



# Calgary Young Women's Christian Association

Financial Statements  
March 31, 2019



## *Independent auditor's report*

To the Members of Calgary Young Women's Christian Association

---

### *Our opinion*

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Calgary Young Women's Christian Association (the Association) as at March 31, 2019 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.

#### **What we have audited**

The Association's financial statements comprise:

- the statement of financial position as at March 31, 2019;
  - the statement of revenues and expenses and changes in fund balances for the year then ended;
  - the statement of cash flows for the year then ended; and
  - the notes to the financial statements, which include a summary of significant accounting policies.
- 

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

#### **Independence**

We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

---

### *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.

---

*PricewaterhouseCoopers LLP*  
111-5th Avenue SW, Suite 3100, Calgary, Alberta, Canada T2P 5L3  
T: +1 403 509 7500, F: +1 403 781 1825

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



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.

*PricewaterhouseCoopers LLP*

Chartered Professional Accountants

Calgary, Alberta  
June 12, 2019

# Calgary Young Women's Christian Association

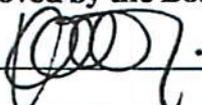
## Statement of Financial Position

As at March 31, 2019

						2019	2018
	Operating Fund \$	Sustainability Fund \$	Total \$	Capital Fund \$	Endowment Fund \$	Total \$	Total \$
<b>Assets</b>							
<b>Current assets</b>							
Cash and cash equivalents	1,298,765	28,560,004	29,858,769	(7,174,298)	145,100	22,829,571	37,693,228
Accounts receivable	586,898	-	586,898	544,393	-	1,131,291	2,815,316
Advances and deposits	-	-	-	1,145,973	-	1,145,973	-
Prepays and other	124,567	-	124,567	-	-	124,567	304,793
Funds held in trust (note 3)	-	-	-	-	-	-	575,000
	2,010,230	28,560,004	30,570,234	(5,483,932)	145,100	25,231,402	41,388,337
<b>Capital assets (note 4)</b>	-	-	-	51,508,471	-	51,508,471	21,360,543
	2,010,230	28,560,004	30,570,234	46,024,539	145,100	76,739,873	62,748,880
<b>Liabilities</b>							
<b>Current liabilities</b>							
Accounts payable and accrued liabilities	424,611	-	424,611	3,939,793	-	4,364,404	2,881,443
Accrued payroll liability	834,680	-	834,680	-	-	834,680	1,291,171
Deferred revenue	3,682	-	3,682	-	-	3,682	4,269
Deferred contributions – contracts (note 6)	364,700	-	364,700	-	-	364,700	685,992
Deferred contributions – donations (note 6)	292,080	-	292,080	-	-	292,080	639,247
Deposits (note 7)	-	-	-	8,600,000	-	8,600,000	-
	1,919,753	-	1,919,753	12,539,793	-	14,459,546	5,502,122
<b>Other liabilities</b>	90,477	-	90,477	78,470	-	168,947	1,013,501
	2,010,230	-	2,010,230	12,618,263	-	14,628,493	6,515,623
<b>Fund Balances</b>							
<b>Externally restricted (note 8)</b>	-	-	-	-	-	-	5,408,353
<b>Internally restricted</b>	-	28,560,004	28,560,004	33,406,276	2,575	61,968,855	50,684,055
<b>Endowments (note 9)</b>	-	-	-	-	142,525	142,525	140,849
	-	28,560,004	28,560,004	33,406,276	145,100	62,111,380	56,233,257
	2,010,230	28,560,004	30,570,234	46,024,539	145,100	76,739,873	62,748,880

Commitments (note 12)

