

Halton Women's Place

Financial Statements

For the year ended March 31, 2017

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To the Directors of
Halton Women's Place

Independent Auditors' Report

Report on the Financial Statements

We have audited the accompanying financial statements of Halton Women's Place, which comprise the statement of financial position as at March 31, 2017 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.

Auditors' 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 organization'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 organization'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 qualified audit opinion.

Basis for Qualified Opinion

In common with many not-for-profit organizations, Halton Women's Place derives revenue from fundraising and donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to amounts recorded in the records of Halton Women's Place. Therefore, we were not able to determine whether any adjustments might be necessary to revenue and excess of revenues over expenditures, assets and net assets for the year ended March 31, 2017.



Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Halton Women's Place 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.

May 26, 2017
Burlington, Ontario

SB Partners LLP

Chartered Professional Accountants
Licensed Public Accountants

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**Halton Women's Place
Statement of Financial Position
March 31, 2017**

	Operating Fund		Restricted Funds				Combined Funds	
	2017	2016	Property Maintenance 2017	Capital Assets 2017	Contingency Reserve 2017	Public Education 2017	Total 2017	Total 2016
Assets								
Current assets								
Cash and cash equivalents	\$ 147,258	\$ 106,286	\$ 5,802	\$ -	\$ 275,465	\$ -	\$ 281,267	\$ 102,933
Short-term investments	501,242	432,244	627,891	-	1,449,391	-	2,077,282	2,096,229
Receivables	62,711	67,953	-	-	-	-	-	67,953
Interfund receivables (Note 2)	-	-	2,313	-	13,310	188,106	203,729	219,790
Prepaid expenses	36,498	39,653	-	-	-	-	-	39,653
	747,709	646,136	636,006	-	1,738,166	188,106	2,562,278	2,418,952
Capital Assets (Note 3)	-	-	-	2,102,817	-	-	2,102,817	2,255,407
	\$ 747,709	\$ 646,136	\$ 636,006	\$ 2,102,817	\$ 1,738,166	\$ 188,106	\$ 4,665,095	\$ 4,674,359
Liabilities								
Current liabilities								
Payables and accruals	\$ 173,182	\$ 110,212	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 110,212
Deferred revenue	23,463	27,963	-	-	-	147,234	147,234	42,262
Interfund payables (Note 2)	203,729	219,790	-	-	-	-	-	-
	400,374	357,965	-	-	-	147,234	147,234	42,262
Loan payable (Note 4)	-	-	-	37,500	-	-	37,500	87,500
	400,374	357,965	-	37,500	-	147,234	184,734	129,762
Net Assets								
Invested in capital assets	-	-	-	2,065,317	-	-	2,065,317	2,167,907
Internally restricted	-	-	636,006	-	1,738,166	40,872	2,415,044	2,376,690
Unrestricted	347,335	288,171	-	-	-	-	347,335	288,171
	347,335	288,171	636,006	-	1,738,166	40,872	4,480,361	4,544,597
	\$ 747,709	\$ 646,136	\$ 636,006	\$ 2,102,817	\$ 1,738,166	\$ 188,106	\$ 4,665,095	\$ 4,674,359

Approved on Behalf of the Board

President

Treasurer

The accompanying notes are an integral part of the financial statements.



**Halton Women's Place
Statement of Changes in Net Assets
Year Ended March 31, 2017**

	Operating Fund		Restricted Funds				Combined Funds	
	2017	2016	Property Maintenance 2017	Capital Assets 2017	Contingency Reserve 2017	Public Education 2017	Total 2017	Total 2016
Net assets, beginning of year	\$ 288,171	\$ 288,171	\$ 638,762	\$ 2,167,907	\$ 1,633,710	\$ 104,218	\$ 4,544,597	\$ 4,832,768
Net excess (deficiency) of revenues over expenditures	114,420	191,075	(2,756)	(157,846)	104,456	(63,346)	(119,492)	(148,451)
Interfund transfers	(55,256)	(191,075)	-	55,256	-	-	55,256	191,075
Net assets, end of year	\$ 347,335	\$ 288,171	\$ 636,006	\$ 2,065,317	\$ 1,738,166	\$ 40,872	\$ 4,480,361	\$ 4,544,597
								\$ 4,832,768

The accompanying notes are an integral part of the financial statements.



