

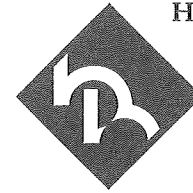
**CENTRE FOR EQUALITY RIGHTS IN  
ACCOMMODATION IN ONTARIO**

**FINANCIAL STATEMENTS**

**YEAR ENDED MARCH 31, 2015**

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
**Centre for Equality Rights in Accommodation in Ontario**

We have audited the accompanying financial statements of Centre for Equality Rights in Accommodation in Ontario, which are comprised of 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 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 in our audit is sufficient and appropriate to provide a basis for our qualified audit opinion.

### **Basis for Qualified Opinion**

In common with many charitable organizations, the Centre derives a portion of its receipts from donations and contributed services, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these receipts was limited to the amounts recorded in the records of the Centre. Therefore, we were not able to determine whether any adjustments might be necessary to receipts, excess of receipts over expenditures, and cash flows from operations for the year ended March 31, 2015, current assets and net assets as at March 31, 2015.

## INDEPENDENT AUDITORS' REPORT

### 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 Centre for Equality Rights in Accommodation in Ontario as at March 31, 2015, 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.

*Hennick Herman, LLP*

**Richmond Hill, Canada**  
August 7, 2015

**CHARTERED ACCOUNTANTS  
LICENSED PUBLIC ACCOUNTANTS**


**CENTRE FOR EQUALITY RIGHTS  
IN ACCOMMODATION IN ONTARIO**

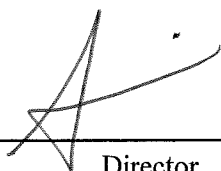
Statement of Financial Position

March 31, 2015

	2015	2014
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 73,339	\$ 68,874
Accounts receivable	9,550	366
GST/HST recoverable	10,402	4,661
Prepaid expenses	9,432	7,033
	<u>102,723</u>	<u>80,934</u>
<b>Equipment (note 3)</b>	<u>-</u>	<u>1,051</u>
	<u>\$ 102,723</u>	<u>\$ 81,985</u>
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accrued charges	\$ 3,640	\$ 4,261
Deferred revenue (note 4)	93,571	75,971
	<u>97,211</u>	<u>80,232</u>
<b>NET ASSETS</b>		
<b>Capital Assets</b>	-	1,051
<b>Unrestricted</b>	<u>5,512</u>	<u>702</u>
	<u>5,512</u>	<u>1,753</u>
	<u>\$ 102,723</u>	<u>\$ 81,985</u>

**APPROVED ON BEHALF OF THE BOARD**

  
\_\_\_\_\_  
Director  
(S. J. AKHAVAN)

  
\_\_\_\_\_  
Director  
(Adrienne Lei)

(See Accompanying Notes to Financial Statements)

**CENTRE FOR EQUALITY RIGHTS  
IN ACCOMMODATION IN ONTARIO**

Statement of Changes in Net Assets  
Year Ended March 31, 2015

	<u>Investment in</u>		<u>2015</u>	<u>2014</u>
	<u>Capital Assets</u>	<u>Unrestricted</u>	<u>Total</u>	<u>Total</u>
<b>Balance - beginning of year</b>	\$ 1,051	\$ 702	\$ 1,753	\$ 1,541
Excess of receipts over expenditures	-	3,759	3,759	212
Amortization	<u>(1,051)</u>	<u>1,051</u>	-	-
<b>Balance - end of year</b>	<u>\$ -</u>	<u>\$ 5,512</u>	<u>\$ 5,512</u>	<u>\$ 1,753</u>

(See Accompanying Notes to Financial Statements)

