

WOMEN'S CENTRE OF CALGARY

Financial Statements

December 31, 2020

WOMEN'S CENTRE OF CALGARY
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For the Year Ended December 31, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Members of Women's Centre of Calgary :

Opinion

We have audited the financial statements of Women's Centre of Calgary (the "Organization"), which comprise the statement of financial position as at December 31, 2020, and the statement of operations, changes in net assets and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2020, 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 Opinion

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 opinion.

Responsibilities of Management and Those Charged with Governance 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.

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.

(continues)



Independent Auditor's Report to the Members of Women's Centre of Calgary *(continued)*

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

Auditor's Responsibilities for the Audit of 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.

BDO Canada LLP

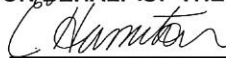
Chartered Professional Accountants

Calgary, Alberta
February 22, 2021

WOMEN'S CENTRE OF CALGARY
Statement of Financial Position
As at December 31, 2020

	2020	2019
Assets		
Current		
Cash and cash equivalents	\$ 727,174	\$ 687,671
Restricted cash (Note 6)	65,236	109,954
Short term investments (Note 4)	1,867,722	760,926
Donations and interest receivable	33,736	17,943
Goods and services tax recoverable	3,445	18,675
Prepaid expenses	21,293	31,221
	<u>2,718,606</u>	1,626,390
Property and equipment (Note 3)	128,071	168,078
Long term Investments (Note 4)	505,000	1,333,000
	<u>\$ 3,351,677</u>	<u>\$ 3,127,468</u>
Liabilities and Net assets		
Current		
Accounts payable and accrued liabilities	\$ 77,024	\$ 41,161
Deferred contributions related to operations (Note 6)	226,391	382,787
	<u>303,415</u>	423,948
Deferred contributions related to property and equipment (Note 6)	106,041	137,278
	<u>409,456</u>	561,226
Net Assets		
Invested in property and equipment	22,030	30,800
Restricted internally (Note 5)		
Operating reserve	2,070,191	1,685,442
Contingency fund	850,000	850,000
	<u>2,942,221</u>	2,566,242
	<u>\$ 3,351,677</u>	<u>\$ 3,127,468</u>

ON BEHALF OF THE BOARD

 Director

 Director

WOMEN'S CENTRE OF CALGARY
Statement of Operations
For the Year Ended December 31, 2020

	Operating Fund	FCSS Fund	AB Law Foundation	2020	2019
Revenue					
City of Calgary Family & Community Support Service	\$ -	\$ 813,981	\$ -	\$ 813,981	\$ 838,981
Grants	520,431	-	47,484	567,915	184,318
Donations	350,743	-	-	350,743	327,060
United Way of Calgary	196,954	-	-	196,954	215,532
Casino (Note 6)	-	46,500	-	46,500	58,973
Interest income	46,111	-	-	46,111	49,436
Earned capital contributions (Note 6)	31,237	-	-	31,237	31,237
Other	7,350	-	-	7,350	-
Fundraising	-	-	-	-	21,211
	1,152,826	860,481	47,484	2,060,791	1,726,748
Expenses					
Salaries, wages and benefits	514,161	619,135	47,484	1,180,780	1,148,187
Rent and maintenance	23,981	119,688	-	143,669	173,456
Basic needs fund	140,986	232	-	141,218	9,719
Professional fees	18,081	51,434	-	69,515	63,358
Amortization	40,007	-	-	40,007	40,007
Office supplies	18,457	15,924	-	34,381	30,558
Equipment and software	6,665	8,172	-	14,837	18,150
Volunteer appreciation	-	12,771	-	12,771	9,417
Insurance	5,000	5,639	-	10,639	10,097
Travel	280	6,742	-	7,022	10,653
Printing	-	6,255	-	6,255	5,690
Training	1,000	5,168	-	6,168	4,662
Utilities	146	2,940	-	3,086	2,679
Advertising and promotion	133	2,668	-	2,801	2,864
Interest and bank charges	7,794	1,782	-	9,576	2,249
Dues and memberships	-	1,766	-	1,766	3,138
Planning	-	165	-	165	961
Miscellaneous	156	-	-	156	-
Fundraising	-	-	-	-	2,294
	776,847	860,481	47,484	1,684,812	1,538,139
Excess of revenue over expenses	\$ 375,979	\$ -	\$ -	\$ 375,979	\$ 188,609

