As required by the Societies Act of British Columbia, we report that, in our opinion, the accounting policies applied in preparing and presenting the financial statements in accordance with Canadian accounting standards for non-for-profit organizations have been applied on a basis consistent with that of the preceding year.

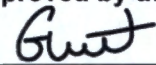
Manning Elliott LLP

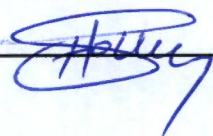
Manning Elliott LLP
Chartered Professional Accountants
Vancouver, British Columbia
May 3, 2021

**VANTAGE POINT STRATEGIES SOCIETY
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2020**

	2020	2019
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents (Note 4)	\$ 189,083	\$ 233,813
Accounts receivable	111,654	93,638
Prepaid expenses and deposits	12,175	8,646
	312,912	336,097
INVESTMENTS - INTERNAL RESERVE FUND (Note 5)	142,472	100,000
INVESTMENTS - RESTRICTED RENT FUND (Note 5)	651,202	552,671
PROPERTY AND EQUIPMENT (Note 6)	7,236	1,659
	\$ 1,113,822	\$ 990,427
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 99,929	\$ 10,146
Deferred revenue (Note 7)	111,095	199,190
	211,024	209,336
DEFERRED CAPITAL CONTRIBUTIONS (Note 8)	4,794	-
	215,818	209,336
COMMITMENT (Note 16)		
NET ASSETS		
UNRESTRICTED	101,888	126,761
INVESTED IN PROPERTY AND EQUIPMENT	2,442	1,659
INTERNAL RESERVE FUND	142,472	100,000
RESTRICTED RENT FUND (Note 16)	651,202	552,671
	898,004	781,091
	\$ 1,113,822	\$ 990,427

Approved by the Board

 _____ Director

 _____ Director

VANTAGE POINT STRATEGIES SOCIETY
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Unrestricted	Invested in Property and Equipment	Internal Reserve Fund	Restricted Rent Fund	Restricted Gaming Fund	2020	2019
NET ASSETS - BEGINNING OF YEAR	\$ 126,761	\$ 1,659	\$ 100,000	\$ 552,671	\$ -	\$ 781,091	\$ 642,614
Revenue	1,296,131	533	2,472	16,894	50,011	1,366,041	1,060,940
Expenditures	(1,279,766)	(988)	-	(3,623)	(50,011)	(1,334,388)	(1,007,773)
Gain on sale of investments	-	-	-	258,584	-	258,584	-
Unrealized (loss) gain on investments	-	-	-	(173,324)	-	(173,324)	85,310
Purchase of property and equipment	(6,565)	6,565	-	-	-	-	-
Deferred capital contributions received	5,327	(5,327)	-	-	-	-	-
Interfund transfer (Note 17)	(40,000)	-	40,000	-	-	-	-
NET ASSETS - END OF YEAR	\$ 101,888	\$ 2,442	\$ 142,472	\$ 651,202	\$ -	\$ 898,004	\$ 781,091

VANTAGE POINT STRATEGIES SOCIETY
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2020

	2020	2019
REVENUE		
Programs	\$ 720,962	\$ 812,587
Grants (Note 9)	467,375	170,714
Government wage subsidies	90,119	-
Restricted gaming	50,011	37,637
Interest and other (Note 15)	21,233	10,540
Sponsorship (Note 12)	9,274	18,226
Donations and contributions (Note 12)	6,534	8,167
Amortization of deferred capital contributions (Note 8)	533	3,069
	1,366,041	1,060,940
EXPENDITURES (Notes 10, 11, 13, 14)		
Education and awareness programs	774,012	582,932
General and administrative	450,655	319,771
Membership services	87,132	65,058
Fundraising	21,601	30,687
Amortization of property and equipment	988	8,495
Events	-	830
	1,334,388	1,007,773
EXCESS OF REVENUE OVER EXPENDITURES FROM OPERATIONS	31,653	53,167
OTHER INCOME (EXPENSES)		
Gain on sale of investments	258,584	-
Unrealized (loss) gain on investments	(173,324)	85,310
	85,260	85,310
EXCESS OF REVENUE OVER EXPENDITURES FOR THE YEAR	\$ 116,913	\$ 138,477

VANTAGE POINT STRATEGIES SOCIETY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

