

**WOMEN IN CRISIS (ALGOMA) INC.
FINANCIAL STATEMENTS**

YEAR ENDED MARCH 31, 2020

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INDEPENDENT AUDITOR'S REPORT

August 18, 2020

To the Board of Directors of Women In Crisis (Algoma) Inc.

Qualified Opinion

I have audited the accompanying financial statements of Women In Crisis (Algoma) Inc., which comprise the statement of financial position as at March 31, 2020, and the consolidated statement of operations and changes in unrestricted net assets, changes in restricted net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of my report, the financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2020 and the results of its operations and its cash flows for the year then ended in accordance with the financial reporting provisions required by the Province of Ontario to comply with the mortgage agreement with Canada Mortgage and Housing Corporation (CMHC).

Basis of Qualification

In common with many charitable organizations, Women In Crisis (Algoma) Inc. derives revenue from donations, fundraising and other receipts, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, my verification of these revenues was limited to the amounts recorded in the records of the organization. Therefore I was not able to determine whether any adjustments might be necessary to revenues and excess of revenues over expenditures for the years ended March 31, 2020 and 2019, and assets and net assets as at March 31, 2020 and 2019.

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of Financial Statements* section of my report. I am independent of the Entity in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter - Basis of Accounting and Restriction on Use

I draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist Women In Crisis (Algoma) Inc. to comply with the reporting provisions of the mortgage agreement referred to above. As a result, the financial statements may not be suitable for another purpose. My report is intended solely for the Members and Directors of Women In Crisis (Algoma) Inc. and the Province of Ontario and should not be used by any other parties. My opinion is not modified in respect of this matter.

Other Matters

The financial statements of Women In Crisis (Algoma) Inc. for the year ended March 31, 2019 were audited by another auditor who expressed a modified opinion on those financial statements on June 11, 2019.

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 the financial reporting provisions required by the Province of Ontario to comply with the mortgage agreement with CMHC 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 relating 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.

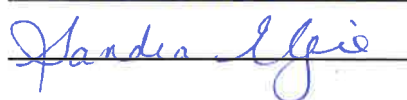
Those charged with governance are responsible for overseeing the Entity's financial reporting process.

WOMEN IN CRISIS (ALGOMA) INC.
STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31,	2020	2019
ASSETS		
CURRENT ASSETS		
Cash and term deposits (note 2)	\$ 1,071,832	\$ 599,784
Accounts receivables	35,872	30,189
Government sales tax receivable	17,545	20,733
Prepaid expenses	15,624	13,960
	<u>1,140,873</u>	<u>664,666</u>
CAPITAL ASSETS (note 3)	358,990	408,189
	<u>\$ 1,499,863</u>	<u>\$ 1,072,855</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 66,919	\$ 72,114
Government remittances payable	58,078	42,326
Deferred contributions	31,715	34,566
Current portion of long-term debt (note 4)	52,444	49,199
	<u>209,156</u>	<u>198,205</u>
LONG-TERM DEBT (note 4)	306,546	358,990
TOTAL LIABILITIES	<u>515,702</u>	<u>557,195</u>
RESTRICTED NET ASSETS	984,161	515,660
	<u>\$ 1,499,863</u>	<u>\$ 1,072,855</u>

APPROVED ON BEHALF OF THE BOARD:

 Director

 Director

The accompanying notes are an integral part of these financial statements

WOMEN IN CRISIS (ALGOMA) INC.
STATEMENT OF CHANGES IN RESTRICTED NET ASSETS

YEAR ENDED MARCH 31,	Capital	Building	Other	2020	2019
RESTRICTED NET ASSETS, BEGINNING OF YEAR	\$ 165,155	\$ 296,702	\$ 53,803	\$ 515,660	\$ 494,409
Interest	1,545	2,367	-	3,912	7,888
Allocation from operations	6,188	456,397	2,004	464,589	67,109
Expenditures	-	-	-	-	(53,746)
RESTRICTED NET ASSETS, END OF YEAR	\$ 172,888	\$ 755,466	\$ 55,807	\$ 984,161	\$ 515,660

