



Financial Statements
March 31, 2017



June 14, 2017

Independent Auditor's Report

To the Members of Calgary Young Women's Christian Association

We have audited the accompanying financial statements of Calgary Young Women's Christian Association, which comprise the statement of financial position as at March 31, 2017, and the statements of revenues and expenses and changes in fund balances and cash flows for the year then ended, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Calgary Young Women's Christian Association as at March 31, 2017 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.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Calgary Young Women's Christian Association

Statement of Financial Position

As at March 31, 2017

						2017	2016
	Operating Fund \$	Sustainability Fund \$	Total \$	Capital Fund \$	Endowment Fund \$	Total \$	Total \$
Assets							
Current assets							
Cash and cash equivalents	2,777,684	28,815,106	31,592,790	17,414,241	25,217	49,032,248	51,196,157
Accounts receivable	643,507	-	643,507	51,760	1,097	696,364	656,572
Prepays and other	112,490	-	112,490	-	-	112,490	221,874
Short-term investments	-	-	-	101,658	117,952	219,610	218,188
Funds held in trust (note 3)	-	-	-	575,000	-	575,000	575,000
	3,533,681	28,815,106	32,348,787	18,142,659	144,266	50,635,712	52,867,791
Capital assets (note 4)	-	-	-	6,127,097	-	6,127,097	3,145,482
	3,533,681	28,815,106	32,348,787	24,269,756	144,266	56,762,809	56,013,273
Liabilities							
Current liabilities							
Accounts payable and accrued liabilities	389,724	-	389,724	319,514	462	709,700	294,309
Accrued payroll liability	1,230,689	-	1,230,689	-	-	1,230,689	1,065,734
Deferred revenue	25,304	-	25,304	-	-	25,304	36,033
Deferred contributions - contracts (note 6)	890,382	-	890,382	-	-	890,382	1,108,837
Deferred contributions - donations (note 6)	734,520	-	734,520	-	-	734,520	463,362
	3,270,619	-	3,270,619	319,514	462	3,590,595	2,968,275
Other liabilities	144,000	-	144,000	951,660	-	1,095,660	1,107,214
Deferred contributions- contracts (note 6)	119,062	-	119,062	-	-	119,062	238,000
	3,533,681	-	3,533,681	1,271,174	462	4,805,317	4,313,489
Fund balances							
Externally restricted	-	-	-	1,237,519	-	1,237,519	1,177,991
Internally restricted	-	28,815,106	28,815,106	21,761,063	2,575	50,578,744	49,710,087
Endowments	-	-	-	-	141,229	141,229	139,242
Unrestricted	-	-	-	-	-	-	672,464
	-	28,815,106	28,815,106	22,998,582	143,804	51,957,492	51,699,784
	3,533,681	28,815,106	32,348,787	24,269,756	144,266	56,762,809	56,013,273

Commitments (note 11)

Approved by the Board of Directors

 Director
  Director

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

Calgary Young Women's Christian Association
Statement of Revenues and Expenses and Changes in Fund Balances
For the year ended March 31, 2017