	2020	2019
OPERATING ACTIVITIES		
Excess of revenue over expenditures for the year	\$ 116,913	\$ 138,477
Items not involving cash:		
Amortization of property and equipment	988	8,495
Amortization of deferred capital contributions	(533)	(3,069)
Gain on sale of investments	(258,584)	(1,248)
Unrealized loss (gain) on investments	173,324	(85,310)
	32,108	57,345
Changes in non-cash working capital:		
Accounts receivable	(18,016)	(34,436)
Prepaid expenses and deposits	(3,529)	(8,646)
Accounts payable and accrued liabilities	89,783	(7,968)
Deferred revenue	(88,095)	12,861
	(19,857)	(38,189)
Cash flow from operating activities	12,251	19,156
INVESTING ACTIVITIES		
Purchase of property and equipment	(6,565)	-
Purchase of investments - restricted rent fund	(734,809)	(244)
Purchase of investments - internal reserve fund	(42,472)	-
Proceeds from sale of investments - restricted rent fund	721,538	-
Cash flow used by investing activities	(62,308)	(244)
FINANCING ACTIVITY		
Deferred capital contributions received	5,327	-
Cash flow from financing activity	5,327	-
(DECREASE) INCREASE IN CASH FLOW	(44,730)	18,912
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	233,813	214,901
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 189,083	\$ 233,813

VANTAGE POINT STRATEGIES SOCIETY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

1. PURPOSE OF THE SOCIETY AND IMPACT OF COVID-19

Vantage Point Strategies Society (the "Society") was founded in 1943 and is a registered charity incorporated under the *Society Act* (British Columbia). Accordingly, the Society is exempt from income tax under section 149 of the *Income Tax Act* (Canada). The Society transitioned to the Societies Act of British Columbia in November 2017.

The Society's mission is to transform not-for-profit organizations in British Columbia by convening, connecting and equipping leaders to lift organizational capacity. The Society envisions a future where Canada's not-for-profit sector is a thriving community, where organizations mindfully engage talented people, drawing on a spirit of abundance to achieve their missions. The services provided by the Society include, but are not limited to:

- Information and support in volunteering and volunteerism for current and potential volunteers;
- Education on not-for-profit governance and leadership for volunteers and paid staff of not-for-profits; and
- Information and resources about the not-for-profit sector and its impact for the general public.

The constitution of the Society does not permit the members to realize any personal gain as a result of operation, dissolution or winding up. All net assets held by the Society upon dissolution or wind-up shall be conveyed to the United Way of the Lower Mainland.

In March 2020, a global pandemic was declared due to the COVID-19 virus, which has had a significant impact on economic and social activity through the restrictions put in place by the Canadian government regarding travel, business operations and isolation/quarantine orders. In response to COVID-19, the Society has indefinitely postponed in-person events until such time that it is considered safe to resume these events. The Society continues to monitor the situation and assess the impact COVID-19 will have on its operations.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") under Part III of the CPA Canada Handbook - Accounting. Financial statements prepared in accordance with ASNPO are also in accordance with Canadian generally accepted accounting principles ("GAAP"). These financial statements have, in management's opinion, been prepared within reasonable limits of materiality using the significant accounting policies noted below:

(a) Net assets

i) Unrestricted funds

The unrestricted fund reports the general operations of the Society, including general operating revenue, general operating expenditures, and all assets and liabilities relating to operations.

ii) Invested in property and equipment

Net assets invested in property and equipment represents the Society's net investment in property and equipment which is comprised of the unamortized amount of property and equipment purchased with restricted funds.

VANTAGE POINT STRATEGIES SOCIETY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

iii) Internal reserve fund

Internal reserve net assets are funds which have been designated by the Society's Board of Directors for the specific purpose of providing an internal source of funds for situations such as a sudden increase in expenses, one-time unbudgeted expenses, and unanticipated loss in funding or uninsured losses.

iv) Restricted rent fund

The Society currently leases its office space from the City of Vancouver. The restricted rent fund was initiated and maintained by the Society in accordance with the terms of the lease agreement with the City of Vancouver in relation to its office space. These are funds set aside to cover the cost of leasing and operating the leased premises in the 20-year period following the end of the term of the agreement, independent of any ongoing subsidy or other financial support from the City of Vancouver (Note 16).

(b) Cash and cash equivalents

Cash and cash equivalents consist of highly liquid investments that can be converted to known amounts of cash, having original terms to maturity, or that are cashable within three months or less from the date of original acquisition.