**Halton Women's Place
Summary Statement of Operations
Year Ended March 31, 2017**

	Operating Fund		Restricted Funds		Combined Funds	
	Total 2017	Total 2016	Total 2017	Total 2016	Total 2017	Total 2016
Revenue						
MCSS - regular	\$ 2,127,818	\$ 2,127,818	\$ -	\$ -	\$ 2,127,818	\$ 2,127,818
MCSS - one time	22,400	65,500	-	-	22,400	65,500
Grants	62,160	-	-	-	62,160	-
Interest and other	130,323	86,547	26	188	130,349	86,735
MCYS/CAS	120,000	120,000	-	-	120,000	120,000
	2,462,701	2,399,865	26	188	2,462,727	2,400,053
Expenditures						
Operational expenses	795,735	765,381	76,855	14,975	872,590	780,356
Salaries and benefits	2,387,841	2,172,254	163,938	80,019	2,551,779	2,252,273
Depreciation and amortization	-	-	207,846	195,175	207,846	195,175
	3,183,576	2,937,635	448,639	290,169	3,632,215	3,227,804
Deficiency of revenues over expenditures before other items	(720,875)	(537,770)	(448,613)	(289,981)	(1,169,488)	(827,751)
Other items						
CMHC forgivable loan (Note 4)	-	-	50,000	50,000	50,000	50,000
Donations and fundraising (Note 5)	762,171	720,412	119,660	94,994	881,831	815,406
Gain (loss) on investments	73,124	8,433	159,461	(3,464)	232,585	4,969
Net excess (deficiency) of revenues over expenditures	\$ 114,420	\$ 191,075	\$ (119,492)	\$ (148,451)	\$ (5,072)	\$ 42,624

The accompanying notes are an integral part of the financial statements.



**Halton Women's Place
Statement of Operations - Operating and Restricted Funds
Year Ended March 31, 2017**

	Operating Fund			Restricted Funds					Total 2016
	MCSS 2017	Non MCSS 2017	Total 2017	Total 2016	Property Maintenance 2017	Capital Assets 2017	Contingency Reserve 2017	Public Education 2017	
Revenue									
MCSS - regular	\$ 2,127,818	\$ -	\$ 2,127,818	\$ 2,127,818	\$ -	\$ -	\$ -	\$ -	\$ -
MCSS - one time	22,400	-	22,400	65,500	-	-	-	-	-
Grants	-	62,160	62,160	-	-	-	-	-	-
Interest and other	-	130,323	130,323	86,547	-	-	26	-	26
MCYS/CAS	-	120,000	120,000	120,000	-	-	-	-	-
	2,150,218	312,483	2,462,701	2,399,865	-	-	26	-	26
Expenditures									
Operational expenses	731,812	63,923	795,735	765,381	57,687	-	100	19,068	76,855
Salaries and benefits	2,057,638	330,203	2,387,841	2,172,254	-	-	-	163,938	163,938
Depreciation and amortization	-	-	-	-	-	207,846	-	-	207,846
	2,789,450	394,126	3,183,576	2,937,635	57,687	207,846	100	183,006	448,639
Excess (deficiency) of revenues over expenditures before other items	(639,232)	(81,643)	(720,875)	(537,770)	(57,687)	(207,846)	(74)	(183,006)	(289,981)
Other items									
CMHC forgivable loan (Note 4)	-	-	-	-	-	50,000	-	-	50,000
Donations and fundraising (Note 5)	-	762,171	762,171	720,412	-	-	-	119,660	119,660
Gain (loss) on investments	-	73,124	73,124	8,433	54,931	-	104,530	-	159,461
	(639,232)	753,652	114,420	191,075	(2,756)	(157,846)	104,456	(63,346)	(148,451)
Net excess (deficiency) of revenues over expenditures	\$ (639,232)	\$ 753,652	\$ 114,420	\$ 191,075	\$ (2,756)	\$ (157,846)	\$ 104,456	\$ (63,346)	\$ (148,451)

The accompanying notes are an integral part of the financial statements.



