
YORKTOWN SHELTER FOR WOMEN

FINANCIAL STATEMENTS

MARCH 31, 2016

INDEPENDENT AUDITOR'S REPORT

To the Members,
Yorktown Shelter for Women

We have audited the accompanying financial statements of Yorktown Shelter for Women which comprise the statement of financial position as at March 31, 2016, and the statements of changes in net assets, operations 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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained 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 Yorktown Shelter for Women as at March 31, 2016, 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.

Cowperthwaite Mehta

Chartered Accountants
Licensed Public Accountants

June 29, 2016
Toronto, Ontario

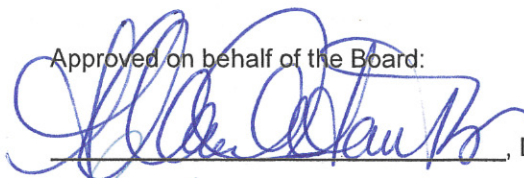
YORKTOWN SHELTER FOR WOMEN

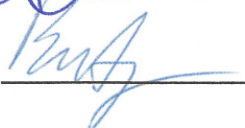
STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2016

	2016	2015
ASSETS		
Current assets		
Cash (note 4)	\$ 35,708	\$ 65,192
Short-term investments (notes 5 and 6)	143,408	141,769
Accounts receivable	9,405	7,513
Prepaid expenses	<u>1,222</u>	<u>1,060</u>
	189,743	215,534
Capital assets (note 7)	<u>612,588</u>	<u>627,588</u>
	<u>\$ 802,331</u>	<u>\$ 843,122</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	\$ 120,938	\$ 88,142
Deferred contributions (note 9)	84,113	44,716
Mortgage payable - current portion (note 10)	30,704	60,626
Amounts due to Yorktown Child and Family Centre (note 11)	<u>93,067</u>	<u>143,202</u>
	328,822	336,686
Deferred capital grants (note 12)	161,618	173,618
Mortgage payable (note 10)	<u> </u>	<u>30,740</u>
	<u>490,440</u>	<u>541,044</u>
Net assets		
Housing capital reserve (note 6)	91,356	91,356
Invested in capital assets (note 8)	420,266	362,604
Operating	<u>(199,731)</u>	<u>(151,882)</u>
	<u>311,891</u>	<u>302,078</u>
	<u>\$ 802,331</u>	<u>\$ 843,122</u>

Approved on behalf of the Board:


_____, Director


_____, Director

see accompanying notes

YORKTOWN SHELTER FOR WOMEN

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED MARCH 31, 2016

				2016	2015
	Housing capital reserve	Invested in capital assets	Operating	Total	Total
Net assets, beginning of year	\$ 91,356	\$ 362,604	\$ (151,882)	\$ 302,078	\$ 253,208
Excess of revenue over expenses for the year			9,813	9,813	48,870
Pay down of mortgage principal		60,662	(60,662)		
Amortization for the year, net		(3,000)	3,000		
NET ASSETS, END OF YEAR	<u>\$ 91,356</u>	<u>\$ 420,266</u>	<u>\$ (199,731)</u>	<u>\$ 311,891</u>	<u>\$ 302,078</u>

see accompanying notes

YORKTOWN SHELTER FOR WOMEN

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2016

	2016		2015		
	Shelter	WACAV	Transitional Support Program	Child Witness Program	Total
REVENUE					
Grants and subsidies					
Ministry of Community and Social Services (The Ministry)					
Core grant	\$ 1,272,685	\$ 244,490			\$ 1,272,685
Women and Community Against Violence (WACAV)				214,961	244,490
Early Intervention for Child Witness of Women Abuse			141,875		214,547
Transitional Support Program					143,479
Dedicated Supportive Housing (note 10)	83,318				83,318
Capital (note 12)	12,000				12,000
Minor capital					6,600
Capacity Building	5,400				5,400
United Way Toronto & York Region - Membership	151,544	26,275			177,819
City of Toronto - Personal Needs Allowance	23,313				23,313
VAW/CAS Co-Location	73,654				77,596
Fundraising	<u>1,639</u>				<u>1,639</u>
Investment income					<u>2,983</u>
	<u>1,623,553</u>	<u>270,765</u>	<u>141,875</u>	<u>214,961</u>	<u>2,251,154</u>
					<u>2,118,741</u>
EXPENSES					
Personnel	1,033,552	236,654	119,884	173,048	1,532,518
Program and operations (note 11)	288,038	26,111	11,143	22,413	347,705
Administration, communication and development	173,069		10,848	4,000	187,917
Occupancy costs (notes 7 and 11)	<u>119,081</u>	<u>8,000</u>		<u>15,500</u>	<u>142,424</u>
	<u>1,613,740</u>	<u>270,765</u>	<u>141,875</u>	<u>214,961</u>	<u>2,241,341</u>
					<u>2,069,871</u>
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	<u>\$ 9,813</u>	<u>\$ nil</u>	<u>\$ nil</u>	<u>\$ nil</u>	<u>\$ 9,813</u>
					<u>\$ 48,870</u>