(c) Contributed services and materials

The Society gratefully acknowledges the receipt of contributed services from many highly skilled volunteers. Contributed services are not recognized in the financial statements, as fair value cannot be reasonably estimated. Donated materials are recorded at fair market value at the date of contribution when a reasonable estimate can be made and the materials are used in the normal course of operations and would otherwise have been purchased.

(d) Property and equipment

Property and equipment is stated at cost less accumulated amortization and is amortized at the following rates and methods:

Websites	3 years	straight-line method
Office equipment	20%	declining balance method
Computer software	3 years	straight-line method

The Society regularly reviews its property and equipment to eliminate obsolete items.

The Society's policy is to record a write-down to a capital asset's fair value or replacement cost when conditions indicate that a capital asset is impaired. Such conditions include when the capital asset no longer contributes to the Society's ability to provide goods and services or when the value of future economic benefits or service potential associated with the capital asset is less than its net carrying amount. Write-downs are recognized as an expense in the statement of operations and are not reversed.

VANTAGE POINT STRATEGIES SOCIETY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(e) Revenue recognition

The Society follows the deferral method of accounting for contributions. Restricted contributions including gaming contributions are deferred and recognized as revenue in the year in which the related expenses are incurred. Contributions for the acquisition of assets are deferred and recognized as revenue on the same basis as the amortization expense related to the acquired property and equipment.

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.

Program revenue relates to programs, events and services provided by the Society. These revenues are recognized in the period in which the related programs, events or services are provided.

Interest and other revenues are recognized in the period in which they are earned and collection is reasonably assured.

Other contributions received in the current period that are related to programs and events of the subsequent period are deferred and recognized as revenue in the period in which the programs and events are provided and the related expenses are incurred.

(f) Pension plan

The Society and its employees contribute to a multi-employer defined benefit pension plan. Under the terms of the plan, each employer is required to make contributions based on a percentage of eligible employees' wages. From time to time, the employers may be required to make additional payments to cover the plans' solvency deficiency. The actuary does not attribute the net assets or unfunded liability of the plan to individual employers. As a result, the Society does not record an asset or liability associated with its participation in the pension plan. All contributions to the pension plan are expensed when due.

(g) Use of estimates

The preparation of these financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions about future events that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. While management believes these estimates are reasonable, actual results could differ from those estimates and could impact future results of operations and cash flows. Significant areas requiring the use of management estimates include valuation of accounts receivable, estimated useful lives of property and equipment for calculating amortization, amounts recorded as accrued liabilities, and the measurement of deferred revenue and deferred capital contributions.

VANTAGE POINT STRATEGIES SOCIETY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(h) Financial instruments

i) Measurement

The Society's financial instruments consist of cash and cash equivalents, accounts receivable, investments and accounts payable.

Financial instruments are recorded at fair value when acquired. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

ii) Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down that is determined is recognized in the statement of operations. A previously recognized impairment loss may be reversed to the extent of any improvement, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations in the period in which it is determined.

iii) Transaction costs

Transaction costs that are directly attributable to the origination, issuance or assumption of a financial instrument that is subsequently measured at amortized cost are assigned to those financial instruments. All other transaction costs are recognized in the statement of operations in the period incurred.

(i) Allocation of expenses

The Society reports its expenses by function. Allocations to each function are based on a direct assignment of costs attributable to each function. The Society's salaries and benefits expenses are allocated based on the relative amount of time the Society's employees work on each function.

3. FINANCIAL INSTRUMENTS RISKS

The Society is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Society's risk exposure and concentration as of December 31, 2020. These risks have not significantly changed from the prior year except as noted below.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Society's financial assets that are exposed to credit risk are cash and cash equivalents, accounts receivable and investments. The risk associated with cash and cash equivalents is minimized to the extent that they are placed with a major Canadian financial institution.

VANTAGE POINT STRATEGIES SOCIETY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

3. FINANCIAL INSTRUMENTS RISKS *(continued)*

The risk associated with accounts receivable is minimized given the small number of parties owing amounts to the Society and its history of collecting substantially all of its outstanding receivables within 30 days.

Credit risk associated with investments is minimized given that the investments consist of highly liquid mutual funds and are placed with a Canadian financial institution.

The COVID-19 health pandemic has caused significant economic uncertainty. The Society's exposure to credit risk has changed as a result of COVID-19. However, management believes the risk to be minimal and has taken necessary steps to mitigate any potential losses.

(b) Liquidity risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk mainly in respect of its accounts payable. However, cash flow from operations is budgeted to provide for the Society's cash requirements.