Halton Women's Place
Statement of Cash Flows
Year Ended March 31, 2017

	2017	2016
Cash flows from operating activities		
Net excess (deficiency) of revenues over expenditures		
Operating Fund	\$ 114,420	\$ 191,075
Property Maintenance Fund	(2,756)	12,443
Capital Assets Fund	(157,846)	(145,175)
Contingency Reserve Fund	104,456	(15,719)
Public Education Reserve Fund	(63,346)	-
Unrealized gain on investments	(232,585)	(4,969)
Depreciation and amortization	207,846	195,175
Change in non-cash operating working capital (Note 6)	171,839	7,841
Cash flows from operating activities	142,028	240,671
Cash flows from financing activities		
Decrease in loan payable	(50,000)	(50,000)
Cash flows from investing activities		
Net change in short-term investments	182,534	(261,731)
Purchase of capital assets	(55,256)	(109,825)
Cash flows from (used in) investing activities	127,278	(371,556)
Net increase (decrease) in cash and cash equivalents	219,306	(180,885)
Cash and cash equivalents, beginning of year	209,219	390,104
Cash and cash equivalents, end of year	\$ 428,525	\$ 209,219

The accompanying notes are an integral part of the financial statements.



Halton Women's Place
Notes to Financial Statements
Year Ended March 31, 2017

1. Form of Organization

Halton Women's Place was incorporated without share capital under the laws of Ontario on November 7, 1978 for the purpose of providing shelter and crisis services for physically, emotionally, financially and sexually abused women and their dependent children and is dedicated to ending violence against women and children. It is a registered charity under the Income Tax Act.

2. Significant accounting policies

Basis of accounting

The financial statements of the Organization have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations.

Fund accounting

The Organization follows the restricted fund method of accounting for contributions. Under this method of accounting, specific resources are classified for accounting and reporting into separate funds. The assets, liabilities and fund balances of the organization are reported in self-balancing fund groups as follows:

Operating Fund

The Operating Fund accounts for the Organization's program delivery and administration activities. This Fund reports unrestricted resources and operating grants. The Fund is further segregated between contributions and expenditures related to funding provided by the Ministry of Community and Social Services (MCSS) and those contributions and expenditures funded by all other sources.

Property Maintenance Fund

The Halton Women's Place Property Maintenance Fund reports only restricted resources that are to be used to upgrade and maintain the building and property for both shelter locations. This is an internally restricted fund, and both the allocation to and from the Property Maintenance Fund is to be determined on an annual basis at the discretion of the Board.

Capital Assets Fund

The Capital Assets Fund reports the assets, liabilities, revenues and expenditures related to the Organization's capital assets.

Contingency Reserve Fund

The Contingency Reserve Fund was created to allow liquid funds for the implementation of a long-term development plan for the Organization. This is an internally restricted fund, and both the allocation to and from the Contingency Reserve Fund is to be determined on an annual basis at the discretion of the Board.



Halton Women's Place
Notes to Financial Statements
Year Ended March 31, 2017

2. Significant accounting policies (cont'd.)

Public Education Reserve Fund

The Public Education Reserve Fund is an externally restricted fund, created to allow liquid funds for the continued implementation of a public education program within Acton, Georgetown, Milton, Burlington and Oakville, and through the Halton District School Board and the Halton Catholic District School Board.

Cash and cash equivalents

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

Capital assets

The Capital Assets Fund covers the purchase and depreciation of all capital assets which are recorded at acquisition cost.

Depreciation charges are allocated to the Capital Assets Fund. The charges are determined on a straight-line basis over the estimated useful lives of the assets. Rates used for depreciation are as follows:

Buildings	20 years
Fixtures and equipment	5 years
Computer equipment	2 years

One-half the normal rate of amortization is provided for in the year of acquisition.

Revenue recognition

Restricted contributions related to general operations are recognized as revenue of the Operating Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the Operating Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income earned on the Property Maintenance and Contingency Reserve Funds resources is recognized as revenue of these specific funds when earned. Other investment income is recognized as revenue of the Operating Fund when earned.

Contributed services

Volunteers contribute a significant number of hours per year. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.



Halton Women's Place
Notes to Financial Statements
Year Ended March 31, 2017

2. Significant accounting policies (cont'd.)

Income taxes

The Organization is registered under the Income Tax Act (the "Act") as a not-for-profit organization and, as such, is exempt from income taxes and is able to issue donation receipts for income tax purposes. In order to maintain its status as a registered charity under the Act, the Organization must meet certain requirements of the Act. In the opinion of management, these requirements have been met.

Deferred revenue

The balance represents designated donations and other funding received which have not yet been used for their specified purposes.

Interfund receivables (payables)

Interfund receivables (payables) represent balances between the Restricted Funds and the Operating Fund. These internally restricted balances result from Restricted Fund cash holdings being used by the Operating Fund in the normal course of operations. These balances are non-interest bearing and will be repaid to the Restricted Funds as required.

Measurement uncertainty

The preparation of financial statements 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 period. Actual results could differ from those estimates.