The accompanying notes are an integral part of these financial statements

WOMEN IN CRISIS (ALGOMA) INC.
CONSOLIDATED STATEMENT OF OPERATIONS AND CHANGES IN
UNRESTRICTED NET ASSETS

YEAR ENDED MARCH 31,	Budget Unaudited 2020	Actual Audited 2020	Actual Audited 2019
REVENUE			
Ontario Ministries			
Children, Community and Social Services	\$ 1,471,792	\$ 1,654,817	\$ 1,590,457
Health and Long-Term Care	64,995	64,995	70,895
Attorney General	211,741	211,741	197,598
United Way of Sault Ste. Marie	20,000	20,000	20,000
Donations	-	102,647	96,841
Other	74,595	92,806	166,069
	<u>1,843,123</u>	<u>2,147,006</u>	<u>2,141,860</u>
EXPENSES			
Salaries and benefits	1,553,806	1,522,367	1,442,311
Conferences and meetings	9,500	59,698	93,225
Public education and awareness	4,000	19,986	24,244
Program supplies	36,000	53,026	43,895
Staff expenses	4,200	18,104	18,064
Client services	6,000	9,986	13,970
Utilities	24,000	23,263	23,198
Telephone	6,000	9,714	10,345
Insurance	16,500	13,845	17,030
Occupancy	73,912	73,649	73,666
Repairs, maintenance and renovations	49,000	91,354	75,859
Office	19,000	22,948	24,027
Legal and audit	6,000	10,809	7,991
Memberships	4,500	5,313	5,393
Capacity building	-	-	53,438
Algoma Council on Domestic Violence	24,517	28,454	39,314
Capital reserve allocation	6,188	6,188	6,188
Building reserve allocation	-	39,750	58,917
One time	-	138,552	110,785
	<u>1,843,123</u>	<u>2,147,006</u>	<u>2,141,860</u>
EXCESS OF REVENUES OVER EXPENSES	\$ -	\$ -	\$ -
UNRESTRICTED NET ASSETS, BEGINNING OF YEAR		-	-
UNRESTRICTED NET ASSETS, END OF YEAR		\$ -	\$ -

The accompanying notes are an integral part of these financial statements

WOMEN IN CRISIS (ALGOMA) INC.
STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31,	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess of revenues over (under) expenses for the year	\$ -	\$ -
Add charges to income not involving cash:		
Amortization	49,199	46,155
	<u>49,199</u>	<u>46,155</u>
Changes in non-cash working capital:		
Receivables	(2,495)	(14,114)
Prepaid expenses	(1,664)	1,201
Accounts payable and accrued liabilities	(5,195)	2,114
Government remittances payable	15,752	(7,723)
Deferred contributions	(2,851)	(15,417)
	<u>52,746</u>	<u>12,216</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of mortgage principal	(49,199)	(46,155)
Increase in restricted reserves	468,501	21,251
	<u>419,302</u>	<u>(24,904)</u>
INCREASE (DECREASE) IN CASH DURING THE YEAR	472,048	(12,688)
CASH, BEGINNING OF YEAR	599,784	612,472
CASH, END OF YEAR	\$ 1,071,832	\$ 599,784
COMPRISED OF:		
Bank	\$ 127,816	\$ 59,680
Term deposits	944,016	540,104
	<u>\$ 1,071,832</u>	<u>\$ 599,784</u>

The accompanying notes are an integral part of these financial statements

WOMEN IN CRISIS (ALGOMA) INC.
NOTES TO FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2020

Women In Crisis (Algoma) Inc. provides emergency shelter in a home-like atmosphere, as well as support and information, referrals and counselling, for women, with or without children, who find themselves in a crisis situation.

