

# **Scarborough Women's Centre**

**Financial Statements**

**For the Year Ended March 31, 2021**

## **INDEPENDENT AUDITOR'S REPORT**

### **To the Board of Directors of Scarborough Women's Centre**

We have audited the accompanying financial statements of Scarborough Women's Centre which comprise the statement of financial position as at March 31, 2021 and the statement of operations and changes in fund balances and statement of 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 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, 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.

#### *Basis for Qualified Opinion*

In common with many charitable organizations, the Centre derives revenue from various levels of the government and general public in the form of grants, donations from foundations and individuals and fundraising activities, 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 entity and we were not able to determine whether any adjustments might be necessary to grants, foundations and individual donations, and fundraising revenue, excess of revenue over expenses and cash flows from revenues and expenses for the year ended March 31, 2021, and assets as at March 31, 2021 and net assets as at April 1, 2020, and March 31, 2021.

*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 Scarborough Women's Centre as at March 31, 2021, 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.

*Unaudited Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary information included in Schedule A through B is presented for additional analysis purposes and is not a required part of the financial statements. Although such supplementary information has been subject to the auditing procedures applied in the audit of the financial statements, these supplementary schedules are unaudited.

*Yang Chartered Accountant P.C.*

Yang Chartered Accountant Professional Corporation

Authorized to practice public accounting by  
The Institute of Chartered Professional Accountants of Ontario

June 25, 2021

Toronto, Ontario

**Scarborough Women's Centre  
Statement of Financial Position  
As at March 31, 2021**

	2021	2020
<b>Assets</b>		
Cash	\$ 251,061	\$ 119,776
Short term investments (Note 3)	127,238	125,444
Grants/funding and other receivables	7,683	9,438
HST receivable	6,681	4,555
Prepaid expenses	4,817	6,513
<b>Total Assets</b>	<b>397,480</b>	<b>265,726</b>

**Liabilities**

Accounts payable and accrued liabilities	54,048	61,455
Deferred contributions (Note 4)	201,996	78,828
<b>Total Liabilities</b>	<b>256,044</b>	<b>140,283</b>

**Net Assets**

Restricted funds (Note 8)	15,993	-
Unrestricted funds	125,443	125,443
<b>Total Net Assets</b>	<b>141,436</b>	<b>125,443</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 397,480</b>	<b>\$ 265,726</b>

Commitments (Note 6)

See accompanying notes to the financial statements.

**Approved by the Board**

*D. Tsagaris*  
\_\_\_\_\_  
Director

*Samuel D.*  
\_\_\_\_\_  
Director

**Scarborough Women's Centre**  
**Statement of Operations and Changes in Fund Balances**  
**Year Ended March 31, 2021**

	Core Operations (Schedule A)	Special Projects (Schedule B)	Total 2021	Total 2020
<b>Revenue</b>				
Government- fees and grants				
City of Toronto	\$ 52,469	\$ 19,154	\$ 71,623	\$ 84,914
Provincial	101,367	-	101,367	97,019
Federal	4,364	128,266	132,630	201,015
	158,200	147,420	305,620	382,948
United Way				
United Way Grant	50,000	-	50,000	52,805
Designated donations	4,545	-	4,545	1,456
	54,545	-	54,545	54,261
Other revenue				
Foundations	49,693	76,814	126,507	80,646
Fundraising and donations	94,046	6,100	100,146	69,725
Miscellaneous revenue	2,284	-	2,284	2,147
	146,023	82,914	228,937	152,518
Interest income (Note 3)	1,150	-	1,150	1,620
<b>Total revenue</b>	<b>359,918</b>	<b>230,334</b>	<b>590,252</b>	<b>591,347</b>
<b>Expenses</b>				
Personnel expenses				
Salaries	218,117	129,352	347,469	337,950
Employee benefits	34,627	13,697	48,324	46,747
Travel, conferences and meetings	611	2,603	3,214	6,473
Staff training	300	-	300	1,431
	253,655	145,652	399,307	392,601
Other expenses				
Building occupancy	45,064	1,418	46,482	51,271
Purchased services	49,044	39,689	88,733	89,634
Program expenses	6,277	4,339	10,616	12,038
Promotion and publicity	3,605	1,724	5,329	13,149
Office expenses	8,554	10,885	19,439	20,176
Volunteer expenses	150	-	150	150
Office equipment purchased	-	-	-	1,875
Directors and officers liability insurance	1,564	-	1,564	1,389
Fundraising expenses	1,777	-	1,777	900
Dues	862	-	862	580
Accommodation	-	-	-	7,584
Administration (recovery)	(26,627)	26,627	-	-
	90,270	84,682	174,952	198,746
<b>Total expenses</b>	<b>343,925</b>	<b>230,334</b>	<b>574,259</b>	<b>591,347</b>
Excess of revenues over expenses	15,993	-	15,993	-
Unrestricted funds, beginning of year	125,443	-	125,443	125,443
<b>Net assets, end of year</b>	<b>\$ 141,436</b>	<b>\$ -</b>	<b>\$ 141,436</b>	<b>\$ 125,443</b>