**CENTRE FOR EQUALITY RIGHTS  
IN ACCOMMODATION IN ONTARIO**

Statement of Operations  
Year Ended March 31, 2015

	2015	2014
<b>Receipts</b>		
Government funding - City of Toronto	\$ 134,775	\$ 92,936
Foundations (note 5)	114,513	117,003
Government funding - Ministry of Development, Trade and Employment	10,644	-
Donations	3,000	2,526
Other	1,584	10,761
Sigrid Rausing Trust	-	17,030
	<u>264,516</u>	<u>240,256</u>
<b>Expenditures</b>		
Salaries	169,429	120,609
Benefits	18,688	12,779
Rent	26,428	23,996
Direct project expenses	22,042	21,962
Insurance	9,250	9,410
Professional fees	8,512	6,802
Telephone	1,682	1,994
Office supplies	1,163	1,275
Resource materials	664	150
Postage and courier	633	408
Computer and photocopying	578	8,395
Bad debts	366	-
Travel	133	615
Interest and bank service charges	138	36
Amortization	1,051	338
Contract positions	-	27,332
Dues and fees	-	3,943
	<u>260,757</u>	<u>240,044</u>
<b>Excess of Receipts over Expenditures</b>	<u>\$ 3,759</u>	<u>\$ 212</u>

(See Accompanying Notes to Financial Statements)

**CENTRE FOR EQUALITY RIGHTS  
IN ACCOMMODATION IN ONTARIO**

Statement of Cash Flows  
Year Ended March 31, 2015

	2015	2014
<b>Cash Flows from Operating Activities</b>		
Excess of receipts over expenditures	\$ 3,759	\$ 212
Item not affecting cash:		
Amortization	<u>1,051</u>	338
	<u>4,810</u>	<u>550</u>
Changes in non-cash working capital		
Accounts receivable	(9,184)	2,573
GST/HST recoverable	(5,741)	2,957
Prepaid expenses	(2,399)	1,743
Accounts payable and accrued charges	(621)	(3,611)
Deferred revenue	<u>17,600</u>	<u>(76,314)</u>
	<u>(345)</u>	<u>(72,652)</u>
<b>Increase (Decrease) in Cash</b>	<b>4,465</b>	<b>(72,102)</b>
<b>Cash - beginning of year</b>	<u>68,874</u>	<u>140,976</u>
<b>Cash - end of year</b>	<u>\$ 73,339</u>	<u>\$ 68,874</u>

(See Accompanying Notes to Financial Statements)

# **CENTRE FOR EQUALITY RIGHTS IN ACCOMMODATION IN ONTARIO**

Notes to Financial Statements

March 31, 2015

## **1. Organization - Overview**

The Centre for Equality Rights in Accommodation in Ontario (the "Centre") was incorporated by letters patent under the laws of the province of Ontario on October 8, 1987, as a corporation without share capital and qualified as a registered charity on April 1, 1989. The Centre is a province-wide charitable organization that promotes human rights in housing and works to remove the barriers that keep disadvantaged individuals and families from accessing and retaining the housing they need.

The Centre is a registered charitable organization under the Income Tax Act (Canada), and as such, is generally exempt from income taxes.

## **2. Summary of Significant Accounting Policies**

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations except for note 2 (d). The following are significant accounting policies:

### **a) Basis of Accounting**

The Centre follows the deferral method of accounting.

Contributions are recognized as receipts when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Operating grants are recognized in the period to which they relate. Project grant receipts are recognized as the related expenditures are incurred. Grants received for specific projects to be undertaken in the future and unspent grants are recorded as deferred revenue

### **b) Use of Estimates**

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of receipts and expenditures during the reporting period. Such estimates include providing for amortization of equipment as explained in note 2(c). Actual results could differ from those estimates. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the period in which they become known.