The corporation is incorporated without share capital under the laws of Ontario and is a registered charity under the Income Tax Act.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

These financial statements have been prepared in accordance with the significant accounting policies set out below to comply with the mortgage agreement with Canada Mortgage and Housing Corporation (CMHC). The basis of accounting used in these financial statements materially differs from Canadian generally accepted accounting principles because:

- a) Amortization is not provided on building, furniture and equipment purchased from the original mortgage debt over the estimated useful lives of these assets but rather at a rate equal to the annual principal reduction of the mortgage.
- b) Capital assets:
 - i. Purchased from accumulated surplus are charged to operations in the year the expenditure is incurred, and
 - ii. Purchased from the capital reserve are charged against the capital reserve account, rather than being capitalized on the statement of financial position and amortized over their estimated useful lives.
- c) A reserve for future capital replacement is appropriated annually from operations. These funds, along with accumulated interest, must be held in a separate bank account and may only be used for specific identified items.
- d) Restricted cash investments are measured at cost rather than fair value.

Revenue Recognition

The organization follows the deferral method of accounting for contributions related to program delivery and administrative activities. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonable assured. Restricted reserve contributions which include allocations from operations, are recognized as direct increases in net assets.

Investment income is recognized as revenue when earned.

Cash

Cash is comprised of cash on hand, bank balances and short term deposits.

WOMEN IN CRISIS (ALGOMA) INC.
NOTES TO FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted Net Assets

Internally restricted net assets are comprised of donations and fundraising set aside for specific purposes by resolution of the Board of Directors not limited to, capital and other expenditures approved by the Board of Directors. Capital reserve expenditures must be approved according to MCCSS guidelines.

Financial Instruments

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

Financial assets measured at amortized cost include cash and term deposits and receivables. Financial liabilities measured at amortized cost include accounts payable and mortgage payable.

Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

Funding

Various ministries of the Province of Ontario partially fund the organization according to approved budgets. Advances in excess of related expenditures are reported on the statement of financial position as amounts payable to the ministries. These financial statements reflect agreed funding arrangements approved by the ministries but subject to review with respect to the year ended March 31, 2020.

Funds received for projects which are not completed at year end, and are unspent, are reported as deferred contributions.

Contributed Services

Volunteers contributed many hours during the year to assist Women In Crisis (Algoma) Inc. in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Allocation of Expenses

The organization allocates some of its expenses to the programs funded by Ontario Ministries of Children, Community and Social Services, Health and Long-Term Care and Attorney General.

Wages and payroll costs are prorated to the hours worked for each program.

Operating costs are allocated to the programs based on the budget for each program.

WOMEN IN CRISIS (ALGOMA) INC.
NOTES TO FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2020

2. CASH AND TERM DEPOSITS

	2020	2019
Cash	\$ 127,816	\$ 59,679
Capital reserve term deposit	167,787	166,243
Restricted fund term deposit	776,229	373,862
	\$ 1,071,832	\$ 599,784

3. CAPITAL ASSETS

	2020		2019	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 161,815	\$ -	\$ 161,815	\$ 161,815
Building	881,959	684,784	197,175	246,374
	\$ 1,043,774	\$ 684,784	\$ 358,990	\$ 408,189

4. LONG TERM DEBT

	2020	2019
Canada Life mortgage payable, \$6,159 monthly including interest at 6.490% per annum, secured by property at 23 Oakland Avenue, Sault Ste. Marie, Ontario, maturing January 1, 2026	\$ 358,990	\$ 408,189
Less: current portion	52,444	49,199
	\$ 306,546	\$ 358,990

Principal payments required on long term debt for the next five years assuming similar refinancing is due as follows:

2021	-	\$ 52,444
2022	-	\$ 55,903
2023	-	\$ 59,590
2024	-	\$ 63,520
2025	-	\$ 67,709

In the 2020 fiscal year \$24,450 was paid in interest on long term debt.

5. ECONOMIC DEPENDENCE

Approximately 80% of the organization's revenue is received from the Ministry of Children, Community and Social Services. The continuation of this organization is dependent on this funding.

6. FINANCIAL INSTRUMENTS

Financial instruments are comprised of cash and term deposits, receivables, accounts payable and mortgage payable. Unless otherwise noted, it is management's opinion that there are no significant interest, currency or credit risks arising from these financial instruments.

