

SEXUAL ASSAULT CENTRE KINGSTON INC.
FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2017

Independent Auditor's Report
Statement of Financial Position
Statement of Operations
Statement of Change in Net Assets
Statement of Cash Flow
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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, 2017 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.

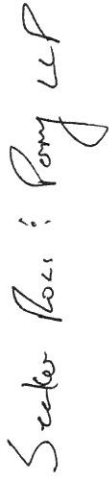
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

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, 2017, current assets at March 31, 2017 and net assets at April 1, 2016 and March 31, 2017.

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, 2017 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
June 27, 2017

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

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2017

	<u>2017</u>	<u>2016</u>
Assets		
Current Assets		
Cash (note 9)	\$ 47,748	\$ 39,151
Accounts receivable	19,335	39,595
Prepaid expenses	4,670	5,257
	<u>71,753</u>	<u>84,003</u>
Capital Assets (note 3)	30,052	29,608
Less accumulated depreciation	9,324	3,313
	<u>20,728</u>	<u>26,295</u>
	<u>\$ 92,481</u>	<u>\$ 110,298</u>
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 17,497	\$ 43,054
Deferred revenue (note 4)	13,780	2,042
	<u>31,277</u>	<u>45,096</u>
Deferred Capital Contributions (note 5)	14,749	19,264
	<u>46,026</u>	<u>64,360</u>
Net Assets		
Unrestricted	46,455	45,938
	<u>\$ 92,481</u>	<u>\$ 110,298</u>
Lease commitment (note 6)		

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, 2017

	Budget	Actual	Actual
	2017	2017	2016
	(note 11)		
Revenues			
Grants			
Ministry of Attorney General	\$ 343,532	\$ 343,532	\$ 343,532
Ministry of Health and Long-Term Care	98,506	98,506	98,506
Ministry of Health and Long-Term Care - other	-	-	10,818
United Way - Operating	45,000	45,000	45,000
- Designated Donations	500	1,051	789
Queen's University	37,960	45,097	46,268
Fundraising	-	2,743	140
Interest	-	45	46
Memberships, donations and other	4,500	9,605	4,504
Nevada	1,700	860	3,267
Bingo	7,224	6,023	7,897
Miscellaneous	8,100	9,667	6,308
Employment grants	-	3,450	34,429
Amortization of deferred capital contribution	-	4,515	1,590
(note 5)			
	<u>547,022</u>	<u>570,094</u>	<u>603,094</u>
Expenses			
Amortization of capital assets	-	6,011	1,590
Community events	1,800	2,003	-
Crisis line fees	4,860	4,273	7,136
Fundraising	-	781	-
Grant expenditures	-	-	10,818
Insurance	5,694	5,110	5,022
Membership	3,000	2,583	3,211
Nevada	-	227	1,066
Office supplies and technology	14,029	16,653	7,916
Printing and advertising	4,471	8,494	6,568
Professional fees and costs	28,050	27,129	25,456
Program expense	5,172	4,840	4,967
Rent and occupancy (note 6)	64,522	67,006	59,559
Service user support	8,012	5,119	6,619
Strategic planning	-	4,677	-
Telephone and internet	8,500	8,481	12,614
Travel	8,000	10,449	6,645
Wages and benefits	390,912	395,741	387,805
	<u>547,022</u>	<u>569,577</u>	<u>546,992</u>
Excess of revenues over expenses	<u>\$ -</u>	<u>\$ 517</u>	<u>\$ 56,102</u>

See accompanying notes to financial statements.

SEXUAL ASSAULT CENTRE KINGSTON INC.
 STATEMENT OF CHANGE IN NET ASSETS
 YEAR ENDED MARCH 31, 2017

	<u>2017</u>	<u>2016</u>
Net assets (deficiency) at beginning of year	\$ 45,938	\$ (10,164)
Excess of revenues over expenses	<u>517</u>	<u>56,102</u>
Net assets at end of year	<u><u>\$ 46,455</u></u>	<u><u>\$ 45,938</u></u>

See accompanying notes to financial statements.

