

SEXUAL ASSAULT SUPPORT CENTRE OF WATERLOO REGION
(Operating as SASC)
Financial Statements
Year Ended March 31, 2021

SEXUAL ASSAULT SUPPORT CENTRE OF WATERLOO REGION

(Operating as SASC)

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Year Ended March 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Members of Sexual Assault Support Centre of Waterloo Region operating as SASC

Qualified Opinion

We have audited the financial statements of Sexual Assault Support Centre of Waterloo Region operating as SASC (the centre), which comprise the statement of financial position as at March 31, 2021, and the statements of changes in net assets, revenues and expenditures and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the centre as at March 31, 2021, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Qualified Opinion

In common with many not-for-profit organizations, the centre derives revenue from donations and fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the centre. Therefore, we were not able to determine whether any adjustments might be necessary to revenue, excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2021, current assets and net assets as at March 31, 2021. The predecessor auditor's opinion on the financial statements for the year ended March 31, 2020 was modified accordingly because of the possible effects of this limitation of scope.

As described in Note 2 to the financial statements, the organization does not follow Canadian accounting standards for not-for-profit organizations with respect to the recording of capital assets funded by grantors. The effect of this departure from Canadian accounting standards for not-for-profit organizations on assets, excess of revenue over expenses and net assets has not been determined for the year ended March 31, 2021. The predecessor auditor's opinion on the financial statements for the year ended March 31, 2020 was modified because of the effects of this departure from Canadian accounting standards for not-for-profit organizations.

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 centre in accordance with 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 qualified audit opinion.

Other Matter

The financial statements for the year ended March 31, 2020 were audited by another auditor who expressed a qualified opinion on those financial statements on May 20, 2020 for the reasons described in the *Basis for Qualified Opinion* section.

(continues)

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 ASNPO, 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 centre'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 centre or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the centre'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 centre'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 centre'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 centre 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.

Independent Auditor's Report to the Members of Sexual Assault Support Centre of Waterloo Region
(continued)

Handwritten signature in black ink that reads "Clarke Starke & Pigeon LLP". The signature is written in a cursive, flowing style.

Waterloo, Ontario
June 8, 2021

CHARTERED PROFESSIONAL ACCOUNTANTS
LICENSED PUBLIC ACCOUNTANTS

SEXUAL ASSAULT SUPPORT CENTRE OF WATERLOO REGION
(Operating as SASC)
Statement of Financial Position
March 31, 2021

	Attorney General Fund	FCSW MAG Funds	AHTP	General Fund	Total 2021	Total 2020
FINANCIAL ASSETS						
CURRENT						
Cash	\$ 12,438	\$ 4,191	\$ 13,012	\$ 727,846	\$ 757,487	\$ 562,081
Accounts receivable	-	-	-	80,171	80,171	48,931
HST recoverable	8,409	-	-	-	8,409	7,420
Prepaid expenses	2,315	-	1,038	1,000	4,353	10,009
	23,162	4,191	14,050	809,017	850,420	628,441
CAPITAL ASSETS (Note 3)	824	-	-	373	1,197	1,502
TERM DEPOSITS (Note 4)	-	-	-	370,000	370,000	140,000
	\$ 23,986	\$ 4,191	\$ 14,050	\$ 1,179,390	\$ 1,221,617	\$ 769,943

LIABILITIES AND NET ASSETS						
CURRENT						
Accounts payable and accrued liabilities	\$ 24,982	\$ 4,228	\$ 12,054	\$ 47,285	\$ 88,549	\$ 75,237
Deferred contributions (Note 7)	-	-	2,000	237,966	239,966	106,596
	24,982	4,228	14,054	285,251	328,515	181,833
NET ASSETS						
Internally restricted (Note 5)	-	-	-	483,000	483,000	270,000
Unrestricted	(996)	(37)	(4)	411,139	410,102	318,110
	(996)	(37)	(4)	894,139	893,102	588,110
	\$ 23,986	\$ 4,191	\$ 14,050	\$ 1,179,390	\$ 1,221,617	\$ 769,943

