

**Woman Abuse Council of Toronto**

**Financial Statements**

**March 31, 2018**



## **Independent Auditors' Report**

To the Members,

### **Woman Abuse Council of Toronto**

#### **Report of the financial statements**

We have audited the accompanying financial statements of **Woman Abuse Council of Toronto** which comprise the statement of financial position as at **March 31, 2018** 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.

#### **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 qualified audit opinion.

# **Woman Abuse Council of Toronto**

## **Independent Auditors' Report**

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### **Basis for Qualified Opinion**

In common with many not-for-profit organizations, the organization derives revenue from donations and fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the organization's records. Therefore, we were not able to determine whether any adjustments might be necessary to the donation and fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended March 31, 2018 and 2017, current assets as at March 31, 2018 and 2017, and net assets as at April 1 and March 31 for both the 2018 and 2017 years. Our audit opinion on the financial statements for the year ended March 31, 2017 was modified accordingly because of the possible effects of this limitation in scope.

### **Qualified Opinion**

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of **Woman Abuse Council of Toronto** as at **March 31, 2018** and the results of its operations and cash flows for the year then ended in accordance with the Canadian accounting standards for not-for-profit organizations.

*Clarkson Rouble LLP*

**Mississauga, Ontario**  
**September 17, 2018**

**Clarkson Rouble LLP**  
**Chartered Professional Accountants**  
**Licensed Public Accountants**

## Woman Abuse Council of Toronto

## **Statement of Financial Position As at March 31**

	2018	2017
<b>Assets</b>		
<b>Current</b>		
Cash and short-term investments	\$ 232,081	\$ 252,132
Accounts receivable	11,392	6,009
HST rebate receivable	6,744	12,499
Prepaid expenses	5,750	5,750
	<hr/>	<hr/>
	\$ 255,967	\$ 276,390

## Liabilities

## Current

<b>CURRENT</b>			
Accounts payable and accrued liabilities	\$ 34,282	\$ 13,310	
Deferred revenue (Note 3)	108,592	180,000	
	<b>142,874</b>	<b>193,310</b>	

## Net Assets

<b>Reserve for operations (Note 4)</b>	75,628	75,628
<b>Unrestricted</b>	37,465	7,452
	113,093	83,080
	<b>\$ 255,967</b>	<b>\$ 276,390</b>

*See accompanying notes to financial statements*

### **On behalf of the Board:**

 Director  Director

# Woman Abuse Council of Toronto

## Statement of Operations Year Ended March 31

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	2018	2017
<b>Revenue</b>		
Ministry of Community and Social Services	\$ 246,501	\$ 241,087
Status of Women	95,426	-
City of Toronto	72,613	58,865
Membership, donations and miscellaneous	22,210	22,800
Training revenue	9,827	3,976
Interest	1,504	474
	<hr/> 448,081	<hr/> 327,202
<b>Expenses</b>		
Program staff	258,468	199,282
Program consultants	-	6,739
Training	79,877	73,347
Occupancy, office and general	23,761	20,595
Professional fees	21,933	19,233
Telecommunications	8,150	9,445
Volunteer expenses	5,100	3,377
Insurance	6,572	6,572
Travel	5,094	2,146
Promotion and publicity	-	2,016
Fundraising	9,113	8,995
	<hr/> 418,068	<hr/> 351,747
<b>Excess (deficiency) of revenue over expenses for the year</b>	<b>\$ 30,013</b>	<b>\$ (24,545)</b>

*See accompanying notes to financial statements*

# Woman Abuse Council of Toronto

## Statement of Changes in Net Assets

Year Ended March 31

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	Unrestricted	Reserve for Operations	2018 Total	2017 Total
<b>Net assets, beginning of year</b>	\$ 7,452	\$ 75,628	\$ 83,080	\$ 107,625
<b>Excess (deficiency) of revenue over expenses for the year</b>	30,013	-	30,013	(24,545)
<b>Net assets, end of year</b>	<b>\$ 37,465</b>	<b>\$ 75,628</b>	<b>\$ 113,093</b>	<b>\$ 83,080</b>

*See accompanying notes to financial statements*

# Woman Abuse Council of Toronto

## Statement of Cash Flows Year Ended March 31

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	2018	2017
<b>Cash provided by operating activities</b>		
Excess (deficiency) of revenue over expenses for the year	\$ 30,013	\$ (24,545)
<b>Changes in working capital</b>		
Accounts receivable	(5,383)	23,258
HST rebate receivable	5,755	(3,000)
Accounts payable and accrued liabilities	20,972	964
Deferred revenue	(71,408)	180,000
<b>(Decrease) increase from operating activities</b>	<b>(20,051)</b>	<b>176,677</b>
<b>(Decrease) increase in cash</b>	<b>(20,051)</b>	<b>176,677</b>
<b>Cash, beginning of year</b>	<b>252,132</b>	<b>75,455</b>
<b>Cash, end of year</b>	<b>\$ 232,081</b>	<b>\$ 252,132</b>
 <b>Represented by:</b>		
Cash in bank	\$ 167,489	\$ 188,021
Short-term investments	64,592	64,111
	<b>\$ 232,081</b>	<b>\$ 252,132</b>

*See accompanying notes to financial statements*

# Woman Abuse Council of Toronto

## Notes to Financial Statements

March 31, 2018

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The mandate of the Woman Abuse Council of Toronto (the "Council") is to create a coordinated community response to woman abuse in Toronto. By developing policies, inter-sectoral protocols and innovative pilot projects, the Council facilitates the creation of a more consistent and integrated response to this issue. Working through its standing committees and task forces, the Council acts as a broker to bring those working in the community together to create a seamless response that can be more effective in protecting women from abuse.