**CENTRE FOR EQUALITY RIGHTS  
IN ACCOMMODATION IN ONTARIO**

Notes to Financial Statements

March 31, 2015

**2. Summary of Significant Accounting Policies (cont'd)**

c) Equipment - Amortization

Equipment are stated at cost. Amortization is based on the estimated useful lives of the assets and is provided using the undernoted annual rates and methods:

Computer equipment	30%	Declining balance
Office equipment	20%	Declining balance

d) Contributed Services

The Centre receives contributions of services, including many volunteer hours. As the fair value of all of these contributions cannot be easily estimated, the Centre does not record the fair value of all these services in the financial statements. Note 7 discloses an estimated value of some volunteers services for which a fair value can be reasonably estimated.

e) Financial Instruments

At March 31, 2015, the face value of the Centre's financial instruments approximates their carrying value due to the short-term maturity of these instruments. The carrying amounts of these short-term financial instruments approximates the amount at which the financial instrument could be exchanged in a current arm's-length transaction between willing parties.

**3. Equipment**

	2015		2014	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Computer equipment	\$ 33,851	\$ 33,851	\$ 33,851	\$ 33,428
Office equipment	13,579	13,579	13,579	12,951
	<u>\$ 47,430</u>	<u>\$ 47,430</u>	<u>\$ 47,430</u>	<u>\$ 46,379</u>
Net book value		<u>\$ -</u>		<u>\$ 1,051</u>

The capital assets were fully amortized in fiscal year 2015.

**CENTRE FOR EQUALITY RIGHTS  
IN ACCOMMODATION IN ONTARIO**

Notes to Financial Statements

March 31, 2015

**4. Deferred Revenue**

Deferred revenue consists of the following:

	2015		2014
Ontario Trillium Foundation	\$ 43,838	\$	-
Law Foundation of Ontario	30,473		61,270
City of Toronto - Access, Equity & Human Rights Investment	12,116		-
Community Foundation of Ottawa	7,144		-
City of Toronto - Evictions Prevention	-		14,701
	<u>93,571</u>	\$	<u>75,971</u>

Continuity of deferred revenue for the year is as following:

	2015		2014
Deferred revenue, beginning of year	\$ 75,971	\$	152,285
Revenue received and receivable	277,532		150,655
Revenue recognized	<u>(259,932)</u>		<u>(226,969)</u>
Deferred revenue, end of year	<u>\$ 93,571</u>	\$	<u>75,971</u>

**5. Foundations**

Grants recognized to revenue are from the following charitable foundations:

	2015		2014
Law Foundation of Ontario	\$ 69,920	\$	56,939
Trillium Foundation	39,962		51,335
Community Foundation of Ottawa	4,631		-
TD Financial Literacy Grant Fund	-		8,729
	<u>114,513</u>	\$	<u>117,003</u>

**CENTRE FOR EQUALITY RIGHTS  
IN ACCOMMODATION IN ONTARIO**

Notes to Financial Statements

March 31, 2015

**6. Financial Instruments**

The Centre's financial instruments recorded on the Statement of Financial Position consist of cash, accounts receivable, accounts payable and accrued charges and deferred revenue.

**Liquidity Risk**

Liquidity risk is the risk that the Centre may not be able to meet its obligations. To mitigate this risk, the Centre commits to spending on the various projects only after the funds are received from the various funders or has reasonable assurance that the funds will be received.

**Credit Risk**

The Centre is subject to credit risk primarily due to receivables and cash at bank. The Centre actively manages and monitors its receivables on a regular basis and keep its funds in credible financial institutions.

**Market risk**

The Centre is not significantly exposed to market risk, including Currency risk, Interest rate risk and Other price risk.

**7. Contributed Services**

As described in note 2(d), the Centre receives contributions of certain services for which a fair market value can be reasonably estimated. The valuation of these services of \$32,891 (\$51,449 in 2014) are estimated based on the full-time employment rate for the service periods.

**8. Lease Commitments**

The Centre is committed under two sub-lease agreements for the premises. One sub-lease commencing on February 1, 2014, and is renewed on month-to-month basis. The second sub-lease commence on January 15, 2015 and matures by December 31, 2015; this sub-lease requires minimum annual payments, including estimated operating costs of \$8,950, over the remaining term of the lease.