ON BEHALF OF THE BOARD

_____ Director _____ Director

The accompanying notes form an integral part of these financial statements

SEXUAL ASSAULT SUPPORT CENTRE OF WATERLOO REGION
(Operating as SASC)
Statement of Changes in Net Assets
Year Ended March 31, 2021

	Attorney General Fund	FCSW MAG Funds	AHTP	General Fund	Total 2021	Total 2020
NET ASSETS - BEGINNING OF YEAR	\$ (800)	\$ (37)	\$ (4)	\$ 588,951	\$ 588,110	\$ 418,470
Excess of revenues over expenses	(196)	-	-	305,188	304,992	169,640
NET ASSETS - END OF YEAR	\$ (996)	\$ (37)	\$ (4)	\$ 894,139	\$ 893,102	\$ 588,110

The accompanying notes form an integral part of these financial statements

SEXUAL ASSAULT SUPPORT CENTRE OF WATERLOO REGION
(Operating as SASC)
Statement of Revenues and Expenditures
Year Ended March 31, 2021

	Attorney General Fund	FCSW MAG Funds	AHTP	General Fund	Total 2021	Total 2020
REVENUES						
Ministry of Attorney General	\$ 438,982	\$ 56,875	\$ -	\$ -	\$ 495,857	\$ 524,642
Grants and other income	-	-	244,099	647,419	891,518	686,464
Donations and fundraising	-	-	-	235,363	235,363	166,936
Male survivors	-	-	-	18,816	18,816	28,369
Interest	-	-	-	7,773	7,773	6,486
	<u>438,982</u>	<u>56,875</u>	<u>244,099</u>	<u>909,371</u>	<u>1,649,327</u>	<u>1,412,897</u>
EXPENSES						
Advertising	1,000	-	-	4,798	5,798	7,496
Amortization	210	-	-	97	307	386
Building occupancy	23,148	-	6,000	40,469	69,617	50,429
Client costs	1,052	900	9,201	3,412	14,565	21,029
Fundraising	-	-	-	3,219	3,219	17,291
Grant expenses	-	-	-	5,480	5,480	21,500
Group benefits	44,440	5,616	26,974	61,117	138,147	128,399
Insurance	2,000	-	1,500	2,808	6,308	4,653
Memberships	-	-	-	2,000	2,000	2,000
Office equipment	8,424	-	1,500	7,048	16,972	27,395
Office supplies	10,921	-	2,379	6,051	19,351	20,112
Other expenses	3,000	-	2,500	3,383	8,883	5,331
Professional fees	1,000	-	1,000	5,045	7,045	22,480
Promotional goods	1,600	136	1,000	2,285	5,021	5,088
Salaries and wages	319,562	48,987	181,345	439,110	989,004	865,810
Staff expenses	9,372	736	8,500	11,467	30,075	25,384
Telecommunications	8,253	500	2,200	1,327	12,280	12,494
Volunteers	3,196	-	-	-	3,196	2,841
Workshops	2,000	-	-	5,067	7,067	3,139
	<u>439,178</u>	<u>56,875</u>	<u>244,099</u>	<u>604,183</u>	<u>1,344,335</u>	<u>1,243,257</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ (196)	\$ -	\$ -	\$ 305,188	\$ 304,992	\$ 169,640

The accompanying notes form an integral part of these financial statements

SEXUAL ASSAULT SUPPORT CENTRE OF WATERLOO REGION
(Operating as SASC)
Statement of Cash Flows
Year Ended March 31, 2021