The Council was incorporated by Letters Patent as a non-profit corporation without share capital on March 24, 1999. Effective April 1, 2000, the Council assumed the responsibility for the programs of the Metro Toronto Woman Abuse Council, previously administered by the Jewish Family and Child Service.

The Council received status as a charitable organization effective January 2010, and as such is exempt from income tax under the Income Tax Act (Canada).

### 1. Significant accounting policies

These financial statements are prepared by management in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook.

#### a) Capital assets

Capital assets are recorded at cost in the period of acquisition. Capital assets are amortized to operations over their expected useful life. Amortization commences in the year of purchase.

Asset	Rate
Furniture and office equipment	20% - straight line
Computer equipment	33% - straight line

#### b) Prepaid expenses

Prepaid expenses are recorded for goods and services that have been paid for but which will be received in the next fiscal year. The balance at year end represents prepaid insurance premiums.

#### c) Cash and cash equivalents

Cash and cash equivalents are defined as cash on hand, balances with banks and short-term investments which are redeemable or have maturity dates of less than 90 days. Redeemable term deposits are classified as cash equivalents. They are stated at cost, which together with accrued interest income approximates fair value given the short term nature of these investments.

# Woman Abuse Council of Toronto

## Notes to Financial Statements March 31, 2018

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### 1. Summary of significant accounting policies (continued)

#### d) Revenue recognition

The Council follows the deferral method of revenue recognition. Under the deferral method, grants received in the year for expenses to be incurred in the following year are recorded as deferred grants.

Grants, donations and other amounts received for purposes specified by a contributor are recognized as revenue of the specified program. Under this method, contributions and other specified amounts are recognized as revenue in the related program when received or receivable. Unspent revenue at the year end is reported as deferred grant revenue.

Contributions related to the purchase of capital assets are deferred and recorded as revenue in the same period the related capital assets are charged to operations.

Donated materials and services are not recorded in the accounts.

#### e) Expense recognition and allocation

Expenses are recorded in the period in which the goods or services are consumed.

The Council runs various programs. The direct costs of each program include the costs of the personnel, supplies and services and other expenses that are directly related to providing the program. The Council also incurs a number of general support expenses that are common to the administration of the Council and each of its programs.

The Council allocates certain of its general support expenses, such as administrative salaries, benefits and occupancy costs, to the programs based on the budget approved by the funders. The balance of these expenses is allocated to administration.

#### f) Measurement uncertainty

The preparation of Organization's financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include valuation of accounts receivable and valuation of accrued liabilities. Actual results could differ from those estimates.

# Woman Abuse Council of Toronto

## Notes to Financial Statements

March 31, 2018

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### 1. Summary of significant accounting policies (continued)

#### g) Contributed services

Volunteers contribute many hours each year to assist the Council in carrying out its objectives. These voluntary efforts represent a major contribution outside the scope of these financial statements.

#### h) Financial instruments

##### *Financial instruments*

The organization initially measures its financial assets and liabilities at fair value. The organization subsequently measures all its financial assets and liabilities at amortized cost, with the exception of investments, which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash, short-term investments and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

The Council has no financial assets measured at fair value and has not elected to carry any financial asset or liability at fair value.

##### *Transaction costs*

The Council recognizes its transaction costs in net income in the period incurred except for financial instruments that will not be subsequently measured at fair value. The carrying amounts of these instruments are adjusted by the transaction costs that are directly attributable to their issuance.

### 2. Operating line of credit

The council has in place a credit agreement with Alterna Savings and Credit Union for \$25,000, secured by a guaranteed investment certificate. The credit line bears interest at prime plus 2.0%. As at March 31, 2018, the Council had not drawn on this line of credit (Nil as at March 31, 2017).

# Woman Abuse Council of Toronto

## Notes to Financial Statements March 31, 2018

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### 3. Deferred revenue

Deferred revenue is comprised of the following:

	2018	2017
Status of Women Canada	\$ 84,574	\$ 180,000
Community Service Partnerships	24,018	-
<b>Status of Women Canada</b>	<b>\$ 108,592</b>	<b>\$ 180,000</b>

### 4. Reserve for operations

In common with many not-for-profit organizations and to ensure ongoing financial stability and liquidity of the Council, the Board of Directors has agreed that a reserve for operation should be maintained. In 2018, there was no transfer for this purpose (nil in 2018). There are designated net assets of \$75,628 as at March 31, 2018 for this purpose.

These internally restricted amounts are not available for unrestricted purposes without the approval of the Board of Directors.

### 5. Lease commitments

The Council rents its office space from the City of Toronto at the below market rate of \$2 per year. The Council's obligations under this lease for premises, include the estimated common area cost charges. The lease term is for five years and ends December 31, 2020.

### 6. Financial instruments risk exposure

The Council is exposed to various risks through its financial instruments. The following analysis provides a measure of the Council's risk exposure and concentrations at the statement of financial position date.

#### 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 Council's main credit risks relate to accounts receivable, however the risk is limited due to the nature of its accounts receivable. Contributions are not recorded in receivables unless collection is reasonably assured. The Council has not had issues with these collections over the past several years. The allowance for doubtful accounts is \$Nil (2017 - \$Nil).

# **Woman Abuse Council of Toronto**

## **Notes to Financial Statements**

**March 31, 2018**

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### **6. Financial instruments risk exposure (continued)**

#### **Liquidity risk**

Liquidity risk is the risk that the organization will encounter difficulty in meeting obligations associated with financial liabilities. The Council is exposed to this risk mainly in respect of its accounts payable. The Council expects to meet these obligations as they come due through sufficient cash flow from operations. The Council has not had issues with meeting obligations in the past several years.

There has been no change in risk assessment from the prior year.