As noted above, the COVID-19 health pandemic could impact the timing of cash inflows. The Society has proactively monitored its cash flows to manage any disruption to its regular balance of working capital and anticipates that its cash reserves will adequately minimize liquidity risk.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

(i) Currency risk

Currency risk is the risk to the Society's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Society is not exposed to currency risk.

(ii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. The Society is exposed to interest rate risk primarily through its fixed income investments. In seeking to minimize the risks from interest rate fluctuations, the Society manages exposure through its normal operating and financing activities and by being conscious of market rates when investing.

(iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Society is subject to other price risk through its equity investments.

VANTAGE POINT STRATEGIES SOCIETY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

4. CASH AND CASH EQUIVALENTS

The Society's cash and cash equivalents include restricted funds, which are subject to external gaming license restrictions.

	2020	2019
Short-term investments	\$ 66,207	\$ 54,940
Restricted cash	5,590	23,937
Unrestricted cash	117,286	154,936
	\$ 189,083	\$ 233,813

The Society receives deposits in advance of providing certain services, which are recorded as deferred revenue until the services are provided and the related expenses are incurred.

	2020	2019
Cash and cash equivalents	\$ 189,083	\$ 233,813
Deferred revenue	(111,095)	(199,190)
	\$ 77,988	\$ 34,623

5. INVESTMENTS

The investments held for the Internal Reserve Fund are as follows:

	2020 Cost	2020 Market value	2019 Cost	2019 Market value
Term deposits	\$ 75,000	\$ 75,000	\$ 100,000	\$ 100,000
Money market funds	67,472	67,472	-	-
	\$ 142,472	\$ 142,472	\$ 100,000	\$ 100,000

The investments held for the Restricted Rent Fund are as follows (Note 16):

	2020 Cost	2020 Market value	2019 Cost	2019 Market value
Cash	\$ 6,107	\$ 6,107	\$ 34	\$ 34
Fixed income and equities	572,613	645,095	306,797	552,637
	\$ 578,720	\$ 651,202	\$ 306,831	\$ 552,671

Since 2008, the Society has contributed \$300,000 to the Restricted Rent Fund. The increase of the cost case to \$578,720 represents realized gains in the market.

VANTAGE POINT STRATEGIES SOCIETY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

6. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
Websites	\$ 38,435	\$ 38,435	\$ -	\$ -
Office equipment	19,842	12,606	7,236	1,659
Computer software	13,895	13,895	-	-
	\$ 72,172	\$ 64,936	\$ 7,236	\$ 1,659

7. DEFERRED REVENUE

	2020	2019
Balance, beginning of year	\$ 199,190	\$ 186,329
Contributions received during the year	738,143	542,083
Revenue recognized during the year	(826,238)	(529,222)
Balance, end of year	\$ 111,095	\$ 199,190

Deferred revenue is comprised of the following balances:

	2020	2019
City of Vancouver	\$ 41,274	\$ 42,846
Royal Bank of Canada Foundation	12,500	-
BOSS Sponsorship	11,500	-
Other advance payments	10,636	59,718
Vancouver Coastal Health	10,596	13,776
City of Kelowna	9,000	19,040
Vancity Foundation	7,000	-
Bursary fund	4,599	5,687
Province of British Columbia - Gaming Grant	3,990	20,908
Department of Canadian Heritage	-	37,215
	\$ 111,095	\$ 199,190

VANTAGE POINT STRATEGIES SOCIETY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

8. DEFERRED CAPITAL CONTRIBUTIONS

	2020	2019
Balance, beginning of year	\$ -	\$ 3,069
Contributions received for purchase of office equipment during the year	5,327	-
Revenue recognized during the year	(533)	(3,069)
Balance, end of year	\$ 4,794	\$ -

9. GRANTS

	2020	2019
Anonymous donors	\$ 235,293	\$ 37,707
Vancouver Foundation	89,674	-
City of Vancouver	51,655	28,704
Department of Canadian Heritage	42,130	56,172
Vancouver Coastal Health	36,249	-
Vancouver Community Network	9,874	12,000
Royal Bank of Canada	2,500	9,000
City of Vancouver Fund Development Lab	-	8,000
First West Foundation	-	5,737
BC Rural Dividend	-	9,394
BC Multiculturalism	-	4,000
	\$ 467,375	\$ 170,714

10. EXPENDITURE BY OBJECT

	2020	2019
Salaries and benefits (Note 13)	\$ 1,062,267	\$ 830,084
Programs	138,107	66,649
General and administrative	132,713	99,039
Amortization of property and equipment	988	8,495
Investor development	313	3,506
	\$ 1,334,388	\$ 1,007,773

11. GAMING GRANT EXPENDITURES

Included in the total expenses for the year ended December 31, 2020 are expenses incurred in relation to the restricted gaming grant of \$50,011 (2019 - \$37,637).