	2021	2020
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 304,992	\$ 169,640
Item not affecting cash:		
Amortization of capital assets	306	386
	<u>305,298</u>	<u>170,026</u>
Changes in non-cash working capital:		
Accounts receivable	(31,240)	(6,347)
Prepaid expenses	5,656	3,130
Accounts payable and accrued liabilities	13,311	(83)
Deferred contributions	133,370	65,405
Harmonized sales tax payable	(989)	637
	<u>120,108</u>	<u>62,742</u>
Cash flow from operating activities	<u>425,406</u>	<u>232,768</u>
INVESTING ACTIVITY		
Purchase of investments	<u>(230,000)</u>	<u>(27,849)</u>
Cash flow used by investing activity	<u>(230,000)</u>	<u>(27,849)</u>
INCREASE IN CASH FLOW	195,406	204,919
Cash - beginning of year	<u>562,081</u>	<u>357,162</u>
CASH - END OF YEAR	\$ 757,487	\$ 562,081

The accompanying notes form an integral part of these financial statements

SEXUAL ASSAULT SUPPORT CENTRE OF WATERLOO REGION

(Operating as SASC)

Notes to Financial Statements

Year Ended March 31, 2021

1. PURPOSE OF THE CENTRE

Sexual Assault Support Centre of Waterloo Region (the "centre") is a not-for-profit organization incorporated provincially under the Not-for-profit Corporations Act of Ontario. As a registered charity the centre is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

The centre supports survivors of sexual violence. They listen, facilitate healing, and celebrate resiliency. Using an intersectional feminist approach, they work to transform systems which promote gender-based violence.

The centre's vision is a world without sexual violence and oppression.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO) except for the treatment of the following:

Capital assets funded by grantors are expensed in the current period in order to reflect total expenditures each year consistent with the reporting to grantors.

Revenue recognition

The centre follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Unrestricted contributions are recognized as revenue in the year received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Ministry of Attorney General, grants and other income is recognized when there is a reasonable assurance that the centre has complied with, and will continue to comply with, all the necessary conditions to obtain the grant.

Revenue from services, programs and contracts are recognized when the service is rendered and collection reasonably assured. Donations and fundraising are recognized when the centre has reasonable assurance that they will be received.

Interest is recognized as revenue in the period earned.

(continues)

SEXUAL ASSAULT SUPPORT CENTRE OF WATERLOO REGION
(Operating as SASC)

Notes to Financial Statements
Year Ended March 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Fund accounting

The Attorney General Fund (MAG) accounts for delivery of the organization's main program. The centre's services include a 24 hour crisis and support line, supportive counselling, education and support groups, accompaniment to court, hospital and police, information and referrals to other community services and agencies, public education and awareness, social action/advocacy, and practical assistance to service users as required and as available.

The Family Court Support Worker Fund (FCSW MAG Funds) provides practical and emotional support to women who have experienced any type of abuse in their relationship as they navigate the Family Court system. Family Court deals with legal matters that arise when a relationship ends, which can include child custody, access, parenting plans, child support, spousal support, division of property, divorce and restraining orders. This project is funded by the Ministry of the Attorney General (MAG).

The Anti Human Trafficking Program (AHTP) provides wrap-around services to those experiencing sexual exploitation and those at risk.

The General Fund reports all other revenue and expenses. The intention of this fund is to maintain sufficient resources to cover three months of operating expenses. The balance in excess of three months of operating expenses can be used to fund special projects, purchase capital assets, increase services, or meet the needs of the centre as they arise.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives on a declining balance basis at the following rates:

Furniture and equipment	20%
Computer equipment	30%
Leasehold improvements	20%

The centre regularly reviews its capital assets to eliminate obsolete items.

Contributed services

The operations of the centre depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

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, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

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SEXUAL ASSAULT SUPPORT CENTRE OF WATERLOO REGION
(Operating as SASC)

Notes to Financial Statements

Year Ended March 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date.

3. CAPITAL ASSETS

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Furniture and equipment - Attorney General Fund	\$ 6,291	\$ 6,050	\$ 241	\$ 302
Furniture and equipment - General	30,752	30,400	352	440
Computer equipment - Attorney General Fund	5,212	5,192	20	28
Computer equipment - General	20,001	19,980	21	30
Leasehold improvements - Attorney General Fund	9,326	8,763	563	704
	\$ 71,582	\$ 70,385	\$ 1,197	\$ 1,504

During the year the centre expensed computer equipment of \$5,209 (2020 - \$38,325).