						2017	2016
	Operating Fund \$	Sustainability Fund \$	Total \$	Capital Fund \$	Endowment Fund \$	Total \$	Total \$
Revenue							
Government contracts							
Alberta	6,641,323	-	6,641,323	-	-	6,641,323	5,601,639
Canada	1,573,527	-	1,573,527	-	-	1,573,527	1,253,290
City of Calgary (FCSS)	1,395,129	-	1,395,129	-	-	1,395,129	1,217,598
Community support							
United Way of Calgary	1,415,767	-	1,415,767	-	-	1,415,767	1,415,767
Calgary Homeless Foundation	1,670,242	-	1,670,242	-	-	1,670,242	1,533,111
Other contributions	1,115,418	881,507	1,996,925	59,144	264	2,056,333	3,506,890
Programs and courses	1,438,878	-	1,438,878	-	-	1,438,878	1,638,901
Accommodation	272,615	-	272,615	-	-	272,615	358,188
Other income	421,935	2,012	423,947	-	-	423,947	423,665
Investment income	23,476	718,420	741,896	-	2,129	744,025	262,553
	15,968,310	1,601,939	17,570,249	59,144	2,393	17,631,786	17,211,602
Expenses							
Salaries, wages and benefits	12,844,399	-	12,844,399	-	-	12,844,399	11,902,030
Professional fees and contracted services	863,498	-	863,498	894	-	864,392	674,837
Utilities	463,627	-	463,627	-	-	463,627	507,335
Amortization	-	-	-	104,044	-	104,044	113,323
Materials, supplies and equipment	879,151	-	879,151	-	-	879,151	697,705
Facilities	1,036,712	-	1,036,712	-	-	1,036,712	654,729
Marketing and public relations	518,134	-	518,134	-	-	518,134	517,170
Staff and volunteer expenditures	737,948	-	737,948	-	-	737,948	685,528
Insurance	47,351	-	47,351	-	-	47,351	71,984
Finance charges	33,874	-	33,874	-	-	33,874	37,239
	17,424,694	-	17,424,694	104,938	-	17,529,632	15,861,880
Excess of revenues over expenses before the undernoted	(1,456,384)	1,601,939	145,555	(45,794)	2,393	102,154	1,349,722
Gain on sale (note 3)	-	-	-	155,554	-	155,554	39,081,505
Excess of revenues over expenses	(1,456,384)	1,601,939	145,555	109,760	2,393	257,708	40,431,227
Balance – Beginning of year	672,464	27,997,087	28,669,551	22,787,164	243,069	51,699,784	11,268,557
Interfund transfers	783,920	(783,920)	-	101,658	(101,658)	-	-
Balance – End of year	-	28,815,106	28,815,106	22,998,582	143,804	51,957,492	51,699,784

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

Calgary Young Women's Christian Association

Statement of Cash Flows

March 31, 2017

	2017 \$	2016 \$
Cash provided by (used in)		
Operating activities		
Excess of revenues over expenses	257,708	40,431,227
Items not affecting cash		
Gain on sale	(155,554)	(39,081,505)
Amortization	104,044	113,323
Contributions restricted for acquisition of capital assets	(59,144)	(515,000)
Recognition of straight line lease	144,000	-
	<u>291,054</u>	<u>948,045</u>
Net change in non-cash working capital		
Accounts receivable	(39,792)	(71,653)
Prepays and other	109,384	(31,647)
Accounts payable and accrued liabilities	415,391	(89,504)
Accrued payroll liability	164,955	187,251
Deferred revenue	(10,729)	25,617
Deferred contributions – contracts	(337,393)	632,360
Deferred contributions – donations	271,158	(588,947)
	<u>572,974</u>	<u>63,477</u>
	<u>864,028</u>	<u>1,011,522</u>
Investing activities		
Additions to capital assets	(3,085,659)	(604,173)
Purchase of short-term investments	(1,422)	(34,464)
Increase in funds held in trust	-	(575,000)
Proceeds from sale of capital assets	-	48,075,461
	<u>(3,087,081)</u>	<u>46,861,824</u>
Financing activities		
Contributions restricted for acquisition of capital assets	59,144	515,000
Repayment of demand loan	-	(248,105)
	<u>59,144</u>	<u>266,895</u>
(Decrease) increase in cash and cash equivalents	<u>(2,163,909)</u>	<u>48,140,241</u>
Cash and cash equivalents – Beginning of year	<u>51,196,157</u>	<u>3,055,916</u>
Cash and cash equivalents – End of year	<u>49,032,248</u>	<u>51,196,157</u>
Cash and cash equivalents are comprised of		
Cash on hand and balances with banks	2,221,129	1,570,520
Short-term investments with maturity dates less than 90 days	46,811,119	49,625,637
	<u>49,032,248</u>	<u>51,196,157</u>

Calgary Young Women's Christian Association

Notes to Financial Statements

March 31, 2017

1 Nature of organization

Calgary Young Women's Christian Association (the "Association") was established in 1910 by a special act of the Alberta Legislature. It is a charitable organization providing services in housing, crisis support, counselling, education, employment skills development, and child care for women and their families.

The Association is a registered charity and therefore is exempt from income taxes.

2 Significant accounting policies

Basis of accounting

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

Fund accounting

The Operating Fund reports the assets, liabilities, revenues and expenses for the Association's program delivery and administrative expenses. Specifically, this Fund reports contract revenue, restricted community support contributions and revenue from programs and services.

