

SISTERING - A WOMAN'S PLACE

(a charitable organization)

FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2015

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INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of Sistering - A Woman's Place, which comprise the statement of financial position as at March 31, 2015, 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 our judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider 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.

Basis for Qualified Opinion

As is the case of most organizations in receipt of funds by donations and fundraising, verification of such items was impractical beyond accounting for amounts recorded in the accounts of the organization, and we were not able to determine whether adjustments might be necessary to contributions, excess of revenues over expenses, current assets and net assets.

Qualified Opinion

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the donations and fundraising referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2015, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Respectfully submitted,

CHARTERED PROFESSIONAL ACCOUNTANTS
Licensed Public Accountants

Toronto, Ontario
May 27, 2015

SISTERING - A WOMAN'S PLACE


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STATEMENT OF FINANCIAL POSITION

MARCH 31, 2015

	2015	2014
ASSETS		
Current		
Cash and temporary investments	\$ 541,462	\$ 449,419
Accounts receivable	475	52,924
Prepaid expenses and sundry assets	<u>117,948</u>	<u>130,440</u>
	659,885	632,783
Capital - at cost less accumulated amortization (note 2)	<u>725,549</u>	<u>710,102</u>
	\$ <u>1,385,434</u>	\$ <u>1,342,885</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 110,146	\$ 140,227
Government remittances payable	-	22,984
Deferred revenue (note 3)	78,551	45,166
Current portion of deferred capital contributions (note 4)	<u>101,843</u>	<u>89,231</u>
	290,540	297,608
Long-term		
Deferred capital contributions (note 4)	<u>635,231</u>	<u>612,796</u>
	<u>925,771</u>	<u>910,404</u>
NET ASSETS		
Net assets invested in capital	725,549	710,102
Unrestricted net assets	<u>(265,886)</u>	<u>(277,621)</u>
	<u>459,663</u>	<u>432,481</u>
	\$ <u>1,385,434</u>	\$ <u>1,342,885</u>

Approved on behalf of the Board:

 Director

 Director

Lease Commitments (Note 5)

The accompanying notes form an integral part of these financial statements.

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STATEMENT OF CHANGES IN NET ASSETS

YEAR ENDED MARCH 31, 2015

	Invested in capital assets	Unrestricted	2015 Total	2014 Total
BALANCE - Beginning of year	\$ 710,102	\$(277,621)	\$ 432,481	\$ 432,130
- Excess of revenues over expenses	(108,114)	135,296	27,182	351
- Investment in capital assets - net	<u>123,561</u>	<u>(123,561)</u>	<u>-</u>	<u>-</u>
BALANCE - End of year	<u>\$ 725,549</u>	<u>\$(265,886)</u>	<u>\$ 459,663</u>	<u>\$ 432,481</u>

The accompanying notes form an integral part of these financial statements.

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STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 2015

	2015	2014
REVENUES		
Ontario Ministry of Health		
- Local Health Integration Network	\$ 1,387,367	\$ 1,367,367
- Long-term Care Division	-	61,538
- LHIN - One Time	-	52,837
United Way of Greater Toronto	424,689	431,589
City of Toronto	347,350	346,714
Donations	294,632	371,472
West Neighbourhood House (LHIN Peer)	126,200	132,632
Foundations	94,077	124,769
Youth Challenge Fund	92,354	251,903
Ontario Women's Directorate	90,000	90,000
Fundraising	63,709	53,559
Ontario Seniors Secretariat	61,569	-
Miscellaneous	21,230	34,770
Trillium Foundation	8,333	42,970
Regent Park	3,825	3,045
Interest	2,048	3,564
Bequests	2,000	23,047
Amortization on deferred capital contributions	<u>101,841</u>	<u>89,231</u>
	<u>3,121,224</u>	<u>3,481,007</u>
EXPENSES		
Wages and benefits	1,926,407	2,070,223
Building occupancy costs	246,907	239,601
Programs	237,081	305,184
Purchased services	236,586	230,009
Fundraising	114,491	109,537
Youth Challenge Project	92,354	251,903
Repairs and maintenance	61,997	77,170
Office and general	36,253	58,023
Insurance	17,147	14,235
Professional fees	13,155	8,516
Promotion and publicity	3,308	6,484
Volunteer	242	958
Amortization	<u>108,114</u>	<u>108,813</u>
	<u>3,094,042</u>	<u>3,480,656</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 27,182</u>	<u>\$ 351</u>

The accompanying notes form an integral part of these financial statements.

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STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2015

	2015	2014
Cash and cash equivalents provided by (used in):		
Operating activities:		
Excess of revenues over expenses	\$ <u>27,182</u>	\$ <u>351</u>
Adjustment for:		
Amortization	<u>108,114</u>	<u>108,813</u>
Changes in non-cash working capital:		
Decrease in accounts receivable	52,449	135,976
(Increase) decrease in prepaid expenses and sundry assets	12,492	(15,038)
Increase (decrease) in accounts payable and accrued liabilities	(30,081)	52,307
Increase (decrease) in government remittances payable	(22,984)	1,363
Increase (decrease) in deferred revenue	33,385	(229,311)
Increase (decrease) in deferred capital contributions	<u>35,047</u>	<u>(45,441)</u>
	<u>80,308</u>	<u>(100,144)</u>
Cash flow from operating activities:	<u>215,604</u>	<u>9,020</u>
Cash flow from investing activities:		
Purchase of capital assets	(123,561)	(72,553)
Net increase (decrease) in cash and cash equivalents	92,043	(63,533)
CASH AND CASH EQUIVALENTS - Beginning of year	<u>449,419</u>	<u>512,952</u>
CASH AND CASH EQUIVALENTS - End of year	\$ <u>541,462</u>	\$ <u>449,419</u>

The accompanying notes form an integral part of these financial statements.