see accompanying notes

YORKTOWN SHELTER FOR WOMEN

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2016

	2016	2015
OPERATING ACTIVITIES		
Excess of revenue over expenses for the year	\$ 9,813	\$ 48,870
Add back (deduct) non-cash items-		
Amortization of capital assets	15,000	13,000
Amortization of capital grants	(12,000)	(10,000)
Net change in working capital items (see below)	<u>70,139</u>	<u>(64,816)</u>
Net cash generated from (used for) operations	<u>82,952</u>	<u>(12,946)</u>
INVESTING ACTIVITIES		
Purchase of short-term investments	<u>(1,639)</u>	<u>(1,567)</u>
FINANCING ACTIVITIES		
Net cash received from (paid to) Yorktown Child and Family Centre	(50,135)	58,336
Mortgage principal repayments	<u>(60,662)</u>	<u>(59,470)</u>
Net cash used for financing activities	<u>(110,797)</u>	<u>(1,134)</u>
NET DECREASE IN CASH FOR THE YEAR	(29,484)	(15,647)
Cash, beginning of year	<u>65,192</u>	<u>80,839</u>
CASH, END OF YEAR	<u>\$ 35,708</u>	<u>\$ 65,192</u>

Net change in non-cash working capital items:

Decrease (increase) in current assets-		
Accounts receivable	\$ (1,892)	\$ 57,771
Prepaid expenses	(163)	(30)
Increase (decrease) in current liabilities-		
Accounts payable and accrued liabilities	32,798	(120,085)
Deferred contributions	<u>39,396</u>	<u>(2,472)</u>
	<u>\$ 70,139</u>	<u>\$ (64,816)</u>

see accompanying notes

YORKTOWN SHELTER FOR WOMEN

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2016

Yorktown Shelter for Women (the Shelter) is incorporated in the Province of Ontario as a not-for-profit charitable organization without share capital.

The Shelter's services include emergency accommodations, counselling and information for women in Toronto, Ontario, with or without children, in crisis situations. The Shelter also provides education to professional and community groups and participates in any social action or preventive effort deemed relevant to social, legal or institutional reform or change designed to intervene effectively in the issue of family violence, particularly relating to assaulted women.

1. SUMMARY OF FUNDS

The Shelter receives funding for special purposes. The financial statements have been presented in a manner which segregates the following categories of net assets:

Housing capital reserve

The housing capital reserve comprises funds contributed by Canada Mortgage and Housing Corporation (CMHC) net of CMHC authorized expenditures. The fund can only be used for purposes specified by CMHC.

Invested in capital assets

This fund comprises the property and equipment assets of the Shelter net of related liabilities. Grants received for mortgage principal payments are recorded as an increase in the fund. Amortization of capital assets and mortgage principal payments are recorded as a decrease in the fund. Mortgage interest and related funding are recorded in the operating fund as a cost of operations.

Operating fund

All assets, liabilities, revenue and expenses not restricted by external funders or designated for specific purposes are recorded in the operating fund.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Management is responsible for the preparation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations. Accounting principles used include the following significant policies:

Capital assets

Capital assets are recorded at cost. Amortization is provided annually at rates calculated to write-off the assets over their estimated useful lives as follows:

Land	- nil
Building	- 5% diminishing balance
Furniture and equipment	- 20% diminishing balance

Revenue

The principal sources of revenue and recognition of these revenues for financial statement purposes are as follows:

- i) The Shelter follows the deferral method of revenue recognition for government grants. Grants related to current expenditures are reflected in the accounts as revenue in the current year. Grants received in the year for expenses to be incurred in the following fiscal year are recorded as deferred revenue. Grants and contributions related to the purchase of capital assets are recorded as revenue in the same period the related assets are charged to operations.

YORKTOWN SHELTER FOR WOMEN

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- ii) Fundraising and donations are recorded as revenue when funds are received. Donated materials and services which are normally purchased by the Shelter are not recorded in the accounts.
- iii) Investment income including realized and unrealized gains and losses on securities is recognized as earned.

Use of estimates

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses. Specifically, significant assumptions have been made in arriving at the calculation of amortization of capital assets and related deferred capital grants. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in the period in which they become known.

3. FINANCIAL INSTRUMENTS AND RELATED FINANCIAL RISKS

The Shelter's financial instruments include cash, short-term investments, accounts receivable, accounts payable and accrued liabilities and line of credit payable. Financial instruments are initially recorded at fair value and subsequently measured at amortized cost net of any provisions for impairment.

The following are those financial instruments considered particularly significant and their related financial risks:

- i) Accounts receivable are regularly monitored to minimize credit risk from uncollected revenue. The organization's losses from uncollected revenue have been minimal.
- ii) Fluctuations in market interest rates do not result in significant interest rate risks affecting future cash flows from fixed rate guaranteed investment certificates.
- iii) The Shelter expects to meet its financial obligations for accounts payable and accrued liabilities through cash flows from operations.