The Sustainability Fund accounts for unrestricted resources and unrestricted donations. The Fund was established to sustain the existence and ensure the continuing activities of the Association. The Fund will be utilized to support operating deficits and future projects at management's discretion.

The Capital Fund reports the assets, liabilities, revenues and expenses related to the Association's capital assets.

The Endowment Fund reports resources contributed for endowment, the principal of which must be permanently maintained, as well as externally restricted amounts for long-term use for the Association's operations.

Fund transfers may include unrestricted amounts as well as internally restricted amounts, where the proper authority exists to approve the transfer. Externally restricted funds may only be transferred where the external restriction allows for fund transfers and the proper authority exists to approve the transfer.

Revenue recognition

The Association follows the restricted fund method of accounting for contributions.

Restricted contributions received related to operations for expenses to be incurred in the future are initially recorded as deferred contributions and recognized in revenue of the Operating Fund as the related expenses are incurred. Unrestricted contributions are recognized in the Sustainability Fund as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured. Restricted contributions related to capital activities and endowments are recognized as revenue of the appropriate fund when received.

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Revenues from programs and courses and accommodation are recognized as revenue when services are provided, the amount to be received can be reasonably estimated and collection is reasonably assured.

Other income includes membership fees, rentals and sales, and donated goods and services and are recognized as revenue when services are provided, the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted investment income is reported in the appropriate restricted fund or in the Operating Fund if no appropriate restricted fund exists. Unrestricted investment income is reported in the Operating and Sustainability Funds.

Donated services and materials

Services donated to the Association through volunteer work are not reflected in these financial statements. Donated goods and services are recorded as revenues and expenses when the fair value is reasonably determinable and when they would normally be purchased and paid for by the Association, if not donated. During fiscal 2017, \$328,890 of contributed services and materials were recorded in the financial statements as other income and facilities expense (2016 – \$70,000).

Cash and cash equivalents

Cash and cash equivalents are comprised of cash on hand, balances with banks, and short-term investments with maturity dates less than 90 days from purchase date.

Short-term investments

Investments are carried at fair value.

Capital assets

Purchased capital assets are recorded in the Capital Fund at cost. Donated capital assets are recorded at estimated fair value at the date of contribution. Amortization, which is reported in the Capital Fund, is computed on the declining balance basis at the following rates:

Vehicle	30%
Leasehold improvements	4%
Furniture and equipment	20%

Assets held under capital lease are amortized over the term of the lease on a declining balance basis. Work in progress amounts are not amortized until the related assets are put into use.

The Association reviews its capital assets for impairment whenever events or changes in circumstances indicate that the capital asset no longer has any long-term service potential for the Association. If the carrying amount is greater than residual value, the asset is written down to its estimated residual value.

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Financial instruments

The Association initially measures financial assets and financial liabilities at their fair value. It subsequently measures its financial assets and financial liabilities at amortized cost, other than short-term investments which are reported at fair value. The financial assets subsequently measured at amortized cost include cash and cash equivalents and accounts receivable. The financial liabilities measured at amortized cost include accounts payable and accrued liabilities and accrued payroll liability.

a) Credit risk

The Association does not have a concentration of credit exposure with any one donor or member. The Association does not consider that it is exposed to undue credit risk.

b) Liquidity risk

The Association is not exposed to significant liquidity risk as the majority of its investments are not held for long-term periods of time. These investments are subject to liquidity risk if the Association is required to sell at a time that the market for the investments is unfavourable.

c) Market risk

Interest rate risk

The Association is not subject to any significant interest rate risk.

Other price risk

The investments of the Association are subject to price risk because changing interest rates impact the market value of its fixed rate investments. This risk is not considered significant given the limited fluctuation of Canadian Guaranteed Investment Certificates.

There were no significant changes to the Association's risk exposures from the previous fiscal year.

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Use of estimates

The preparation of the 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 as at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

Impairment is considered a significant area of measurement uncertainty. In estimating the impairment, management must determine which of its assets no longer have long-term service potential and must be written down. Where a portion of an asset has been identified as no longer having long-term service potential, management must allocate the carrying value of the asset to the affected area on a systematic and rational basis.