**Scarborough Women's Centre**  
**Statement of Cash Flows**  
**Year Ended March 31, 2021**

	2021	2020
<b>Operating</b>		
Excess of revenue over expenses	\$ 15,993	\$ -
Net changes in non-cash working capital items		
Grants/funding and other receivables	1,755	(137)
HST receivable	(2,126)	(760)
Prepaid expenses	1,696	(1,231)
Accounts payable and accrued liabilities	(7,407)	22,261
Deferred contributions	123,168	(23,282)
	<b>133,079</b>	<b>(3,149)</b>
<b>Investing</b>		
Short term investments sold	125,444	96,444
Short term investments purchased	(127,238)	(125,444)
	<b>(1,794)</b>	<b>(29,000)</b>
<b>Net cash outflow</b>	<b>131,285</b>	<b>(32,149)</b>
<b>Cash, beginning of year</b>	<b>119,776</b>	<b>151,925</b>
<b>Cash, end of year</b>	<b>\$ 251,061</b>	<b>\$ 119,776</b>

## **1. NATURE OF ORGANIZATION**

Scarborough Women's Centre (the "Centre") empowers women to become economically and emotionally independent for future success and to strengthen their local communities, free from violence. The Centre delivers programs and services to promote positive change for women in a safe, inclusive and welcoming environment. The Centre was incorporated under the laws of the Ontario Business Corporations Act as a not-for-profit organization in 1983 and amalgamated with The SWAN Shelter for Women and Their Children Inc. in 1999. The Centre is a registered charity under the Income Tax Act and as such, is exempt from income taxes.

## **2. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations. Outlined below is a summary of the significant accounting policies followed by the Centre:

### **Revenue recognition**

The Centre follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue when the related expenses are incurred and unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

### **Fund accounting**

The Core Operations (General Operating Fund) accounts for the Centre's program delivery and administrative activities. This fund reports unrestricted resources from various levels of the government and general public in the form of grants, donations from foundations and individuals, membership fees and fundraising restricted to operational activities.

The Centre operates various Special Projects (Restricted) funds for which it receives grants from the federal government, foundations, fundraising and donations, which are restricted for the specific use of a project.

### **Allocation of expenses**

The Centre records a number of its expenses by function as disclosed in the supplementary financial information per Schedule A and B. Overhead and administration expenses are allocated to special projects based on a reasonable estimate of time spent and resources used based on contractual terms of agreement with funders.

## **2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

### **Capital assets**

Capital assets are recorded as expenses in the year they are acquired.

### **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 and, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

Significant areas requiring the use of management estimates relate to the determination of expense allocations.

### **Contributed services**

Volunteers contribute an undeterminable, but substantial number of hours during the year to assist the Centre in carrying out its mission. Due to the difficulty in determining their fair market value, contributed services are not recognized in these financial statements.

### **Financial instruments**

The Centre initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions which are measured at either the exchange value or carrying amount.

The Centre subsequently measures all its financial assets and financial liabilities at cost or amortized cost.

Financial assets measured at cost or amortized cost include cash, short term investments and grants/funding and other receivables. Financial liabilities measured at cost or amortized cost include accounts payable and accrued liabilities.

## **3. SHORT TERM INVESTMENTS**

The Centre holds \$127,238 (2020- \$125,444) in a guaranteed investment certificate yielding interest of 0.20% (2020- 1.43%) per annum and with a maturity date of October 15, 2021. As at March 31, 2021, interest accrued on the short-term investments is \$180 (2020- \$823) and is included in grants/funding and other receivables.