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

WOMEN'S CENTRE OF CALGARY
Statement of Changes in Net Assets
For the Year Ended December 31, 2020

	Invested in property and equipment	FCSS Fund	AB Law Foundation	Internally Restricted (Note 5)			Unrestricted Operating	2020	2019
				Operating Reserve	Contingency Fund				
Balance, beginning of year	\$ 30,800	\$ -	\$ -	\$ 1,685,442	\$ 850,000	\$ -	\$ 2,566,242	\$ 2,377,633	
Excess of revenue over expenses	-	-	-	-	-	375,979	375,979	188,609	
Interfund transfers (Note 9)	(8,770)	-	-	384,749	-	(375,979)	-	-	
Balance, end of year	\$ 22,030	\$ -	\$ -	\$ 2,070,191	\$ 850,000	\$ -	\$ 2,942,221	\$ 2,566,242	

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

WOMEN'S CENTRE OF CALGARY
Statement of Cash Flows
For the Year Ended December 31, 2020

	Operating Fund	FCSS Fund	AB Law Foundation	2020	2019
Operating activities					
Excess of revenue over expenses	\$ 375,979	\$ -	\$ -	\$ 375,979	\$ 188,609
Items not affecting cash:					
Amortization of property and equipment	40,007	-	-	40,007	40,007
Earned capital contributions	(31,237)	-	-	(31,237)	(31,237)
	384,749	-	-	384,749	197,379
Changes in non-cash working capital:					
Restricted Cash	44,718	-	-	44,718	(28,454)
Donations and interest receivable	(15,793)	-	-	(15,793)	(3,321)
Goods and services tax recoverable	15,230	-	-	15,230	(8,198)
Prepaid expenses	9,928	-	-	9,928	(1,583)
Accounts payable and accrued liabilities	35,863	-	-	35,863	(509)
Deferred contributions related to operations	(156,396)	-	-	(156,396)	192,311
	(66,450)	-	-	(66,450)	150,246
Cash flows from operating activities	318,299	-	-	318,299	347,625
Investing activity					
Purchase of investments	(278,796)	-	-	(278,796)	(516,036)
Other cash flow item					
Interfund transfer	-	-	-	-	-
Net change in cash and cash equivalents during the year	39,503	-	-	39,503	(168,411)
Cash and cash equivalents - beginning of year	687,671	-	-	687,671	856,082
Cash and cash equivalents - end of year	\$ 727,174	\$ -	\$ -	\$ 727,174	\$ 687,671

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

WOMEN'S CENTRE OF CALGARY
Notes to Financial Statements
Year Ended December 31, 2020

1. Purpose of the organization

The Women's Centre of Calgary (the "Organization") is incorporated under the Companies Act of Alberta. The Organization is committed to serving the needs of women in the community through the provision of education, support, information, resources, social interaction and crisis prevention. The Organization provides a centre for women to build community and to encourage the development and growth of women's skills and abilities. The Organization is a registered charitable organization and therefore exempt from the payment of income tax under section 149(f)(1) of the Income Tax Act of Canada.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook, and in management's opinion, have been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

a) Fund accounting

The Organization reports its activities in the following funds:

The Operating Fund is used to account for all the revenue and expenses related to program delivery, fundraising and general and administrative activities of the Organization.

The FCSS Fund is used to account for the grants received from The City of Calgary Family and Community Support Services (FCSS) and other assigned fundraising revenues and the use of those monies on direct costs and administration related to program areas funded by the City of Calgary.

The AB Law Foundation is used to account for the grant received from the Alberta Law Foundation and the related program expenses.

b) Cash and cash equivalents

Cash and cash equivalents include cash on hand and undeposited funds.

Resticed cash is unused casino funds held in a separate bank account.

c) Property and equipment

Property and equipment are recorded at cost. Amortization is provided using the cost of assets over their estimated useful lives. The amortization methods and rates are as follows:

Computer equipment	straight-line	3 years
Leasehold improvements	straight-line	Remaining lease term

The Organization has set the capitalization threshold at \$1,500 for property and equipment purchases.