SEXUAL ASSAULT CENTRE KINGSTON INC.
STATEMENT OF CASH FLOW
YEAR ENDED MARCH 31, 2017

	<u>2017</u>	<u>2016</u>
Cash flow from (used in) operating activities		
Excess of revenues over expenses	\$ 517	\$ 56,102
Items which do not involve cash		
Amortization of capital assets	6,011	1,590
Amortization of deferred capital contributions	<u>(4,515)</u>	<u>(1,590)</u>
	2,013	56,102
Changes in non-cash working capital balances		
Accounts receivable	20,260	(28,067)
Prepaid expenses	587	1,413
Accounts payable and accrued liabilities	(25,557)	(697)
Deferred revenue	<u>11,738</u>	<u>2,042</u>
	<u>9,041</u>	<u>30,793</u>
Cash flow from (used in) investing activities		
Purchase of capital assets	(1,495)	(21,657)
Proceeds on disposal of property and equipment	<u>1,051</u>	<u>-</u>
	<u>(444)</u>	<u>(21,657)</u>
Cash flow from financing activities		
Deferred capital contributions received	-	14,626
Net increase in cash	8,597	23,762
Cash at beginning of year	<u>39,151</u>	<u>15,389</u>
Cash at end of year	<u>\$ 47,748</u>	<u>\$ 39,151</u>

See accompanying notes to financial statements.

SEXUAL ASSAULT CENTRE KINGSTON INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2017

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, 2017

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. Capital Assets

	2017		2016	
	Cost	Accumulated Depreciation	Net	Net
Furniture and fixtures	\$ 17,972	\$ 3,595	\$ 14,377	\$ 17,528
Computer hardware	12,080	5,729	6,351	8,767
	<u>\$ 30,052</u>	<u>\$ 9,324</u>	<u>\$ 20,728</u>	<u>\$ 26,295</u>

4. Deferred Revenue

Deferred revenue consists of fees for the crisis line that were received in advance.

5. Deferred Capital Contributions

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

Balance at beginning of year		<u>2017</u>	<u>2016</u>
Contributions received	\$ 19,264	\$ 19,264	\$ 6,228
Amount recognized in revenue	-	-	14,626
Balance at end of year	<u>(4,515)</u>	<u>(4,515)</u>	<u>(1,590)</u>
	<u>\$ 14,749</u>	<u>\$ 14,749</u>	<u>\$ 19,264</u>

6. Lease Commitment

The corporation occupies its premises under a 10 year 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.

7. 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 \$4,610 (\$5,595 in 2016) is included as expense in the statement of operations.

SEXUAL ASSAULT CENTRE KINGSTON INC.
NOTES TO FINANCIAL STATEMENTS (continued)
YEAR ENDED MARCH 31, 2017

8. 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, 2016. The credit facility bears interest at the rate of 8.2%.

9. Restricted Cash

Included in cash is approximately \$1,147 (2016 - \$748) 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 to certain expenditures by the regulator.

10. 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 2016 and there is expected to be no substantive change in the next fiscal period.

11. Budget Amounts

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

**SEXUAL ASSAULT CENTRE KINGSTON INC.
SCHEDULE OF REVENUES AND EXPENSES
MINISTRY OF ATTORNEY GENERAL GRANTS
YEAR ENDED MARCH 31, 2017**

	Budget	Actual	Actual
	2017	2017	2016
	(unaudited)		
Revenues			
Grant - operating	\$ 343,532	\$ 343,532	\$ 302,755
Grant - time limited	-	-	17,476
Grant - additional funding	-	-	23,301
	<u>343,532</u>	<u>343,532</u>	<u>343,532</u>
Expenses			
Wages and Benefits			
Wages	227,000	221,849	214,125
Benefits	32,059	33,127	30,185
Other Operating Expense			
Board volunteer expense	3,000	3,492	8,600
Building occupancy	39,214	39,909	40,174
Client expense			1,000
Insurance	3,800	3,410	3,289
Office/program supplies/equipment	5,000	5,493	8,461
Other	10,490	12,368	14,092
Public education/promotion	3,350	5,082	5,524
Purchased services	13,000	12,394	12,342
Staff expense	2,719	2,664	3,219
Telephone and communication	3,900	3,744	2,521
	<u>343,532</u>	<u>343,532</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
MINISTRY OF HEALTH AND LONG-TERM CARE GRANT
YEAR ENDED MARCH 31, 2017

	<u>Budget</u> <u>2017</u>	<u>Actual</u> <u>2017</u>	<u>Actual</u> <u>2016</u>
Revenues			
Grant - operating	\$ 98,506	\$ 98,506	\$ 98,506
- other, including amortization	-	4,515	12,408
	<u>98,506</u>	<u>103,021</u>	<u>110,914</u>
	(unaudited)		
Expenses			
Wages and Benefits			
Wages	63,930	63,973	63,930
Benefits	6,141	7,268	6,141
Other Operating Expense			
Building occupancy	9,988	10,266	14,761
Contracted out	3,686	2,238	3,686
Supplies and sundry	14,761	14,761	9,988
Amortization of capital assets	-	6,011	1,590
Community one time	-	-	10,818
	<u>98,506</u>	<u>104,517</u>	<u>110,914</u>
Excess of revenues over expenses	<u>\$ -</u>	<u>\$ (1,496)</u>	<u>\$ -</u>