

SEXUAL ASSAULT CENTRE KINGSTON INC.
FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2018

Independent Auditor's Report
Statement of Financial Position
Statement of Operations
Statement of Change in Net Assets
Statement of Cash Flow
Notes to Financial Statements
Schedules

INDEPENDENT AUDITOR'S REPORT

To the Members of Sexual Assault Centre Kingston Inc.

We have audited the accompanying financial statements of Sexual Assault Centre Kingston Inc. which comprise the statement of financial position as at March 31, 2018 and the statements of operations, change in net assets and cash flow for the year then ended, and 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 judgement, 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.

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

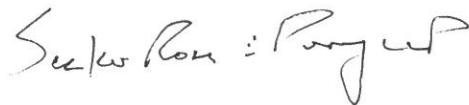
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Basis for Qualified Opinion

In common with many charitable organizations, the corporation derives revenue from donations and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the corporation. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, the excess of revenues over expenses and cash flow from operations for the year ended March 31, 2018, current assets at March 31, 2018 and net assets at April 1, 2017 and March 31, 2018.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of the corporation as at March 31, 2018 and the results of its operations and cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.



Chartered Professional Accountants
Licensed Public Accountants
Kingston, Ontario
August 28, 2018

SEXUAL ASSAULT CENTRE KINGSTON INC.
(Incorporated under the laws of Ontario)

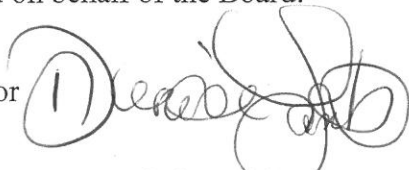
STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2018

	<u>2018</u>	<u>2017</u> (restated) (note 3)
Assets		
Current Assets		
Cash (note 10)	\$ 83,384	\$ 47,748
Accounts receivable	13,329	19,335
Prepaid expenses	<u>4,670</u>	<u>4,670</u>
	<u>101,383</u>	<u>71,753</u>
Capital Assets (note 4)		
Less accumulated depreciation	36,725	30,052
	<u>15,334</u>	<u>9,324</u>
	<u>21,391</u>	<u>20,728</u>
	<u>\$ 122,774</u>	<u>\$ 92,481</u>
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 43,593	\$ 32,758
Deferred revenue (note 5)	<u>-</u>	<u>13,780</u>
	43,593	46,538
Deferred Capital Contributions (note 6)		
	<u>16,906</u>	<u>14,749</u>
	<u>60,499</u>	<u>61,287</u>
Net Assets		
Unrestricted	<u>62,275</u>	<u>31,194</u>
	<u>\$ 122,774</u>	<u>\$ 92,481</u>

Lease commitment (note 7)

Approved on behalf of the Board:

Director



Director



See accompanying notes to financial statements.

SEXUAL ASSAULT CENTRE KINGSTON INC.

STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 2018

	<u>Budget 2018</u>	<u>Actual 2018</u>	<u>Actual 2017</u>
	(note 12)		(restated) (note 3)
Revenues			
Grants			
Ministry of Attorney General	\$ 343,532	\$ 340,989	\$ 343,532
Addictions & Mental Health Services-Ministry of Health and Long-Term Care	98,506	105,506	98,506
United Way - Operating	45,000	45,000	45,000
- Designated Donations	500	1,142	1,051
Queen's University	40,000	44,765	45,097
Fundraising	3,200	7,326	2,743
Interest	-	58	45
Memberships, donations and other	25,062	27,268	9,605
Nevada	900	2,203	860
Bingo	7,000	4,927	6,023
Miscellaneous	9,700	10,800	9,667
Employment grants	1,800	1,800	3,450
Amortization of deferred capital contributions (note 6)	-	4,515	4,515
	<u>575,200</u>	<u>596,299</u>	<u>570,094</u>
Expenses			
Amortization of capital assets	-	6,011	6,011
Community events	1,500	1,416	2,003
Crisis line fees	4,065	3,391	4,273
Fundraising	-	3,541	781
Grant expenditures - french language	-	4,508	-
Insurance	5,694	5,693	5,110
Membership	2,620	2,570	2,583
Nevada	-	1,349	227
Office supplies and technology	14,939	12,516	16,653
Printing and advertising	6,320	5,856	8,494
Professional fees and costs	14,037	10,623	27,129
Program expense	2,130	2,431	4,840
Rent and occupancy (note 7)	65,449	65,656	67,006
Service user support	7,000	5,818	5,119
Strategic planning	-	-	4,677
Telephone and internet	11,372	12,943	8,481
Travel	8,200	5,636	10,449
Wages and benefits	431,874	415,260	396,662
	<u>575,200</u>	<u>565,218</u>	<u>570,498</u>
Excess (deficiency) of revenues over expenses	<u>\$ -</u>	<u>\$ 31,081</u>	<u>\$ (404)</u>

See accompanying notes to financial statements.