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, 2019**

						2019	2018
	Operating Fund \$	Sustainability Fund \$	Total \$	Capital Fund \$	Endowment Fund \$	Total \$	Total \$
<b>Revenue</b>							
Government contracts							
Alberta	6,159,405	-	6,159,405	-	-	6,159,405	6,690,547
Canada	1,834,492	-	1,834,492	-	-	1,834,492	1,938,198
City of Calgary (FCSS)	1,288,931	-	1,288,931	-	-	1,288,931	1,288,931
Community support							
United Way of Calgary	978,802	-	978,802	-	-	978,802	1,033,423
Calgary Homeless Foundation	1,739,773	-	1,739,773	-	-	1,739,773	1,314,568
Other contributions	1,579,212	822,118	2,401,330	5,801,733	264	8,203,327	6,615,573
Programs and courses	1,163,199	-	1,163,199	-	-	1,163,199	1,385,688
Accommodation	291,476	-	291,476	-	-	291,476	300,185
Other income	206,152	192	206,344	-	-	206,344	256,467
Investment income	30,458	752,801	783,259	-	1,412	784,671	717,936
	<u>15,271,900</u>	<u>1,575,111</u>	<u>16,847,011</u>	<u>5,801,733</u>	<u>1,676</u>	<u>22,650,420</u>	<u>21,541,516</u>
<b>Expenses</b>							
Salaries, wages and benefits	13,053,281	-	13,053,281	-	-	13,053,281	13,338,625
Professional fees and contracted services	957,172	-	957,172	-	-	957,172	1,021,229
Utilities	469,150	-	469,150	-	-	469,150	372,620
Amortization	-	-	-	143,367	-	143,367	103,209
Materials, supplies and equipment	793,181	-	793,181	-	-	793,181	611,671
Facilities	624,449	-	624,449	-	-	624,449	778,737
Marketing and public relations	389,714	-	389,714	-	-	389,714	444,083
Staff and volunteer expenditures	759,092	-	759,092	-	-	759,092	684,254
Insurance	57,223	-	57,223	-	-	57,223	52,964
Finance charges	33,783	-	33,783	83	-	33,866	30,995
	<u>17,137,045</u>	<u>-</u>	<u>17,137,045</u>	<u>143,450</u>	<u>-</u>	<u>17,280,495</u>	<u>17,438,387</u>
<b>Excess (deficiency) of revenues over expenses before the undernoted</b>	(1,865,145)	1,575,111	(290,034)	5,658,283	1,676	5,369,925	4,103,129
<b>Gain on sale (note 3)</b>	-	-	-	508,198	-	508,198	172,636
<b>Excess (deficiency) of revenues over expenses</b>	(1,865,145)	1,575,111	(290,034)	6,166,481	1,676	5,878,123	4,275,765
<b>Balance – Beginning of year</b>	-	28,850,038	28,850,038	27,239,795	143,424	56,233,257	51,957,492
<b>Interfund transfers</b>	1,865,145	(1,865,145)	-	-	-	-	-
<b>Balance – End of year</b>	-	28,560,004	28,560,004	33,406,276	145,100	62,111,380	56,233,257

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

# Calgary Young Women's Christian Association

## Statement of Cash Flows

For the year ended March 31, 2019

	2019 \$	2018 \$
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Excess of revenues over expenses	5,878,123	4,275,765
Items not affecting cash		
Gain on sale	(508,198)	(172,636)
Amortization	143,367	103,209
Contributions restricted for acquisition of capital assets	(5,801,733)	(4,170,834)
Change in recognition of straight line lease	(144,000)	90,477
	<u>(432,441)</u>	<u>125,981</u>
Net change in non-cash working capital		
Accounts receivable	1,684,025	(2,118,952)
Prepays and other	180,226	(192,303)
Funds held in trust	575,000	-
Advances and deposits	(1,145,973)	-
Accounts payable and accrued liabilities	1,482,961	2,171,743
Accrued payroll liability	(456,491)	60,482
Deferred revenue	(587)	(21,035)
Deferred contributions – contracts	(321,292)	(323,452)
Deferred contributions – donations	(347,167)	(95,273)
	<u>1,650,702</u>	<u>(518,790)</u>
	<u>1,218,261</u>	<u>(392,809)</u>
<b>Investing activities</b>		
Additions to capital assets	(30,291,295)	(15,336,655)
Deposits	8,600,000	-
Settlement of other liabilities	(192,356)	-
Sale (purchase) of short-term accounts	-	219,610
	<u>(21,883,651)</u>	<u>(15,117,045)</u>
<b>Financing activities</b>		
Contributions restricted for acquisition of capital assets	<u>5,801,733</u>	<u>4,170,834</u>
<b>Decrease in cash and cash equivalents</b>	<b>(14,863,657)</b>	<b>(11,339,020)</b>
<b>Cash and cash equivalents – Beginning of year</b>	<b>37,693,228</b>	<b>49,032,248</b>
<b>Cash and cash equivalents – End of year</b>	<b>22,829,571</b>	<b>37,693,228</b>
<b>Cash and cash equivalents are comprised of</b>		
Cash on hand and balances with banks	1,463,043	3,693,792
Short-term investments with maturity dates less than 90 days	21,366,528	33,999,436
	<u>22,829,571</u>	<u>37,693,228</u>

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

# Calgary Young Women's Christian Association

## Notes to Financial Statements

March 31, 2019

---

### 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 Summary of 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, expenses and gains and losses 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

# Calgary Young Women's Christian Association

## Notes to Financial Statements

March 31, 2019

---

contributions related to capital activities and endowments are recognized as revenue of the appropriate fund when received, or receivable if the amount can be reasonably estimated and collection is reasonably assured.

