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**YORKTOWN SHELTER FOR WOMEN**

**FINANCIAL STATEMENTS**

**MARCH 31, 2017**

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## 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, 2017, 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, 2017, 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.



Chartered Accountants  
Licensed Public Accountants

June 28, 2017  
Toronto, Ontario

# YORKTOWN SHELTER FOR WOMEN

## STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2017

	2017	2016
<b>ASSETS</b>		
Current assets		
Cash (note 5)	\$ 56,204	\$ 35,708
Short-term investments (notes 6 and 7)	144,412	143,408
Accounts receivable	10,015	9,405
Prepaid expenses	<u>8,701</u>	<u>1,222</u>
	219,332	189,743
Capital assets (note 8)	<u>597,587</u>	<u>612,587</u>
	<u>\$ 816,919</u>	<u>\$ 802,330</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities		
Accounts payable and accrued liabilities	\$ 86,662	\$ 120,938
Deferred contributions (note 10)	30,154	84,113
Amounts due to Yorktown Child and Family Centre (note 12)	230,617	93,067
Mortgage payable (note 11)	<u>          </u>	<u>30,704</u>
	347,433	328,822
Deferred capital grants (note 13)	<u>149,618</u>	<u>161,618</u>
	<u>497,051</u>	<u>490,440</u>
Net assets		
Housing capital reserve (note 7)	91,356	91,356
Invested in capital assets (note 9)	447,969	420,265
Operating	<u>(219,457)</u>	<u>(199,731)</u>
	<u>319,868</u>	<u>311,890</u>
	<u>\$ 816,919</u>	<u>\$ 802,330</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, 2017

				2017	2016
	Housing capital reserve	Invested in capital assets	Operating	Total	Total
Net assets, beginning of year	\$ 91,356	\$ 420,265	\$ (199,731)	\$ 311,890	\$ 302,078
Excess of revenue over expenses for the year			7,978	7,978	9,812
Pay down of mortgage principal		30,704	(30,704)		
Amortization for the year, net		(3,000)	3,000		
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 91,356</u>	<u>\$ 447,969</u>	<u>\$ (219,457)</u>	<u>\$ 319,868</u>	<u>\$ 311,890</u>

see accompanying notes

# YORKTOWN SHELTER FOR WOMEN

## STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2017

2017                      2016

### REVENUE

Grants and subsidies

Ministry of Community and Social Services (The Ministry)

Core grant

Women and Community Against Violence (WACAV)

Early Intervention for Child Witness of Women Abuse

Transitional Support Program

Dedicated Supportive Housing (note 11)

Capital (note 13)

Minor capital

Capacity Building

United Way Toronto & York Region - Membership

City of Toronto - Personal Needs Allowance

VAW/CAS Co-Location

Fundraising

Investment income

	Shelter	WACAV	Transitional Support Program	Child Witness Program	Total	Total
	\$ 1,076,685	\$ 244,490			\$ 1,076,685	\$ 1,272,685
			141,875	214,961	244,490	244,490
	55,546				141,875	214,961
	12,000				55,546	83,318
	3,675				12,000	12,000
	5,400				3,675	5,400
	172,819				5,400	177,819
	28,872				172,819	23,313
			21,959		28,872	21,959
	84,607		15,789		21,959	73,654
	1,004				100,396	1,639
	<u>1,440,608</u>	<u>244,490</u>	<u>179,623</u>	<u>214,961</u>	<u>2,079,682</u>	<u>2,251,154</u>
	945,414	228,449	152,526	163,649	1,490,038	1,563,138
	181,407	11,041	12,215	28,312	232,975	347,706
	183,788		14,882	7,000	205,670	187,917
	<u>122,021</u>	<u>5,000</u>		<u>16,000</u>	<u>143,021</u>	<u>142,581</u>
	<u>1,432,630</u>	<u>244,490</u>	<u>179,623</u>	<u>214,961</u>	<u>2,071,704</u>	<u>2,241,342</u>
	\$ 7,978	nil	nil	nil	\$ 7,978	\$ 9,812

**EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR**

### EXPENSES

Personnel

Program and operations (note 12)