SEXUAL ASSAULT CENTRE KINGSTON INC.
STATEMENT OF CHANGE IN NET ASSETS
YEAR ENDED MARCH 31, 2018

	<u>2018</u>	<u>2017</u> (restated) (note 3)
Net assets at beginning of year, as previously stated	\$ 46,455	\$ 45,938
Effect of prior period adjustment (note 3)	<u>(15,261)</u>	<u>(14,340)</u>
Net assets at beginning of year, as restated	31,194	31,598
Excess (deficiency) of revenues over expenses	<u>31,081</u>	<u>(404)</u>
Net assets at end of year	<u><u>\$ 62,275</u></u>	<u><u>\$ 31,194</u></u>

See accompanying notes to financial statements.

SEXUAL ASSAULT CENTRE KINGSTON INC.

STATEMENT OF CASH FLOW

YEAR ENDED MARCH 31, 2018

	<u>2018</u>	<u>2017</u> (restated) (note 3)
Cash flow from (used in) operating activities		
Excess (deficiency) of revenues over expenses	\$ 31,081	\$ (404)
Items which do not involve cash		
Amortization of capital assets	6,011	6,011
Amortization of deferred capital contributions	<u>(4,515)</u>	<u>(4,515)</u>
	32,577	1,092
Changes in non-cash working capital balances		
Accounts receivable	6,006	20,260
Prepaid expenses	-	587
Accounts payable and accrued liabilities	10,835	(24,636)
Deferred revenue	<u>(13,780)</u>	<u>11,738</u>
	<u>35,638</u>	<u>9,041</u>
Cash flow from (used in) investing activities		
Purchase of capital assets	(6,674)	(1,495)
Proceeds on disposal of capital assets	-	1,051
	<u>(6,674)</u>	<u>(444)</u>
Cash flow from financing activities		
Deferred capital contributions received	<u>6,672</u>	<u>-</u>
Net increase in cash	35,636	8,597
Cash at beginning of year	<u>47,748</u>	<u>39,151</u>
Cash at end of year	<u>\$ 83,384</u>	<u>\$ 47,748</u>

See accompanying notes to financial statements.

SEXUAL ASSAULT CENTRE KINGSTON INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2018

1. Nature of Organization

The Sexual Assault Centre Kingston Inc. is incorporated without share capital under the laws of Ontario and is a registered charity exempt from income tax under the Income Tax Act. The corporation provides support services to survivors of sexual assault. In addition, it educates the public, conducts research into sexual violence and lobbies to improve legislation dealing with sexual violence.

2. Significant Accounting Policies

These financial statements have been prepared in accordance with Part III of the CPA Canada Handbook - Accounting Standards for Not-for-Profit Organizations. Significant accounting policies include the following:

(a) Financial Instruments

Financial instruments are initially recognized at fair value and then subsequently at amortized cost with gains and losses recognized in the statement of operations in the period in which the gain or loss occurs.

(b) Revenue Recognition

The corporation 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 when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

All other revenues and expenses are recorded on the accrual basis.

(c) Capital Assets

Capital assets are recorded at cost. Amortization is provided on a straight-line basis using the following annual rates:

Computer hardware	5 years
Furniture and fixtures	5 years

(d) Donations and Fundraising

Donations, fundraising revenue, bingo, Nevada and interest revenues are recognized when received.

(e) Contributed Services

The corporation relies on the services of the many volunteers who donate a considerable number of hours. Because of the difficulty in compiling and valuing these hours, contributed services are not recognized in the financial statements.

SEXUAL ASSAULT CENTRE KINGSTON INC.
 NOTES TO FINANCIAL STATEMENTS (continued)
 YEAR ENDED MARCH 31, 2018

2. Significant Accounting Policies (continued)

(f) Use of Estimates

The preparation of financial statements in accordance 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 revenue and expense during the reporting period. A significant item subject to such estimates and assumptions is the valuation of accounts receivable. Actual results could differ from management's best estimates as additional information becomes available in the future.

3. Prior Period Adjustment

Comparative figures have been adjusted to include previously unrecorded accrued liabilities in respect of accrued vacation for staff members. The inclusion of the liabilities resulted in an increase in accounts payable and accrued liabilities of \$15,261 at March 31, 2017 and \$14,340 at April 1, 2016. Consequently, there was a reduction of \$14,340 in net assets as at April 1, 2016, and an increase in wages and benefits expense recorded in the year ended March 31, 2017 of \$921.

The cash flow statement for the year ended March 31, 2017 has been updated to reflect these corrections. There was no change to cash flow from investing or financing activities as a result of these changes.

4. Capital Assets

	2018		2017	
	Cost	Accumulated Depreciation	Net	Net
Furniture and fixtures	\$ 17,972	\$ 7,189	\$ 10,783	\$ 14,377
Computer hardware	18,753	8,145	10,608	6,351
	<u>\$ 36,725</u>	<u>\$ 15,334</u>	<u>\$ 21,391</u>	<u>\$ 20,728</u>

5. Deferred Revenue

Deferred revenue at March 31, 2017 consists of donations received in fiscal 2017 that were dedicated to certain expenses to be incurred in fiscal 2018.