WOMEN IN CRISIS (ALGOMA) INC.**SCHEDULE 1 - STATEMENT OF OPERATIONS - EMERGENCY SHELTER SERVICE - F870 & SUPPORTIVE HOUSING**

YEAR ENDED MARCH 31,	Budget Unaudited 2020	Actual Audited 2020	Actual Audited 2019
REVENUE			
Ministry of Children, Community and Social Services			
Operating	\$ 1,248,388	\$ 1,248,388	\$ 1,248,388
Supportive Housing	131,952	131,952	131,952
One Time	-	94,806	90,785
Other Sources	93,148	200,941	275,993
	<u>1,473,488</u>	<u>1,676,087</u>	<u>1,747,118</u>
EXPENSES			
Salaries and benefits	1,096,826	1,106,955	1,070,016
Conferences and meetings	3,362	55,556	90,048
Public education and awareness	4,500	12,182	14,529
Program supplies	45,400	47,200	34,689
Staff expenses	3,800	5,854	2,580
Client services	8,500	8,499	12,691
Utilities	22,200	17,963	19,698
Telephone	4,800	4,795	5,353
Insurance	13,200	8,445	13,431
Occupancy	73,912	73,649	73,666
Repairs, maintenance and renovations	50,651	83,672	65,102
Office	6,900	9,047	7,788
Legal and audit	-	5,001	1,238
Memberships	-	3,813	3,893
Capacity building	-	-	53,438
Capital reserve allocation	6,188	6,188	6,188
Building reserve allocation	-	39,750	58,917
One time	-	54,269	90,785
Allocated administration	133,249	133,249	123,068
	<u>1,473,488</u>	<u>1,676,087</u>	<u>1,747,118</u>
EXCESS OF REVENUES OVER EXPENDITURES	\$ -	\$ -	\$ -

WOMEN IN CRISIS (ALGOMA) INC.
SCHEDULE 2 - STATEMENT OF OPERATIONS - COUNSELLING SERVICE - F872

YEAR ENDED MARCH 31,	Budget Unaudited 2020	Actual Audited 2020	Actual Audited 2019
REVENUE			
Ministry of Children, Community and Social Services			
Operating	\$ 25,003	\$ 25,003	\$ 25,003
One Time	-	10,000	10,000
Ministry of Health and Long-Term Care	67,667	64,995	70,895
Other Sources	-	8,247	-
	<u>92,670</u>	<u>108,245</u>	<u>105,898</u>
EXPENSES			
Salaries and benefits	80,488	86,063	75,341
Conferences and meetings	1,200	600	2,424
Public education and awareness	-	-	1,847
Program supplies	-	-	3,225
Staff expenses	600	600	3,304
Utilities	1,200	1,200	-
Telephone	-	600	-
Insurance	1,200	1,200	552
Office	900	900	1,250
Repairs and maintenance	-	4,082	5,455
Professional Fees	500	500	-
Allocated administration	2,500	2,500	2,500
Other	4,082	10,000	10,000
	<u>92,670</u>	<u>108,245</u>	<u>105,898</u>
EXCESS OF REVENUES OVER EXPENDITURES	\$ -	\$ -	\$ -

WOMEN IN CRISIS (ALGOMA) INC.
SCHEDULE 3 - STATEMENT OF OPERATIONS - TRANSITIONAL HOUSING SUPPORT
PROGRAM - F876

YEAR ENDED MARCH 31,	Budget Unaudited 2020	Actual Audited 2020	Actual Audited 2019
REVENUE			
Ministry of Children, Community and Social Services			
Operating	\$ 41,932	\$ 41,932	\$ 41,932
One Time	-	10,000	10,000
Other Sources	308	6,265	-
	<u>42,240</u>	<u>58,197</u>	<u>51,932</u>
EXPENSES			
Salaries and benefits	34,262	40,273	34,740
Conferences and meetings	838	600	-
Public education and awareness	-	-	191
Staff expenses	600	184	199
Utilities	600	600	-
Telephone	-	600	720
Insurance	600	600	-
Office	1,200	1,200	742
Repairs and maintenance	-	-	1,700
Professional Fees	500	500	-
Allocated administration	3,640	3,640	3,640
Other	-	10,000	10,000
	<u>42,240</u>	<u>58,197</u>	<u>51,932</u>
EXCESS OF REVENUES OVER EXPENDITURES	\$ -	\$ -	\$ -

