

YWCA Edmonton
Financial Statements
December 31, 2020

To the Members of YWCA Edmonton:

Opinion

We have audited the financial statements of YWCA Edmonton (the "Association"), which comprise the statement of financial position as at December 31, 2020, and the statements of operations, changes in net assets and cash flows 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 Association as at December 31, 2020, 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.

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 Association 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 the 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 Association'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 Association or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the 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 Association'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 Association'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 Association 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.

Edmonton, Alberta

March 24, 2021

MNP LLP

Chartered Professional Accountants

YWCA Edmonton
Statement of Financial Position
As at December 31, 2020

	2020	2019
Assets		
Current		
Cash and cash equivalents	2,522,781	1,064,511
Marketable securities (Note 3)	1,157,796	1,086,081
Accounts receivable (Note 10)	303,750	313,017
Prepaid expenses	67,448	69,373
	4,051,775	2,532,982
Capital assets (Note 4)	609,492	624,432
	4,661,267	3,157,414
Liabilities		
Current		
Accounts payable and accrued liabilities	407,510	412,091
Grant funding repayable and expired contracts	577,894	214,574
Deferred revenue	1,689,547	755,737
Current portion of unamortized deferred capital asset contributions (Note 5)	81,271	45,575
	2,756,222	1,427,977
Unamortized deferred capital asset contributions (Note 5)	286,336	319,739
	3,042,558	1,747,716
Commitments (Note 6)		
Significant event (Note 10)		
Net Assets		
Invested in capital assets	241,885	259,118
Internally restricted (Note 7)	431,729	431,729
Unrestricted	945,095	718,851
	1,618,709	1,409,698
	4,661,267	3,157,414

Approved on behalf of the Board

signed by "Irina Hilliard"

Director

signed by "Meghan Unterschultz Klein"

Director

The accompanying notes are an integral part of these financial statements

YWCA Edmonton
Statement of Operations
For the year ended December 31, 2020

	2020	2019
Revenue		
Fees for service <i>(Schedule 1)</i>	7,376,519	9,271,987
Government contracts <i>(Schedule 2)</i>	1,436,698	1,431,499
Other government and foundation grants	666,625	504,898
Counselling centre <i>(Schedule 3)</i>	529,247	515,794
Government subsidies <i>(Note 10)</i>	379,134	-
Compass <i>(Schedule 5)</i>	358,259	137,518
Donations and fundraising	247,262	334,953
Expired contracts and grants	185,242	370,205
Casino	11,010	92,163
Other	1,676	653
	11,191,672	12,659,670
Expenses		
Purchased services	4,836,617	5,096,897
Salaries, wages and employee benefits	4,206,152	5,112,157
General and administrative expenses <i>(Schedule 4)</i>	1,080,817	1,432,391
Counselling centre <i>(Schedule 3)</i>	535,225	443,244
Compass <i>(Schedule 5)</i>	240,416	94,797
YWCA Canada affiliation fee	80,617	97,929
	10,979,844	12,277,415
Excess of revenue over expenses before other items	211,828	382,255
Other items		
Investment income	85,318	146,014
Amortization of capital assets	(88,135)	(129,006)
	(2,817)	17,008
Excess of revenue over expenses	209,011	399,263

The accompanying notes are an integral part of these financial statements

YWCA Edmonton
Statement of Changes in Net Assets
For the year ended December 31, 2020

	<i>Invested in capital assets</i>	<i>Internally restricted</i>	<i>Unrestricted</i>	<i>2020</i>	<i>2019</i>
Net assets, beginning of year	259,118	431,729	718,851	1,409,698	1,010,435
Excess (deficiency) of revenue over expenses	(37,970)	-	246,981	209,011	399,263
Investment in capital assets	20,737	-	(20,737)	-	-
Net assets, end of year	241,885	431,729	945,095	1,618,709	1,409,698