SISTERING - A WOMAN'S PLACE

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NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2015

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-for-Profit organizations in Part III of the CICA Handbook.

(a) PURPOSE OF THE ORGANIZATION

Sistering is a women's organization that offers practical and emotional support to women through programs which enable them to take greater control over their lives. Sistering - A Woman's Place is incorporated under the laws of the Province of Ontario as a not-for profit charitable organization without share capital. The organization is incorporated under the Ontario Corporations Act as a not-for-profit organization and is a registered charity under the Income Tax Act, registration number 107983009 RR0001 and is exempt from income taxes under Section 149 of the Income Tax Act.

(b) CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of highly liquid bank accounts and marketable investments with an original maturity date of 90 days or less.

(c) ACCOUNTS RECEIVABLE

Accounts receivable include amounts due from government contracts as well as rental receivables. Unless otherwise provided for, all receivables are expected to be collected within 90 days.

(d) CAPITAL ASSETS

Capital assets are recorded at cost when purchased and are subsequently measured at cost less accumulated amortization. They are amortized over their estimated useful lives using the straight-line method over the following periods:

Leasehold improvements	- over the term the of lease (minimum 5 years)
Office furniture and equipment	- 20% of unamortized cost
Computer equipment	- 20% of unamortized cost
Automobile	- 20% of unamortized cost

(e) REVENUE RECOGNITION

(i) The organization uses the deferral method in accounting for contributions. Accordingly, contributions subject to externally imposed restrictions are initially recorded as deferred revenue and are subsequently recognized as revenue in the year in which the related expenses are incurred.

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NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2015

...Continued

- (ii) Donated goods and services are not recorded in the accounts of the organization, except when a fair value of such goods and services can be reasonably estimated and when the goods and services are normally purchased by the organization and would be paid for if not donated. Volunteers contribute significant amounts of time to assist the organization in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in these statements.
- (iii) Donations and fundraising are recorded when the amounts are measurable and collection is assured.

(f) USE OF ESTIMATES

The preparation of financial statements in conformity with accounting standards for not-for-profit organizations requires the organization's management to make estimates and assumptions that affect the amounts reported in the financial statements and related notes to the financial statements. Actual results may differ from these estimates.

(g) FINANCIAL INSTRUMENTS

The organization initially measures its financial assets and financial liabilities at fair value. The organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash and temporary investments and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, government remittances payable, deferred revenue and deferred capital contributions from funders.

(h) RESERVE FUNDS

Reserve funds have been accumulated from various sources such as proceeds from fundraising events, undesignated bequests and gifts and through capital investments. The use of these funds must be approved by the Board of Directors.

2. CAPITAL ASSETS

	Cost	Accumulated Amortization	2015 Net	2014 Net
Leasehold improvements	\$ 1,375,751	\$ 702,542	\$ 673,209	\$ 646,327
Office furniture and equipment	137,554	104,824	32,730	40,912
Computer equipment	79,042	68,695	10,347	11,284
Automobile	<u>47,118</u>	<u>37,855</u>	<u>9,263</u>	<u>11,579</u>
	\$ <u>1,639,465</u>	\$ <u>913,916</u>	\$ <u>725,549</u>	\$ <u>710,102</u>

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NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2015

...Continued

3. DEFERRED REVENUE

	2015	2014
Fundraising	\$ 40,000	\$ -
City	31,834	23,457
United Way	1,250	16,250
Miscellaneous	<u>5,467</u>	<u>5,459</u>
	<u>\$ 78,551</u>	<u>\$ 45,166</u>

4. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent the unamortized amount of contributions received for the purchase of capital assets. The changes in deferred capital contributions are as follows:

	2015	2014
Balance - Beginning of year	\$ 702,027	\$ 747,467
Additions	136,888	43,791
Amortization	<u>(101,841)</u>	<u>(89,231)</u>
Balance - End of year	<u>\$ 737,074</u>	<u>\$ 702,027</u>
Represented by:		
Current portion	\$ 101,843	\$ 89,231
Long-term portion	<u>635,231</u>	<u>612,796</u>
	<u>\$ 737,074</u>	<u>\$ 702,027</u>

5. LEASE COMMITMENTS

The organization has committed to rental payments for its premises. Minimum annual rental payments over the term of the leases, net of HST, are as follows:

2016 -	282,648
2017 -	289,117
2018 -	282,846
2019 -	260,980
2020 -	260,980
Thereafter -	<u>628,112</u>
	<u>\$ 2,004,683</u>

6. FINANCIAL INSTRUMENTS

(a) Liquidity Risk

Liquidity risk is a risk that the organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The organization is exposed to liquidity risk arising primarily from the requirement to pay its payables and government remittances. The organization's ability to meet these obligations depends on the receipt of funds from its operations, which it monitors closely.

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(b) Other Risks

The organization believes that it is not exposed to significant interest, currency, credit, market or other price risks arising from holding financial instruments.