VANTAGE POINT STRATEGIES SOCIETY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

12. RELATED PARTY TRANSACTIONS

The Society receives donation revenue from its management, Board of Directors and Finance Committee members, their immediate family members and companies which they control. During the year ended December 31, 2020, related parties contributed \$2,950 (2019 - \$4,323) in donation revenue. Additionally, companies owned by certain directors also provided \$Nil (2019 - \$5,000) in sponsorships revenue for particular events and activities of the Society. All related party transactions are in the normal course of operations and are recorded at exchange amounts established and agreed upon between the related parties.

13. SALARIES AND BENEFITS

Salaries and benefits expense for the year includes three employees (2019 - three employees) who earned over \$75,000 for a total of \$342,915 (2019 - \$307,335).

14. PENSION PLAN

The Society and its employees contribute to the pension plan of the United Way of the Lower Mainland (the "Plan"), a multi-employer defined benefit pension plan providing pension benefits to all eligible employees. As at December 31, 2019, the Plan has 900 active members, 562 deferred pensioners and 262 pensioners and survivors. Participating agencies contribute to the Plan as required to provide for the normal cost of benefits currently accruing to employees, and to provide for amortization of previously unfunded liabilities.

The Plan is subject to actuarial valuation every three years. As at December 31, 2019, the Plan disclosed a going concern excess of \$8.92 million, which implied that on a going concern assumption the plan assets exceeded the plan liabilities based on the 2019 actuarial valuation. However, at December 31, 2019, the Plan also disclosed a solvency deficiency of \$18.78 million, which implied that if the Plan were to wind down, the plan liabilities would exceed the plan assets by this amount, based on the 2019 actuarial valuation. The next actuarial valuation will be as at December 31, 2022 and is expected to be issued in mid-2023.

As a multi-employer plan, the actuary does not attribute the unfunded liability to individual employers. Consequently, the Society's share in the unfunded liability cannot be determined and is not recorded in these financial statements.

Contributions to the Plan of \$60,042 (2019 - \$39,550) were expensed during the year.

15. THE VANTAGE POINT STRATEGIES ENDOWMENT FUND - VANCOUVER FOUNDATION

The Society has established The Vantage Point Strategies Endowment Fund (the "Fund"), which is set up and administered through the Vancouver Foundation (the "Foundation"). Based on the agreement with the Foundation, all monies invested in this Fund become the property of the Foundation, and as such, these amounts are not reported in these financial statements. The Society is entitled to all net income earned in the Fund. The original contribution to the Fund was \$17,681 and the current market value of the Fund is \$27,257 (2019 - \$26,119). The Fund distributed investment income of \$1,010 (2019 - \$982) to the Society during the year.

VANTAGE POINT STRATEGIES SOCIETY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

16. COMMITMENT

The Society entered into an agreement to lease the premises at 1183 Melville Street, Vancouver, British Columbia, from the City Vancouver at a cost of \$1 per year for a period of 20 years commencing April 24, 2007. Under the terms of this lease agreement, the Society must maintain throughout the term of the lease a restricted rent fund. The obligation of the Society, in respect of the fundraising, is to generate sufficient funds to cover the cost of leasing and operating the leased premises in the 20-year period following the end of the term of the agreement, independent of any ongoing subsidy or other financial support from the City of Vancouver. Such operating costs include capital replacement, upgrades and improvements, and not simply recurring operational costs. The restricted rent fund is solely for the benefit of the leased premises and the future occupant thereof, which may or may not be the Society. The restricted rent fund is to be maintained in a segregated and dedicated bank account or other investment instrument.

The Society holds a restricted segregated investment instrument to ensure it is able to meet the commitment stated above (Note 5).

17. INTERFUND TRANSFER

Effective December 31, 2020, the Board of Directors approved a transfer of \$40,000 (2019 - \$Nil) from the Unrestricted Fund to the Internal Reserve Fund for the implementation of future programs.

18. COMPARATIVE FIGURES

The comparative figures for prior year financial statements have been reclassified for comparative purposes to conform with presentation in the current year financial statements.

Such reclassification does not have any effect on the assets, net assets or excess of revenue over expenditures previously reported.