The accompanying notes are an integral part of these financial statements

YWCA Edmonton
Statement of Cash Flows
For the year ended December 31, 2020

	2020	2019
Cash provided by (used for) the following activities		
Operating		
Excess of revenue over expenses	209,011	399,263
Amortization of capital assets	88,135	129,006
Unamortized deferred capital asset contributions recognized as revenue	(50,165)	(53,062)
Investment income reinvested in marketable securities	(33,817)	(41,669)
Increase in fair-market value of marketable securities	(37,898)	(80,482)
	175,266	353,056
Changes in working capital accounts		
Accounts receivable	9,267	81,729
Prepaid expenses	1,925	(6,353)
Accounts payable and accrued liabilities	(4,581)	73,798
Grant funding repayable and expired contracts	363,320	(467,092)
Deferred revenue	933,810	553,469
	1,479,007	588,607
Financing		
Capital asset grants received <i>(Note 5)</i>	52,458	9,780
Investing		
Purchase of capital assets	(73,195)	(40,556)
Increase in cash resources	1,458,270	557,831
Cash resources, beginning of year	1,064,511	506,680
Cash resources, end of year	2,522,781	1,064,511

The accompanying notes are an integral part of these financial statements

1. Incorporation and nature of the organization

The YWCA Edmonton (the "Association") is a charitable, humanitarian association. The Association exists:

- a) to provide, fund, facilitate and promote gender equality, mental and physical health, personal safety, community and social service programs and facilities which are beneficial to community as a whole, with particular emphasis on women, girls and boys;
- b) to work as an organization for social justice; and
- c) to do all such other things as are incidental and ancillary to the attainment of the purposes and the exercise of the powers of the Association.

The Association was incorporated in 1910 under the Act of the Alberta Legislature as a not-for-profit organization and is a registered charity under the Income Tax Act and as such is exempt from income taxes.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

Revenue recognition

The Association follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unexpended grant funding relating to expired contracts is recognized as revenue when the Association's obligation is discharged by the funder. Contributions restricted for the purchase of capital assets are deferred and recognized as the related asset is amortized. 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.

Fees for service revenue are recognized when the services are performed.

Interest and dividends earned on marketable securities are recorded using the accrual method.

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Marketable securities

The Association has investments in guaranteed investment certificates, mutual funds, equities and fixed income securities. These investments are all highly liquid and are collectively entitled marketable securities. Marketable securities are recorded at fair value based on prices quoted in an active market.

2. Significant accounting policies *(Continued from previous page)*

Capital assets

Purchased capital assets are recorded at cost.

Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives.

	Rate
Buildings	25 years
Computer equipment	5 years
Furniture and fixtures	10 years
Leasehold improvements	Term of the lease
Motor vehicles	5 years

Capital asset contributions

Grants and donations received for the purchase of capital assets are recorded as deferred capital asset contributions before the related capital asset has been purchased. Once the related capital asset has been purchased, the contributions are recorded as unamortized deferred capital asset contributions. The amortization of capital asset contributions is recorded as revenue in the statement of operations and is amortized over the estimated useful life of the related capital assets.

Long-lived assets

Long-lived assets consist of capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Association writes down long-lived assets held for use when conditions indicate that the asset no longer contributes to the Association's ability to provide goods and services or future economic benefits of the asset are less than its net carrying amount. When the Association determines that a long-lived asset is impaired, its carrying amount is written down to the asset's fair value.

Contributed materials and services

Contributions of materials and services are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the Association's operations and would otherwise have been purchased. No contributed materials and services have been recognized in these financial statements.

Volunteers contributed numerous hours in carrying out the activities of the Association. Because of the difficulty in determining their fair value, volunteer services have not been recognized in the financial statements.

Financial instruments

All financial instruments are initially recorded at their fair value, excluding certain financial assets and liabilities originated and issued in a related party transaction measured at their carrying or exchange amount in accordance with Section 3840 *Related Party Transactions*. At initial recognition, the Association may irrevocably elect to subsequently measure any financial instrument at fair value. The Association has not made such an election during the year.

The Association subsequently measures investments in equity instruments quoted in an active market at fair value. All other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to financial instruments subsequently measured at fair value are immediately recognized in the excess of revenue over expenses for the current period. Transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

The Association assesses impairment of all of its financial assets measured at cost or amortized cost when there is an indication of impairment. Any impairment which is not considered temporary is included in current year excess of revenue over expenses.

YWCA Edmonton
Notes to the Financial Statements
For the year ended December 31, 2020

2. Significant accounting policies *(Continued from previous page)*

Measurement uncertainty (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 reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization of capital assets and deferred capital asset contributions is based on the estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenue over expenses in the years in which they become known.