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 2019, \$155,907 of contributed services and materials were recorded in the financial statements as other income and facilities expense (2018 – \$130,824).

### **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. Included in cash and cash equivalents are interfund due to/from balances.

### **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.

# Calgary Young Women's Christian Association

## Notes to Financial Statements

March 31, 2019

---

### **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, accounts receivable, and advances and deposits. The financial liabilities measured at amortized cost include accounts payable and accrued liabilities, accrued payroll liability and deposits.

#### **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.

### **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.

# Calgary Young Women's Christian Association

## Notes to Financial Statements

March 31, 2019

---

### 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 were held in escrow with the Purchaser's lawyer for this purpose. During the year the lease was terminated and the amounts remaining after paying the costs of terminating the lease were refunded to the Association subsequent to year end. This amount has been included in gain on sale in the statement of revenues and expenses.

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

			2019	2018
	Cost \$	Accumulated amortization \$	Net \$	Net \$
Vehicle	81,320	44,723	36,597	954
Leasehold improvements	4,402,231	1,985,954	2,416,277	1,961,106
Furniture and equipment	3,197,434	2,725,973	471,461	103,397
Work in progress	43,784,136	-	43,784,136	14,495,086
Land	4,800,000	-	4,800,000	4,800,000
	<u>56,265,121</u>	<u>4,756,650</u>	<u>51,508,471</u>	<u>21,360,543</u>

Work in progress at March 31, 2019 and 2018 reflects costs incurred in planning and constructing a new facility. During 2019, no capital assets were contributed to the Association (2018 – \$nil).

The land on which the Sheriff King Home building is located is leased from the City of Calgary.

### 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 \$161,763 (2018 – \$183,317) 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.

# Calgary Young Women's Christian Association

## Notes to Financial Statements

March 31, 2019

	2019 \$	2018 \$
Balance – Beginning of year	1,325,239	1,743,964
Contributions received	10,249,361	10,350,068
Recognized as government contracts and community support	(10,917,820)	(10,768,793)
	<hr/>	<hr/>
Balance – End of year	656,780	1,325,239
	<hr/>	<hr/>
Deferred contributions – contracts	364,700	685,992
Deferred contributions – donations	292,080	639,247
	<hr/>	<hr/>
	656,780	1,325,239
	<hr/>	<hr/>

### 7 Deposits

In the year, the Association received a cash deposit of \$8.6 million as a result of entering into a Memorandum of Agreement with the Alberta Social Housing Corporation (ASHC). This agreement serves as an understanding for the future Co-ownership Agreement pertaining to the housing component of the YW Capital Project. The intention of the Co-ownership Agreement is for ASHC and the Association, as co-owners, to maintain the Project as an asset for affordable housing for eligible clients in Calgary. The percentage of ownership interest for each of ASHC and the Association will be determined proportionately based on the total financial contribution of each party relative to the total cost to acquire the lands and construct and develop the facilities.

### 8 Capital Fund

Externally restricted balances represent contributions received for the following purposes:

	2019 \$	2018 \$
Balance – Beginning of year	5,408,353	1,237,519
Sheriff King Home capital acquisitions	519,475	195,622
Capital project	5,282,258	3,975,212
Additions to capital assets	(11,210,086)	-
	<hr/>	<hr/>
Balance – End of year	-	5,408,353
	<hr/>	<hr/>

### 9 Endowment Fund

	2019 \$	2018 \$
Judy Osborne Memorial Fund	62,622	61,739
Power of Women – Power to Change Fund	79,903	79,110
	<hr/>	<hr/>
	142,525	140,849
	<hr/>	<hr/>

# Calgary Young Women's Christian Association

## Notes to Financial Statements

March 31, 2019

---

### 10 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 2019 was \$152,841 (2018 – \$142,485) and is included in salaries, wages and benefits in the Statement of Revenues and Expenses and Changes in Fund Balances.

### 11 Community support

In order to raise \$10.9 million (2018 – \$9.0 million) in community support in the year, the Association paid \$621,164 (2018 – \$580,629) as remuneration to employees whose principle duties involve fundraising and \$679,540 (2018 – \$342,211) 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.

### 12 Commitments

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

	\$
2020	182,286

As at March 31, 2019, the Association has outstanding financial commitments of approximately \$10 million (2018 – \$40 million) related to its HUB facility capital project.