3 Gain on sale

On November 26, 2015, the Association completed the sale of the land and building located at 320 5th Avenue SE Calgary, Alberta. A condition of the sale was that the Association would be liable for the costs to a maximum of \$575,000, of terminating a specific tenant's lease. A portion of the proceeds are held in escrow with the Purchaser's lawyer for this purpose.

The Association signed a four year lease agreement for use of the property. As a result of the sale of the land and building, a portion of the gain was deferred to other liabilities in the prior year resulting from the leaseback of a portion of the building. The deferred gain will be recognized over the life of the lease.

4 Capital assets

			2017	2016
	Cost \$	Accumulated amortization \$	Net \$	Net \$
Vehicle	45,020	43,657	1,363	1,947
Leasehold improvements	3,799,454	1,801,961	1,997,493	2,020,432
Furniture and equipment	2,778,959	2,664,456	114,503	113,214
Work in progress	3,533,738	-	3,533,738	1,009,889
Deposit on land	480,000	-	480,000	-
	10,637,171	4,510,074	6,127,097	3,145,482

Work in progress at March 31, 2017 and 2016 reflects costs incurred in planning for the construction of a new facility. During 2017, no capital assets were contributed to the Association (2016 – \$nil).

The land on which the Sheriff King Home building is located is leased through a sublease with Royal Trust Corporation of Canada as Executor of the Will of Peter Willoughby King, late of the Province of Alberta.

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Notes to Financial Statements

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5 Government remittances

Government remittances consist of amounts required to be paid to government authorities and are recognized when the amounts are due. In respect of government remittances, payroll withholding tax of \$212,574 (2016 – \$176,893) is included in accrued payroll liability.

6 Deferred contributions

Deferred contributions – contracts and deferred contributions - donations represent externally restricted amounts received that have not been spent. These amounts are restricted for various programs of the Association.

	2017 \$	2016 \$
Balance – Beginning of year	1,810,199	1,766,786
Contributions received	10,941,249	10,599,469
Recognized as government contracts and community support	<u>(11,007,484)</u>	<u>(10,556,056)</u>
Balance – End of year	<u>1,743,964</u>	<u>1,810,199</u>
Deferred contributions – contracts – current and non-current	1,009,444	1,346,837
Deferred contributions – donations	<u>734,520</u>	<u>463,362</u>
	<u>1,743,964</u>	<u>1,810,199</u>

7 Capital Fund

Externally restricted balances represent contributions received for the following purposes:

	2017 \$	2016 \$
Balance – Beginning of year	1,076,718	983,987
Sheriff King Home capital acquisitions	37,921	-
Language Instruction for New Canadians capital investment	21,222	-
Capital project	<u>101,658</u>	<u>92,731</u>
Balance – End of year	<u>1,237,519</u>	<u>1,076,718</u>

Calgary Young Women's Christian Association

Notes to Financial Statements

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8 Endowment Fund

	2017 \$	2016 \$
Judy Osborne Memorial Fund	62,723	61,422
Power of Women – Power to Change Fund	78,506	77,820
	<hr/> 141,229	<hr/> 139,242

9 Employee future benefits

The Association maintains a voluntary group registered retirement savings plan for its employees. The Association matches employees' contributions to a maximum of 2% – 8% of their annual salary, depending on their term of service. The amount of the Association's contributions in fiscal 2017 was \$133,944 (2016–\$145,705) and is included in salaries, wages and benefits in the Statement of Revenues and Expenses and Changes in Fund Balances.

10 Community support

In order to raise \$5.1 million in community support in the year, the Association paid \$479,887 as remuneration to employees whose principle duties involve fundraising and \$348,667 of staffing costs, facilities for the staff, general supplies and direct expenses for the purpose of soliciting contributions. These contributions were used to support the programs of the Association where needed, as well as to support the campaign to raise funds for the Association's Transformation Plan.

11 Commitments

The Association entered into a lease agreement for office space. The Association is committed to the following lease payments fees over the next three years:

	\$
2018	105,732
2019	288,000
2020	182,268

The YWCA has secured the option to purchase a 2-acre site for \$4.8M. The purchase transaction is expected to be completed subsequent to further planning for this future YWCA location, community engagement and City of Calgary approvals related to land use and development permits.

Calgary Young Women's Christian Association

Notes to Financial Statements

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12 Comparative balances

Certain of the comparative balances have been reclassified to conform to the current year's presentation.