3. Marketable securities

	2020	2019
Guaranteed investment certificates	52,190	51,960
Canadian short term and fixed income	496,071	532,424
Investment portfolio	609,535	501,697
	1,157,796	1,086,081

A guaranteed investment certificate of \$48,670 (2019 - \$48,670) has been pledged as collateral for an irrevocable standby letter of credit relating to the renewal of the lease of the property occupied by the Association's Camp Yowochas.

4. Capital assets

	<i>Accumulate d Cost</i>	<i>amortization</i>	2020 <i>Net book</i>	2019 <i>Net book</i>
			<i>value</i>	<i>value</i>
Land	53,967	-	53,967	53,967
Buildings	1,989,879	1,626,447	363,432	400,374
Computer equipment	331,384	250,966	80,418	41,447
Furniture and fixtures	609,163	513,555	95,608	105,844
Leasehold improvements	20,666	12,399	8,267	12,400
Motor vehicles	74,520	66,720	7,800	10,400
	3,079,579	2,470,087	609,492	624,432

5. Unamortized deferred capital asset contributions

	2020	2019
Balance, beginning of year	365,314	408,596
Amount received during the year	52,458	9,780
Less: Amounts recognized as revenue during the year	(50,165)	(53,062)
	367,607	365,314
Less: current portion	81,271	45,575
Balance, end of year	286,336	319,739

6. Commitments

The Association has entered into various operating lease agreements with estimated minimum annual payments as follows:

2021	321,289
2022	127,764
	<hr/>
	449,053

Subsequent to year-end, the Association has terminated its premises lease. A penalty of \$101,199 is payable January 2022.

7. Internally restricted

The internally restricted fund was created by the Board to provide for new program development, capital projects and emergency expenses of the Association.

8. Financial instruments

The Association, as part of its operations, carries a number of financial instruments. It is management's opinion that the Association is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Credit risk

The Association is exposed to credit risk through its cash and cash equivalents, marketable securities and accounts receivable. The maximum amount of credit risk exposure is limited to the carrying value of the balances as disclosed in these financial statements.

The Association manages its exposure to credit risk on cash and marketable securities by placing these financial instruments with high-credit quality financial institutions. The investments in interest bearing securities (Note 3) are managed on the Association's behalf by an external investment manager. The Board of Directors with the assistance of the investment manager has established guidelines for the asset mix in accordance with the Association's investment policy.

The credit risk exposure through accounts receivable is minimized due to the majority of the receivables being due from government agencies. There has been no allowance recorded for doubtful accounts.

Liquidity risk

The Association is able to meet all financial liabilities with the current capital position and has no outstanding loans.

Market risk

The Association is exposed to market risk through its marketable securities. The risk is minimized by the conservative composition of investments which is governed by the Association's investment policy.

9. Allocations

Allocated revenues are presented in the schedules to the financial statements to provide information on the indirect revenues associated with those programs. Grant and donations received through fundraising that have been designated directly to a specific program are allocated to that program. Fundraising, net of expenses, that have been received through specific appeals are allocated to the program or programs outlined in the appeals.

Allocated costs are presented in the schedules to the financial statements to provide information on the indirect costs associated with those programs.

Direct program expenses

Expenses that contribute directly to the output of one program are applied directly to that program. If the expense contributions directly to the output of more than one program, then the expense is attributed to each program based on the comparative use of the expense or based on the time spent on each program if the shared expense is wages.

Program administration

Program administration costs are allocated to programs based on the ratio of full-time equivalent (FTE) of salaries employees in a program compared to the total Association's FTEs.

Occupancy

Occupancy costs of the Association's premises are allocated to programs based on the square footage utilized by the program.

10. Significant event

During the year, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on organizations through the restrictions put in place by the Canadian federal, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. As a result, the Association temporarily suspended certain services but has since resumed in accordance with provincial and federal restrictions and regulations. Camp Yowochas was unable to provide overnight camping programs, however alternate programs were offered during the year. Counselling services are being provided via telephone and video sessions. Disability services have resumed, safely adhering to public health orders.

