

Woman Abuse Council of Toronto

Financial Statements

March 31, 2019



Independent Auditors' Report

To the Members of
Woman Abuse Council of Toronto

Qualified Opinion

We have audited the financial statements of Woman Abuse Council of Toronto (the Organization), which comprise the statement of financial position as at March 31, 2019 and 2018, the statements of revenue and expenses, changes in net assets and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2019 and 2018, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, Woman Abuse Council of Toronto derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization. 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, 2019 and 2018, current assets as at March 31, 2019 and 2018, and net assets as at April 1 and March 31 for both the 2019 and 2018 years. Our audit opinion on the financial statements for the year ended March 31, 2018 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the 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 qualified 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 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.

In preparing the financial statements, management is responsible for assessing the Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

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

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Auditor's 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 auditor's 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 Organization'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 Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Organization 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.

Clarkson Rouble LLP

Mississauga, Ontario
September 5, 2019

Clarkson Rouble LLP
Chartered Professional Accountants
Licensed Public Accountants

Woman Abuse Council of Toronto

Statement of Financial Position As at March 31

	2019	2018
Assets		
Current		
Cash and short-term investments	\$ 499,976	\$ 232,081
Accounts receivable	7,061	11,392
HST rebate receivable	7,869	6,744
Prepaid expenses	5,750	5,750
	<hr/> \$ 520,656	<hr/> \$ 255,967
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 60,828	\$ 34,282
Deferred revenue (Note 3)	339,850	108,592
	<hr/> 400,678	<hr/> 142,874
Net Assets		
Reserve for operations (Note 4)	75,628	75,628
Unrestricted	<hr/> 44,350	<hr/> 37,465
	<hr/> 119,978	<hr/> 113,093
	<hr/> \$ 520,656	<hr/> \$ 255,967

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

	2019	2018
Revenue		
Ministry of Children, Community and Social Services (Note 7)	\$ 143,902	\$ 246,501
Women and Gender Equality Canada (formerly Status of Women Canada)	146,550	95,426
City of Toronto	85,456	72,613
Department of Justice	5,000	-
Membership, donations and miscellaneous	5,859	22,210
Training revenue	72	9,827
Interest	1,248	1,504
	<hr/> 388,087	<hr/> 448,081
Expenses		
Program staff	266,502	258,468
Program consultants	565	-
Training	3,934	79,877
Occupancy, office and general	17,662	23,761
Professional fees	44,751	21,933
Telecommunications	9,175	8,150
Volunteer expenses	4,959	5,100
Insurance	6,572	6,572
Travel	13,392	5,094
Promotion and publicity	298	-
Fundraising	13,392	9,113
	<hr/> 381,202	<hr/> 418,068
Excess of revenue over expenses for the year	<hr/> \$ 6,885	<hr/> \$ 30,013

See accompanying notes to financial statements

Woman Abuse Council of Toronto

Statement of Changes in Net Assets

Year Ended March 31

	Unrestricted	Reserve for Operations	2019 Total	2018 Total
Net assets, beginning of year	\$ 37,465	\$ 75,628	\$ 113,093	\$ 83,080
Excess of revenue over expenses for the year	6,885	-	6,885	30,013
Net assets, end of year	\$ 44,350	\$ 75,628	\$ 119,978	\$ 113,093

See accompanying notes to financial statements

Woman Abuse Council of Toronto

Statement of Cash Flows Year Ended March 31

	2019	2018
Cash provided by operating activities		
Excess of revenue over expenses for the year	\$ 6,885	\$ 30,013
Changes in working capital		
Accounts receivable	4,331	(5,383)
HST rebate receivable	(1,125)	5,755
Accounts payable and accrued liabilities	26,546	20,972
Deferred revenue	231,258	(71,408)
Increase (decrease) from operating activities	267,895	(20,051)
Increase (decrease) in cash	267,895	(20,051)
Cash, beginning of year	232,081	252,132
Cash, end of year	\$ 499,976	\$ 232,081
 Represented by:		
Cash in bank	\$ 434,873	\$ 167,489
Short-term investments	65,103	64,592
	\$ 499,976	\$ 232,081

See accompanying notes to financial statements

Woman Abuse Council of Toronto

Notes to Financial Statements March 31, 2019

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, 2019

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, 2019

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, 2019, the Council had not drawn on this line of credit (Nil as at March 31, 2018).

Woman Abuse Council of Toronto

Notes to Financial Statements March 31, 2019

3. Deferred revenue

Deferred revenue is comprised of the following:

	2019	2018
Women and Gender Equality Canada (formerly Status of Women Canada)	\$ 291,173	\$ 84,574
Community Service Partnerships	24,525	24,018
<u>City of Toronto</u>	<u>24,152</u>	-
	<hr/> <u>\$ 339,850</u>	<hr/> <u>\$ 108,592</u>

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 2019, there was no transfer for this purpose (nil in 2018). There are designated net assets of \$75,628 as at March 31, 2019 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 (2018 - \$Nil).

Woman Abuse Council of Toronto

Notes to Financial Statements March 31, 2019

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.

7. Ministry of Children, Community and Social Services

The Council has a service contract with the Ministry of Children, Community and Social Services (MCCSS). A Transfer Payment Annual Reconciliation (TPAR) summarizes by service (project code) all revenues and expenditures and identifies any resulting surplus or deficit that relates to the Service Contract. A review of these reports for the year ended March 31, 2019 shows the following:

Detail Code	Service Name	MCSS Funding	Net Expenses	Surplus (Deficit)
8786	VAW Capacity Building and Client Satisfaction Survey	\$ 26,264	\$ 26,264	\$ -
8787	VAW Domestic Violence Comm Coordination Committees (DV3C)	57,078	57,078	-
		\$ 83,342	\$ 83,342	\$ -

In addition, the organization received and spent a total of \$60,560 of funding from MCCSS through other agencies.