4. TERM DEPOSITS

Term deposits consist of non-redeemable guaranteed investment certificates (GICs) earning interest at rates from 1.12% - 2.22% per annum with maturity dates ranging to July 23, 2022.

5. INTERNALLY RESTRICTED ASSETS

The centre has internally restricted a portion of the net assets for the purpose of a contingency fund. As of March 31, 2021 the contingency fund was \$483,000. Subsequent to yearend the Board of Directors approved a \$84,000 increase to the internally restricted net assets.

6. ALLOCATION BETWEEN FUNDS

During the year the Board of Directors approved that expenses from the Family Court Support Worker Fund of \$14,412 be reported in the General Fund.

SEXUAL ASSAULT SUPPORT CENTRE OF WATERLOO REGION
(Operating as SASC)

Notes to Financial Statements

Year Ended March 31, 2021

7. DEFERRED CONTRIBUTIONS

Deferred contributions consist of contributions and grants received for services and program expenses to be provided in a future period. The changes in deferred contributions during the year are as follows:

	2021	2020
Balance beginning of the year	\$ 106,596	\$ 41,191
Less: Amount recognized as revenue	(106,596)	(41,191)
Add: Amount received related to the following year	239,966	106,596
	\$ 239,966	\$ 106,596

Represented by:

Abundance Canada	\$ 30,883	\$ -
Astley Family Foundation	10,000	20,000
Canadian Women's Foundation	105,398	-
City of Cambridge	-	20,400
Department of Women and Gender	50,000	-
Individuals	2,000	-
Fidelity Investments	-	1,500
KWCF	20,000	23,833
Pamela Dillon Grant	-	10,000
Patene Building Supplies	-	1,000
Social Venture Partners	5,000	-
United Way Waterloo	5,000	15,500
University of Waterloo	-	2,000
WLU	11,685	9,662
YWCA	-	2,701
	\$ 239,966	\$ 106,596

8. LEASE COMMITMENTS

The centre has a long term leases with respect to its premises and office equipment. Future minimum lease payments as at March 31, 2021, are as follows:

	Premise	Equipment	Total
2022	\$ 87,378	\$ 1,065	\$ 88,443
2023	87,359	89	87,448
2024	87,445	-	87,445
2025	85,187	-	85,187
2026	82,861	-	82,861
	\$ 430,230	\$ 1,154	\$ 431,384

SEXUAL ASSAULT SUPPORT CENTRE OF WATERLOO REGION

(Operating as SASC)

Notes to Financial Statements

Year Ended March 31, 2021

9. ECONOMIC DEPENDENCE

The centre has arrangements with a number of government departments. The Government of Ontario is the most significant as it accounts for a major portion of revenue.

10. FINANCIAL INSTRUMENTS

The centre 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 centre's risk exposure and concentration as of March 31, 2021.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The centre is exposed to credit risk from accounts receivable. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The allowance for doubtful accounts at March 31, 2021 is nil (2020 - nil).

Interest rate risk

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 centre manages exposure through its normal operating and financing activities. The centre is exposed to interest rate risk primarily through its term deposits.

The extent of the centre's exposure to the above risks has not changed significantly during the year.

11. UNCERTAINTY REGARDING COVID-19

In March 2020, the World Health Organization declared a global pandemic due to the novel coronavirus (COVID-19). The situation is constantly evolving, and the measures put in place are having multiple impacts on local, provincial, national and global economies.

During the fiscal period the centre has experienced the following financial implications:

- Uncertainty regarding future revenues including fundraising and donations;
- Eligibility for government financial relief measures such as the Temporary Wage Subsidy;
- An increase in certain operating expenses including purchases of personal protective equipment and additional personnel costs for enhanced health and safety protocols.

Management is uncertain of the effects of these changes on its financial statements and believes that any disturbance may be temporary; however, there is uncertainty about the length and potential impact of the disturbance.