**Scarborough Women's Centre**  
**Notes to Financial Statements**  
**March 31, 2021**

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**4. DEFERRED CONTRIBUTIONS**

	2021	2020
<b>Funding for special projects:</b>		
Balance, beginning of year	\$ 63,058	\$ 99,305
Less: Amount recognized as revenue in the year	(230,334)	(212,387)
Plus: Amount received in the year	354,272	176,140
Balance, end of year	186,996	63,058
<b>Funding for core operations:</b>		
Balance, beginning of year	15,770	2,805
Less: Amount recognized as revenue in the year from The City of Toronto	(15,770)	-
Less: Amount recognized as revenue in the year from United Way	(50,000)	(52,805)
Plus: Amount received in the year from United Way	50,000	50,000
Plus: Amount received in the year from Bell Let's Talk	15,000	-
Plus: Amount received in the year from the City of Toronto	-	15,770
Balance, end of year	15,000	15,770
Total deferred contributions	\$ 201,996	\$ 78,828

**5. LINE OF CREDIT**

The Centre has a line of credit with the bank in the amount of \$10,000 (2020 - \$10,000), which bears interest at the rate of prime plus 1.75% per annum. As at March 31, 2021, the Centre has not drawn on this line of credit.

**6. COMMITMENTS**

The Centre is committed to an operating lease agreement for office space that expires on June 30, 2023. The minimum rent under the agreement for the upcoming fiscal years is as follows:

2022	\$ 45,110
2023	45,148
2024	11,287
	<b>\$ 101,545</b>

## **7. FINANCIAL RISKS**

The Centre's financial risk exposure and the impact of the Centre's financial instruments are summarized below:

### **(a) Credit risk**

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss.

The Centre's credit risk is attributed to its grants/funding and other receivables. Grants/funding and other receivables consists of amounts due from fundraising activities and a portion of grants held back. The Centre considers credit risk to be low. There has been no change to the credit risk exposure from the year ended March 31, 2020.

### **(b) Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in raising the funds to meet commitments associated with its financial liabilities.

The Centre mitigates this risk by maintaining sufficient cash and other short-term assets readily convertible into cash in order to meet its liabilities as they come due. The Centre's cash is held in accounts with a Canadian bank. The Centre considers liquidity risk to be low. There has been no change to the liquidity risk exposure from the year ended March 31, 2020.

## **8. RESTRICTED FUNDS**

The restricted funds represent internally restricted amounts designated by the Board of Directors and is the financial reserve for compensation of a program manager employee of the Centre. Internally restricted amounts include donations given to the Centre that have been transferred to the restricted funds by the Board of Directors. These funds will become available subject to approval from the Board of Directors.

## **9. COVID-19**

On March 11, 2020, the COVID -19 outbreak was declared a pandemic by the World Health Organization. This has resulted in governments worldwide, including the Canadian and Ontario governments, enacting emergency measures to combat the spread of the virus. The Centre was deemed an essential service by the Ontario government and continues to support women through the pandemic while taking the appropriate measures as recommended by government and international agencies. The Centre received support by

## **Scarborough Women's Centre**

### **Notes to Financial Statements**

**March 31, 2021**

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all levels of government, foundations, corporate and group donors, and individuals in the community. This has allowed the Centre to provide consistent and growing support to women in the community during the year ended March, 31, 2021. However, the current challenging economic climate could lead to potential decreases in revenue from government and general public grants, donations from foundations and individuals, and fundraising activities, which may also have a direct impact on the Centre's operating results and financial position in the future. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the Centre is not known at this time.

**Scarborough Women's Centre**  
**Schedule A -Core Operations Revenues and Expenses (unaudited)**  
**Year Ended March 31, 2021**