SEXUAL ASSAULT CENTRE KINGSTON INC.

NOTES TO FINANCIAL STATEMENTS (continued)

YEAR ENDED MARCH 31, 2018

6. Deferred Capital Contributions

The changes in the deferred capital contributions balance are as follows:

	<u>2018</u>	<u>2017</u>
Balance at beginning of year	\$ 14,749	\$ 19,264
Contributions received	6,672	-
Amount recognized in revenue	<u>(4,515)</u>	<u>(4,515)</u>
Balance at end of year	<u>\$ 16,906</u>	<u>\$ 14,749</u>

7. Lease Commitment

The corporation occupies its premises under a lease expiring May 31, 2024. The agreement calls for an annual base rent of \$35,400, increasing in year 6 by \$3,540, plus a share of common costs and applicable taxes.

8. Pension Plan

The corporation is a participant in a defined contribution pension plan. The corporation contributes, on behalf of each eligible employee, an amount equal to the employee's contribution to a maximum of 2.5% of earnings. The corporation's contribution of \$6,511 (\$4,610 in 2017) is included as expense in the statement of operations.

9. Line of Credit

The corporation has an approved line of credit facility of \$20,000 of which \$nil had been utilized as at March 31, 2018. The credit facility bears interest at the rate of 8.95%.

10. Restricted Cash

Included in cash is approximately \$1,469 (2017 - \$1,147) arising from proceeds of activities regulated by the Alcohol and Gaming Commission of Ontario (e.g., sale of Nevada tickets). The use of these funds is restricted by the regulator to certain expenditures.

11. Financial Risks

The corporation manages its exposure to risks associated with financial instruments that have potential to affect its operating and financial performance. The corporation manages its financial instruments to ensure it has adequate capital to continue to provide its services to the public. It is management's opinion that the corporation is not exposed to significant interest, currency, liquidity, market or credit risks arising from its financial instruments. There has been no change to the risk exposure from 2017 and there is expected to be no substantive change in the next fiscal period.

SEXUAL ASSAULT CENTRE KINGSTON INC.

NOTES TO FINANCIAL STATEMENTS (continued)

YEAR ENDED MARCH 31, 2018

12. Budget Amounts

The budget amounts, as presented for comparison purposes, are as approved by the board of directors and are not subject to audit.

13. Comparative Figures

Certain comparative figures have been restated in order to conform to the financial statement presentation adopted for the current year.

SEXUAL ASSAULT CENTRE KINGSTON INC.
SCHEDULE OF REVENUES AND EXPENSES
MINISTRY OF ATTORNEY GENERAL GRANTS
YEAR ENDED MARCH 31, 2018

	<u>Budget 2018</u> (unaudited)	<u>Actual 2018</u>	<u>Actual 2017</u>
Revenues			
Grant - operating	<u>\$ 343,532</u>	<u>\$ 340,989</u>	<u>\$ 343,532</u>
Expenses			
Wages and Benefits			
Wages	238,054	239,104	221,849
Benefits	28,664	26,316	33,127
Other Operating Expense			
Board volunteer expense	1,900	1,941	3,492
Building occupancy	39,714	38,947	39,909
Client expense			
Insurance	4,000	4,000	3,410
Office/program supplies/equipment	5,400	4,777	5,493
Other	8,300	7,702	12,368
Public education/promotion	3,060	2,286	5,082
Purchased services	4,200	4,442	12,394
Staff expense	6,219	6,855	2,664
Telephone and communication	<u>4,021</u>	<u>4,619</u>	<u>3,744</u>
	<u>343,532</u>	<u>340,989</u>	<u>343,532</u>
Excess of revenues over expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SEXUAL ASSAULT CENTRE KINGSTON INC.

SCHEDULE OF REVENUES AND EXPENSES

**ADDICTIONS & MENTAL HEALTH SERVICES-MINISTRY OF HEALTH
AND LONG-TERM CARE GRANT**

YEAR ENDED MARCH 31, 2018

	<u>Budget 2018</u> (unaudited)	<u>Actual 2018</u>	<u>Actual 2017</u>
Revenues			
Grant - operating	\$ 98,506	\$ 98,506	\$ 98,506
- one time funding - french language	7,000	7,000	-
- other, including amortization	-	4,515	4,515
	<u>105,506</u>	<u>110,021</u>	<u>103,021</u>
Expenses			
Wages and Benefits			
Wages	71,681	66,737	63,973
Benefits	4,226	6,190	7,268
Other Operating Expense			
Building occupancy	12,581	16,581	10,266
Contracted out			2,238
Supplies and sundry	10,018	8,998	14,761
Amortization of capital assets	-	6,011	6,011
French language one time	7,000	4,894	-
	<u>105,506</u>	<u>109,411</u>	<u>104,517</u>
Excess (deficiency) of revenues over expenses	<u>\$ -</u>	<u>\$ 610</u>	<u>\$ (1,496)</u>