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WOMEN'S CENTRE OF CALGARY
Notes to Financial Statements
Year Ended December 31, 2020

2. Summary of significant accounting policies (*continued*)

d) Revenue recognition

The Organization follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue of the operating fund when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured. Amounts pledged as future donations are not recognized in the accounts.

Unrestricted contributions are recognized in the operating fund in the year received.

Interest revenue is recognized on an accrual basis in the period in which it is earned.

e) Goods and Services Tax

Goods and services tax is recoverable at 50% as a rebate. The unrecoverable portion is recorded as an expense with the rebate treated as a receivable.

f) Financial instruments

The Organization initially measures its financial assets and financial liabilities at fair value. It subsequently measures all of its financial assets and financial liabilities at amortized cost.

The financial assets measured at amortized cost include cash and cash equivalents, restricted cash, short term investments, donations, interest receivable, and long term investments. The financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

The financial instruments are tested for impairment at each reporting date.

g) Contributed materials and services

Volunteers contributed significant time to assist the Organization in carrying out its activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Contributed materials that are used in operations are disclosed at their estimated fair value in Note 8, but are not recognized in the financial statements.

h) Measurement uncertainty

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 amount of assets and liabilities and the reported amounts of revenues and expenses during the period. Actual results could differ from these estimates. Estimates and assumptions made in the preparation of these financial statements include the useful life of property and equipment, and the amount of restricted revenue to be recognized in the period.

WOMEN'S CENTRE OF CALGARY
Notes to Financial Statements
Year Ended December 31, 2020

3. Property and equipment

	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
Computer equipment	\$ 39,592	\$ 39,592	\$ -	\$ -
Leasehold improvements	390,799	262,728	128,071	168,078
	\$ 430,391	\$ 302,320	\$ 128,071	\$ 168,078

4. Investments

	2020	2019
<u>Short term investments</u> Guaranteed investment certificates, bearing interest rates ranging from 1.45% to 2.30% (2019: from 1.00% to 2.75%) per annum, with a maturity date of less than one year from year end.	\$ 1,867,722	\$ 760,926
<u>Long term investments</u> Guaranteed investment certificates with maturity dates greater than one year from the year end, bearing interest rates ranging from 1.10% to 2.25% (2019: 2.00% to 2.20%) per annum, maturing between January 2022 and June 2024.	\$ 505,000	\$ 1,333,000

5. Internally restricted funds

Internally restricted funds represent the balance of excess of revenue over expenses from operations, which includes funds raised from donations and current year fundraising events. These funds have been designated by the board of directors as restricted funds for specific purposes in subsequent periods as described below. Internally restricted funds cannot be spent without board approval.

The intention of the Operating Reserve is to accumulate current year fundraising dollars to support the following year operations. It is also intended as a source of internal funds for investments in long term capacity building.

The board of directors approved the set up of a Contingency fund to be equal to approximately six months operating costs in case there are unanticipated significant shortfalls in revenue. An amount of \$850,000 (2019: \$850,000) was approved to be kept in the contingency fund in the current year.

	2020	2019
Operating reserve	\$ 2,070,191	\$ 1,685,442
Contingency fund	850,000	850,000
Total	\$ 2,920,191	\$ 2,535,442

WOMEN'S CENTRE OF CALGARY
Notes to Financial Statements
Year Ended December 31, 2020

6. Deferred contributions

Deferred contributions related to operations are amounts received in the current period for future period operations.

	<u>Beginning</u>	<u>Additions</u>	<u>Utilizations</u>	<u>Ending</u>
<u>Related to operations</u>				
Casino	\$ 109,954	\$ 1,782	\$ 46,500	\$ 65,236
Girl Power	87,413	-	3,572	83,841
Women and Gender Equality Canada	52,756	81,532	127,696	6,592
The Calgary Foundation	38,613	-	18,823	19,790
Alberta Culture, Multiculturalism, and Status of Women	37,617	-	37,617	-
Basic Needs	25,161	-	25,161	-
Alberta Environment and Parks	21,273	-	21,273	-
Calgary Arts and Authority	10,000	-	10,000	-
City of Calgary Family and Community Support Services	-	813,981	813,981	-
Alberta Law Foundation	-	47,484	47,484	-
City of Calgary - Mill Rate	-	80,400	80,400	-
United Way - COVID 19	-	109,075	99,696	9,379
Calgary Foundation - COVID 19	-	48,000	36,447	11,553
Canadian Womens Foundation	-	30,000	-	30,000
United Way - Operating	-	196,954	196,954	-
Total	\$ 382,787	\$ 1,409,208	\$ 1,565,604	\$ 226,391