4. BANK LINE OF CREDIT

The Shelter has a revolving demand bank line of credit of \$100,000, bearing interest at bank prime plus 2.25%. The line of credit is secured with a General Security Agreement covering all assets of the Shelter, including inventory, furniture and equipment and accounts receivable. None of the line was drawn down at March 31, 2016.

5. SHORT-TERM INVESTMENTS

Short-term investments comprise a guaranteed investment certificate issued by a major Canadian chartered bank bearing interest at 0.70% and maturing November 2016.

6. HOUSING CAPITAL RESERVE

Short-term investments include funds of \$91,356 held specifically for the housing capital reserve as mandated by the Ministry (\$91,356 held for the housing capital reserve in short-term investments as at March 31, 2015).

YORKTOWN SHELTER FOR WOMEN

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2016

7. CAPITAL ASSETS

Capital assets at the year end were as follows:

	Cost	Accumulated Amortization	2016 Net	2015 Net
Land	\$ 430,000		\$ 430,000	\$ 430,000
Building	434,952	\$ (260,925)	174,027	186,028
Furniture and equipment	<u>91,732</u>	<u>(83,171)</u>	<u>8,561</u>	<u>11,560</u>
	<u>\$ 956,684</u>	<u>\$ (344,096)</u>	<u>\$ 612,588</u>	<u>\$ 627,588</u>

Occupancy costs include amortization of \$15,000 in 2016 (\$13,000 in 2015).

The building is pledged as collateral for a mortgage held by Canada Life Mortgage Services Ltd. (CLMS) (see note 10).

8. AMOUNTS INVESTED IN CAPITAL ASSETS

Amounts invested in capital assets are calculated as follows:

	2016	2015
Capital assets (note 7)	\$ 612,588	\$ 627,588
Mortgage payable guaranteed by CMHC (note 10)	(30,704)	(91,366)
Deferred capital grants (note 12)	<u>(161,618)</u>	<u>(173,618)</u>
	<u>\$ 420,266</u>	<u>\$ 362,604</u>

As noted in note 10, the mortgage liability will be fully funded by CMHC and The Ministry.

9. DEFERRED CONTRIBUTIONS

Deferred contributions is composed of the following:

	2016	2015
Women's Housing Startup Initiative	\$ 34,154	\$ 20,257
VAW/CAS Project	21,959	24,459
Bennett Family Foundation	<u>28,000</u>	<u>-</u>
	<u>\$ 84,113</u>	<u>\$ 44,716</u>

Continuity of deferred contributions for the year is as follows:

Deferred contributions, beginning of year	\$ 44,716	\$ 47,188
Add cash received from grant funding	2,191,945	1,919,151
Less grant funding recognized	<u>(2,152,548)</u>	<u>(1,921,623)</u>
Deferred contributions, end of year	<u>\$ 84,113</u>	<u>\$ 44,716</u>

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MARCH 31, 2016

10. MORTGAGE PAYABLE

The mortgage payable at March 31 was as follows:

	2016	2015
First mortgage payable to Canada Life Mortgage Services (CLMS) due September 1, 2016, bearing interest at 1.64%, amortized over 4 years and 9 months, repayable in blended monthly payments of \$5,135.	\$ 30,704	\$ 91,366
Less current portion	<u>(30,704)</u>	<u>(60,626)</u>
Long-term portion	<u>\$ nil</u>	<u>\$ 30,740</u>

Interest subsidies received from The Ministry housing grants in 2016 of \$2,935 (\$3,882 in 2015) are part of The Ministry Dedicated Supportive Housing grant revenue recognized of \$83,318 in 2016 (\$83,318 recognized in 2015).

The CLMS mortgage principal and interest payments will be fully funded over the life of the mortgage by CMHC and The Ministry. The principal is fully guaranteed by CMHC in the event of default.

11. RELATED PARTY

The Shelter is related to Yorktown Child and Family Centre in that both organizations share the same Executive Director and other management staff. In addition, some board members serve on the Board of Directors of both organizations.

Amounts due from or payable to Yorktown Child and Family Centre at March 31, 2016 arose in the normal course of operations, are non-interest bearing, payable on demand and unsecured.

During 2016 the Shelter was charged \$163,500 by Yorktown Child and Family Centre for administrative and occupancy costs incurred by the Shelter (\$158,500 charged in 2015). During the year the related organizations also raised money through joint fundraising campaigns.

12. DEFERRED CAPITAL GRANTS

Deferred capital grants comprise the following:

	2016	2015
The Ministry	<u>\$ 161,618</u>	<u>\$ 173,618</u>

Continuity of deferred capital grants for the year is as follows:

Deferred capital grants, beginning of year	\$ 173,618	\$ 183,618
Less capital grant revenue recognized	<u>(12,000)</u>	<u>(10,000)</u>
Deferred capital grants, end of year	<u>\$ 161,618</u>	<u>\$ 173,618</u>

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NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2016

13. INCOME TAX STATUS

The Shelter is a charitable organization under the Income Tax Act (Canada) and as such, is exempt from income taxes and able to issue donation receipts for income tax purposes. In order to maintain its status as a registered charity, the Shelter must meet certain requirements within the Act. In the opinion of management, these requirements have been met.