WOMEN IN CRISIS (ALGOMA) INC.
SCHEDULE 4 - STATEMENT OF OPERATIONS - DOMESTIC VIOLENCE - F882

YEAR ENDED MARCH 31,	Budget Unaudited 2020	Actual Audited 2020	Actual Audited 2019
REVENUE			
Ministry of Children, Community and Social Services			
Operating	\$ 24,517	\$ 24,517	\$ 24,517
One Time	-	68,219	7,880
Other Sources	-	-	6,917
	<u>24,517</u>	<u>92,736</u>	<u>39,314</u>
EXPENSES			
Public education and awareness	24,517	24,517	39,314
Other	-	68,219	-
	<u>24,517</u>	<u>92,736</u>	<u>39,314</u>
EXCESS OF REVENUES OVER EXPENDITURES	\$ -	\$ -	\$ -

WOMEN IN CRISIS (ALGOMA) INC.**SCHEDULE 5 - STATEMENT OF OPERATIONS - COURT SUPPORT WORKER PROGRAM**

YEAR ENDED MARCH 31,	Budget Unaudited 2020	Actual Audited 2020	Actual Audited 2019
REVENUE			
Ministry of the Attorney General	\$ 48,750	\$ 48,750	\$ 48,750
EXPENSES			
Salaries and benefits	34,221	34,221	34,221
Conferences and meetings	-	761	753
Public education and awareness	1,500	1,275	1,203
Program supplies	2,809	2,809	2,809 +
Staff expenses	3,100	1,876	2,165
Client Services	800	1,488	1,279
Telephone	720	720	720
Insurance	1,200	1,200	1,200
Office	2,400	2,400	2,400
Administration	2,000	2,000	2,000
	<u>48,750</u>	<u>48,750</u>	<u>48,750</u>
EXCESS OF REVENUES OVER EXPENDITURES	\$ -	\$ -	\$ -

WOMEN IN CRISIS (ALGOMA) INC.**SCHEDULE 6 - STATEMENT OF OPERATIONS - SEXUAL ASSAULT ABUSE PROGRAM**

YEAR ENDED MARCH 31,	Budget Unaudited 2020	Actual Audited 2020	Actual Audited 2019
REVENUE			
Ministry of the Attorney General	\$ 162,991	\$ 162,991	\$ 148,848
EXPENSES			
Salaries and benefits	122,156	122,156	107,686
Occupancy	3,600	3,600	3,600
Public education and awareness	4,000	4,629	4,575
Program supplies	3,562	3,016	3,171
Staff expenses	9,673	9,590	9,816
Utilities	3,500	3,500	3,500
Telephone	3,000	3,000	3,000
Insurance	2,400	2,400	2,400
Office	7,400	7,400	7,400
Memberships	1,500	1,500	1,500
Administration	2,200	2,200	2,200
	162,991	162,991	148,848
EXCESS OF REVENUES OVER EXPENDITURES	\$ -	\$ -	\$ -

WOMEN IN CRISIS (ALGOMA) INC.**SCHEDULE 7 - STATEMENT OF OPERATIONS - ALLOCATED ADMINISTRATION**

YEAR ENDED MARCH 31,	Budget Unaudited 2020	Actual Audited 2020	Actual Audited 2019
EXPENDITURES			
Salaries and benefits	\$ 130,489	\$ 132,699	\$ 120,308
Other	8,900	6,690	8,900
	<u>139,389</u>	<u>139,389</u>	<u>129,208</u>
PROGRAM ALLOCATIONS			
Program - F870	133,249	133,249	123,068
Program - F872	2,500	2,500	2,500
Program - F876	3,640	3,640	3,640
	<u>139,389</u>	<u>139,389</u>	<u>129,208</u>
EXCESS OF REVENUES OVER EXPENDITURES	\$ -	\$ -	\$ -