Administration, communication and development

Occupancy costs (notes 8 and 12)

see accompanying notes

# YORKTOWN SHELTER FOR WOMEN

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2017

	2017	2016
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenses for the year	\$ 7,978	\$ 9,812
Add back (deduct) non-cash items-		
Amortization of capital assets	15,000	15,000
Amortization of capital grants	(12,000)	(12,000)
Net change in non-cash working capital items (see below)	<u>(96,324)</u>	<u>70,139</u>
Net cash generated from (used for) operating activities	<u>(85,346)</u>	<u>82,951</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of short-term investments	<u>(1,004)</u>	<u>(1,639)</u>
<b>FINANCING ACTIVITIES</b>		
Net cash received from (paid to) Yorktown Child and Family Centre	137,550	(50,135)
Mortgage principal repayments	<u>(30,704)</u>	<u>(60,661)</u>
Net cash obtained from (used for) financing activities	<u>106,846</u>	<u>(110,796)</u>
<b>NET INCREASE (DECREASE) IN CASH FOR THE YEAR</b>	20,496	(29,484)
Cash, beginning of year	<u>35,708</u>	<u>65,192</u>
<b>CASH, END OF YEAR</b>	<u>\$ 56,204</u>	<u>\$ 35,708</u>

Net change in non-cash working capital items:

Decrease (increase) in current assets-		
Accounts receivable	\$ (610)	\$ (1,892)
Prepaid expenses	(7,479)	(163)
Increase (decrease) in current liabilities-		
Accounts payable and accrued liabilities	(34,276)	32,798
Deferred contributions	<u>(53,959)</u>	<u>39,396</u>
	<u>\$ (96,324)</u>	<u>\$ 70,139</u>

see accompanying notes

# YORKTOWN SHELTER FOR WOMEN

## NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2017

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### 1. THE ORGANIZATION

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.

### 2. 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.

### 3. 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 contributions. 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, 2017

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### 3. 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.

### 4. 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.

### 5. 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, 2017.

### 6. 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 2017.

### 7. 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 30, 2016).



# YORKTOWN SHELTER FOR WOMEN

## NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2017

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### 8. CAPITAL ASSETS

Capital assets at the year end were as follows:

	Cost	Accumulated Amortization	2017 Net	2016 Net
Land	\$ 430,000		\$ 430,000	\$ 430,000
Building	434,953	\$ (272,925)	162,028	174,027
Furniture and equipment	<u>91,730</u>	<u>(86,171)</u>	<u>5,559</u>	<u>8,560</u>
	<u>\$ 956,683</u>	<u>\$ (359,096)</u>	<u>\$ 597,587</u>	<u>\$ 612,587</u>

Occupancy costs include amortization of \$15,000 in 2017 (\$15,000 in 2016).

### 9. AMOUNTS INVESTED IN CAPITAL ASSETS

Amounts invested in capital assets are calculated as follows:

	2017	2016
Capital assets (note 8)	\$ 597,587	\$ 612,587
Mortgage payable		(30,704)
Deferred capital grants (note 13)	<u>(149,618)</u>	<u>(161,618)</u>
	<u>\$ 447,969</u>	<u>\$ 420,265</u>

As noted in note 11, the mortgage liability was fully funded by CMHC and The Ministry.

### 10. DEFERRED CONTRIBUTIONS

Deferred contributions is composed of the following:

	2017	2016
Women's Housing Startup Initiative	\$ 9,154	\$ 34,154
VAW/CAS Project		21,959
Bennett Family Foundation	<u>21,000</u>	<u>28,000</u>
	<u>\$ 30,154</u>	<u>\$ 84,113</u>

Continuity of deferred contributions for the year is as follows:

Deferred contributions, beginning of year	\$ 84,113	\$ 44,716
Add cash received from grant funding	1,940,112	2,215,258
Less grant funding recognized	<u>(1,994,071)</u>	<u>(2,175,861)</u>
Deferred contributions, end of year	<u>\$ 30,154</u>	<u>\$ 84,113</u>

### 11. MORTGAGE PAYABLE

The mortgage payable, fully funded by CMHC and The Ministry since inception, was fully paid off and subsequently discharged in September 2016.

# YORKTOWN SHELTER FOR WOMEN

## NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2017

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### 12. 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, 2017 arose in the normal course of operations, are non-interest bearing, payable on demand and unsecured.

During 2017 the Shelter was charged \$163,500 by Yorktown Child and Family Centre for administrative and occupancy costs incurred by the Shelter (\$163,500 charged in 2016). During the year the related organizations also raised money through joint fundraising campaigns.

At the October 2016 annual general meeting of the Shelter the members approved a plan to amalgamate with Yorktown Child and Family Centre effective April 1, 2018. The amalgamation is pending regulatory approval.

### 13. DEFERRED CAPITAL GRANTS

Deferred capital grants comprise the following:

	2017	2016
The Ministry	<u>\$ 149,618</u>	<u>\$ 161,618</u>

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

Deferred capital grants, beginning of year	\$ 161,618	\$ 173,618
Less capital grant revenue recognized	<u>(12,000)</u>	<u>(12,000)</u>
Deferred capital grants, end of year	<u>\$ 149,618</u>	<u>\$ 161,618</u>

### 14. 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.