At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Association as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

Canada Emergency Wage Subsidy ("CEWS")

Under the CEWS program, organizations experiencing significant revenue reductions during the COVID-19 pandemic are eligible to receive a subsidy for a portion of employee wages. For the year ended December 31, 2020, the Association claimed subsidies under the CEWS program of \$323,534, of which \$14,594 remained in accounts receivable at year-end.

Canada Emergency Rent Subsidy ("CERS")

Under the CERS program, organizations, organizations experiencing significant revenue reductions during the COVID-19 pandemic are eligible to receive a subsidy for a portion of their commercial rent or property taxes. For the year ended December 31, 2020, the Association claimed subsidies under the CERS program of \$55,600, of which the full balance remained in accounts receivable at year-end.

YWCA Edmonton
Schedule 1 - Schedule of Fees for Service
For the year ended December 31, 2020

	2020	2019
Revenue		
Adult Services	5,508,683	6,390,192
Extended Host Family	1,535,140	1,514,859
Northern Services	274,549	417,053
Camp Yowochas	58,147	947,178
Youth Programming	-	2,705
	7,376,519	9,271,987

YWCA Edmonton
Schedule 2 - Schedule of Government Contracts
For the year ended December 31, 2020

	2020	2019
Government contracts		
Adult Services - Persons with Developmental Disabilities	1,228,333	1,241,412
Family Consultation and Training Network - Region 6 Child and Family Services Authority	208,365	190,087
	1,436,698	1,431,499

YWCA Edmonton
Schedule 3 - Schedule of Counselling Centre
For the year ended December 31, 2020

	2020	2019
Revenue		
United Way	219,200	219,216
City of Edmonton F.C.S.S. grant (Counselling)	170,323	170,312
City of Edmonton F.C.S.S. grant (SHCS)	87,000	43,500
Fees for services	52,724	79,664
Other revenue	-	3,102
	529,247	515,794
Expenses		
Salaries, wages and employee benefits	514,106	409,268
Program and office supplies	9,255	5,277
Professional dues	3,254	3,171
Contract service	2,504	6,834
Professional development	2,124	5,563
Professional fees	1,724	1,300
Training and development	1,223	9,846
Membership dues	400	200
Volunteer recognition and expenses	280	1,072
Automobile	244	345
Telephone and postage	111	114
Advertising and promotion	-	244
Bank charges	-	10
	535,225	443,244
Operating revenue in excess (deficiency) of expenses before allocations	(5,978)	72,550
Allocations (Note 9)		
Designated grants, donations	225,000	201,248
Occupancy	(108,563)	(147,498)
Program administration	(128,300)	(126,300)
	(11,863)	(72,550)
Deficiency of revenue over expenses	(17,841)	-

YWCA Edmonton
Schedule 4 - Schedule of General and Administrative Expenses
For the year ended December 31, 2020

	2020	2019
Expenses		
Utilities and rent	334,517	316,782
Fundraising wages and benefits	242,540	251,617
Office supplies	89,614	97,250
Insurance, taxes and licenses	80,053	76,560
Fundraising expenses	64,232	82,079
Program supplies	43,145	220,949
Education and recruitment	35,468	102,863
Transportation	32,940	79,689
Advertising and promotion	37,047	48,496
Professional fees	34,125	35,307
Repairs and maintenance	31,377	47,140
Telephone	27,854	26,595
Bank charges	27,542	27,927
Miscellaneous	363	13,490
Bad debts	-	5,647
	1,080,817	1,432,391

YWCA Edmonton
Schedule 5 - Schedule of Compass
For the year ended December 31, 2020

	2020	2019
Revenue		
City of Edmonton F.C.S.S. grant (SHCS)	152,732	52,622
City of Edmonton F.C.S.S. grant (Multicultural)	119,913	41,315
United Way	81,529	40,761
Fees for services	4,085	2,820
	358,259	137,518
Expenses		
Salaries, wages and employee benefits	232,624	90,324
Program and office supplies	6,020	2,745
Automobile	828	779
Telephone and postage	543	47
Training and development	230	595
Licenses	100	-
Advertising and promotion	71	-
Contract service	-	307
	240,416	94,797
Operating revenue in excess of expenses before allocations	117,843	42,721
Allocations (Note 9)		
Program administration	(80,400)	(34,221)
Occupancy	(37,443)	(8,500)
	(117,843)	(42,721)
Net of revenue over expenses	-	-