	Administration	Education	Information	Social Action	Support	2021 Total	2020 Total
<b>Revenue</b>							
Government- fees and grants							
City of Toronto	\$ 8,650	\$ 27,829	\$ 5,755	\$ -	\$ 10,235	\$ 52,469	\$ 84,914
Provincial	2,460	46,000	-	-	52,907	101,367	97,019
Federal	-	-	4,364	-	-	4,364	4,374
	11,110	73,829	10,119	-	63,142	158,200	186,307
<b>United Way</b>							
United Way Grant	-	-	-	-	50,000	50,000	52,805
Designated donations	2,387	2,158	-	-	-	4,545	1,456
	2,387	2,158	-	-	50,000	54,545	54,261
<b>Other revenue</b>							
Foundations	-	5,000	3,288	227	41,178	49,693	66,259
Fundraising and donations	64,427	12,338	1,271	9,104	6,906	94,046	68,366
Misc revenue	2,004	-	-	-	280	2,284	2,147
Interest income	1,150	-	-	-	-	1,150	1,620
	67,581	17,338	4,559	9,331	48,364	147,173	138,392
<b>Total revenue</b>	81,078	93,325	14,678	9,331	161,506	359,918	378,960
<b>Expenses</b>							
Personnel expenses							
Salaries	38,258	54,374	12,645	8,282	104,558	218,117	242,684
Employee benefits	8,805	5,975	1,337	1,019	17,491	34,627	36,218
Travel, conferences and meetings	607	4	-	-	-	611	1,356
Staff training	-	-	-	-	300	300	1,431
	47,670	60,353	13,982	9,301	122,349	253,655	281,689
<b>Other expenses</b>							
Building occupancy	15,316	14,874	-	-	14,874	45,064	45,826
Purchased services	32,555	12,742	-	-	3,747	49,044	46,655
Program expenses	-	718	472	-	5,087	6,277	3,605
Promotion and publicity	-	1,498	224	-	1,883	3,605	4,940
Office expenses	3,524	2,407	-	30	2,593	8,554	20,159
Volunteer expenses	-	-	-	-	150	150	150
Office equipment purchased	-	-	-	-	-	-	1,875
Directors and officers liability insurance	574	495	-	-	495	1,564	1,389
Fundraising expenses	1,773	-	-	-	4	1,777	900
Dues	300	238	-	-	324	862	580
Administration (recovery)	(36,627)	-	-	-	10,000	(26,627)	(28,808)
	17,415	32,972	696	30	39,157	90,270	97,271
<b>Total expenses</b>	65,085	93,325	14,678	9,331	161,506	343,925	378,960
<b>Excess of revenues over expenses</b>	\$ 15,993	\$ -	\$ -	\$ -	\$ -	\$ 15,993	\$ -

**Scarborough Women's Centre**  
**Schedule B - Special Projects Revenues and Expenses (unaudited)**  
**Year Ended March 31, 2021**

	Expanding the Reach: Outreach to Women with Disabilities Program	Building Strong Futures: Young Women's Outreach	Strategically Advancing Gender Equality	City of Toronto Cluster	Covid 19 Support	Safer and Stronger (CWF)	2021 Total	2020 Total
<b>Revenue</b>								
Government- fees and grants								
Municipal	\$ 31,831	\$ 4,380	\$ 67,055	\$ 19,154	\$ 25,000	\$ -	\$ 19,154	\$ -
Federal	31,831	4,380	67,055	19,154	25,000	-	128,266	195,641
<b>Other revenue</b>								
Foundations	35,882	26,532	-	-	-	14,400	76,814	14,387
Fundraising and donations	600	5,500	-	-	-	-	6,100	1,359
	36,482	32,032	-	-	-	14,400	82,914	15,746
<b>Total revenue</b>	<b>68,313</b>	<b>36,412</b>	<b>67,055</b>	<b>19,154</b>	<b>25,000</b>	<b>14,400</b>	<b>230,334</b>	<b>212,387</b>
<b>Expenses</b>								
Personnel expenses								
Salaries	42,439	26,419	23,400	16,320	11,967	8,807	129,352	95,266
Employee benefits	5,532	2,086	1,733	1,218	2,395	733	13,697	10,529
Travel, conferences and meetings	2,512	-	91	-	-	-	2,603	5,117
	50,483	28,505	25,224	17,538	14,362	9,540	145,652	110,912
<b>Other expenses</b>								
Building occupancy	-	1,418	-	-	-	-	1,418	5,445
Purchased services	4,411	-	30,918	-	-	4,360	39,689	42,979
Program expenses	3,725	36	78	-	-	500	4,339	8,433
Promotion and publicity	1,694	30	-	-	-	-	1,724	8,209
Office expenses	-	131	-	116	10,638	-	10,885	17
Accommodation	-	-	-	-	-	-	-	7,584
Administration	8,000	6,292	10,835	1,500	-	-	26,627	28,808
	17,830	7,907	41,831	1,616	10,638	4,860	84,682	101,475
<b>Total expenses</b>	<b>68,313</b>	<b>36,412</b>	<b>67,055</b>	<b>19,154</b>	<b>25,000</b>	<b>14,400</b>	<b>230,334</b>	<b>212,387</b>
<b>Excess of revenues over expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Note: The grants received for the operation of the various special projects are restricted for the use of the individual project and are not available for general operations.