	<u>Beginning</u>	<u>Additions</u>	<u>Utilizations</u>	<u>Ending</u>
<u>Related to property and equipment</u>				
Grants and donations for leasehold improvements	\$ 137,278	\$ -	\$ 31,237	\$ 106,041

WOMEN'S CENTRE OF CALGARY
Notes to Financial Statements
Year Ended December 31, 2020

7. Endowment fund

The Calgary Foundation ("the Foundation") holds an endowment fund for the benefit of the Organization. Endowment gifts may be donated to the Organization directly, or to the Foundation for the benefit of the Organization. The Foundation protects the capital and annually distributes the net investment income to the Organization in the form of a grant. Endowment gifts made directly to the Organization are gifted to the Foundation, and the Organization surrenders ownership of such gifts to the Foundation, therefore the endowment assets held by the Foundation for the benefit of the Organization are not reported as assets or fund balances in these financial statements. At December 31, 2020, the Foundation held \$25,084 in the endowment fund (2019: \$24,110).

	2020	2019
Held by The Calgary Foundation	<u>\$ 25,084</u>	<u>\$ 24,110</u>

8. Contributed materials

The Organization received donations related to the following gifts-in-kind: groceries, hygiene products, gifts, toys, and tickets. Total receipted gifts in kind revenue and expenses for 2020 are \$32,326 (2019: \$46,074).

9. Inter-fund transfer

During the year, the Organization transferred \$Nil (2019: \$197,379) from the Operating Fund to provide for expenses in the FCSS Fund. \$Nil (2019: \$13,356) in the program supported by the Alberta Law Foundation was covered by the Operating Fund. There were no transfers made to the Contingency Fund during the year (2019: \$Nil)

10. Financial instruments

The Organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Organization's risk exposure and concentration as of the year end date.

(a) Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Organization has fixed interest rates on investments.

(b) Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities, deferred contributions and commitments.

(c) Credit risk arises from the potential that a counter party will fail to perform its obligations. The Organization's financial assets that are exposed to credit risk consist primarily of accounts receivable. The Organization is not subject to significant concentration of credit risk with respect to its funders, and sponsors.

WOMEN'S CENTRE OF CALGARY
Notes to Financial Statements
Year Ended December 31, 2020

11. Additional information to comply with the disclosure requirement of the Charitable Fund-Raising Act of Alberta and regulations

As required under Section 7(2) of the Regulations of the Charitable Fund-raising Act of Alberta, staff expenses in the amount of \$35,000 (2019: \$35,000) were incurred in the year for the purposes of soliciting cash and in-kind donations.

Gross cash contributions received were \$350,743 (2019: \$327,060).

12. Commitments

The Organization has an operating lease for office space, which requires monthly rent payments of \$9,000 until May 2023. The estimated minimum annual rental payments, excluding operating costs, for the next four years under the lease agreement are as follows:

2021	\$	108,000
2022		108,000
2023		<u>45,000</u>
	\$	<u>261,000</u>

13. COVID-19 pandemic

On March 11, 2020, the World Health Organization ("WHO") categorized the COVID-19 outbreak as a pandemic resulting in significant public health measures and restrictions put in place. The Organization adjusted its operations to comply with public health regulations and ensure safety of staff and community members. This resulted in a reduced number of women being able to access in-person support. The Organization began offering support via phone, established online workshop opportunities, and developed a grocery gift card program. Additionally, the Organization received government assistance funding related to the Temporary Wage Subsidy (TWS) program in the amount of \$20,559 (2019: \$Nil) as a result of the COVID-19 pandemic. The Organization also received funding from other organizations including United Way and the Calgary Foundation, as discussed in Note 6.

The ongoing impact of the pandemic presents uncertainties over future cash flows and may have a significant impact on future operations. Given the constant evolution of the COVID-19 pandemic and the global responses to curb its spread, the Organization is not able to fully estimate the effects of the pandemic on its results of financial condition at this time.