Financial instruments

The Organization's financial instruments consist of cash and cash equivalents, short-term investments, receivables, and payables and accruals. Short-term investments are initially recognized and subsequently measured at fair value without adjustment for transaction costs that would be incurred on disposal. Changes in fair value are recognized in net excess of revenues over expenditures in the period. All other financial instruments are initially recorded at fair value and subsequently measured at amortized cost. Transaction costs and financing fees associated with financial instruments carried at amortized cost are recorded as adjustments to the initial fair value recognized and amortized over the life of the financial instrument.



Halton Women's Place
Notes to Financial Statements
Year Ended March 31, 2017

3. Capital Assets

	Cost	Accumulated Amortization	2017	2016
Land	\$ 410,000	\$ -	\$ 410,000	\$ 410,000
Land lease (Note 10)	250,000	70,000	180,000	185,000
Buildings	5,046,739	3,796,481	1,250,258	1,408,266
Fixtures and equipment	873,038	629,919	243,119	248,755
Computer equipment	106,666	87,226	19,440	3,386
	\$ 6,686,443	\$ 4,583,626	\$ 2,102,817	\$ 2,255,407

4. Loan Payable

The loan payable consists of a forgivable loan from Canada Mortgage and Housing Corporation. Forgiveness of the loan will be at a rate of \$50,000 per annum as the Organization continues to use and occupy the North Shelter. The loan term is fifteen years and is secured by a chattel mortgage on the property.

5. Donations and fundraising

	2017	2016
Donations and fundraising revenues	\$ 870,114	\$ 804,351
Less: fundraising expenses	(107,942)	(83,938)
	\$ 762,172	\$ 720,413

Donations reported do not include any donations-in-kind received during the year. Donations-in-kind used for fundraising purposes amounted to \$49,749 (2016 - \$23,073).

6. Change in non-cash operating working capital

	2017	2016
Receivables	\$ 5,242	\$ (24,197)
Prepays	3,155	(7,791)
Payables and accruals	62,970	12,309
Deferred revenue	100,472	27,520
	\$ 171,839	\$ 7,841



Halton Women's Place
Notes to Financial Statements
Year Ended March 31, 2017

7. Community Foundation Endowment Funds

Halton Women's Place is a participant in endowment funds held by The Oakville Community Foundation and the Burlington Foundation. The respective community foundations administer all capital of those funds and a proportionate share of income from those funds is potentially available to Halton Women's Place for operations.

The endowment funds are not recorded as assets in these financial statements and related interest income is only recorded in the financial statements to the extent received or receivable.

At December 31, 2016, the endowment funds consist of \$110,156 (2016 - \$103,703) held by The Oakville Community Foundation and \$62,197 (2016 - \$59,450) held by Burlington Foundation.

8. Operating lease commitments

The Organization is committed under non-cancellable operating leases for business equipment. The minimum amounts payable until expiry are as follows:

	2018	\$	9,511
	2019		2,791
	2020		2,180
		\$	14,482

9. Contingent liability

During the current year, the Organization was named as a defendant in a lawsuit. Management believes that the claim will likely result in a settlement payment between \$40,000 - \$93,000. As no amount within this range is more likely than any other, the low end of the range has been accrued in these financial statements.

10. Premises

During fiscal 2003, a lease was signed with the Regional Municipality of Halton for a 50-year lease of the land on which the North Shelter has been built. The total cost of the lease is \$250,000 paid in advance. There is an additional 21 year renewal option at the end of the lease. The cost of the lease will be written off at a rate of \$5,000 per annum and is included in depreciation and amortization expenses.



Halton Women's Place
Notes to Financial Statements
Year Ended March 31, 2017

11. Financial instruments

The Organization's financial instruments consist of cash and cash equivalents, short-term investments, receivables, and payables and accruals.

Liquidity risk

The Organization's exposure to liquidity risk is dependent on the collection of accounts and funding receivable, purchasing commitments and obligations or raising of funds to meet commitments and sustain operations. The Organization controls liquidity risk by management of working capital and cash flows.

Market Risk

The Organization's investments in publicly-traded securities exposes the Organization to price risks as equity investments are subject to price changes in an open market. The Organization does not use derivative financial instruments to alter the effects of this risk.

Unless otherwise noted, it is management's opinion that the Organization is not exposed to significant interest, credit or currency risks.

12. Board Reporting

During the year the Organization did not compensate any board member or company in which a board member is an owner, partner or senior manager.

