

SISTERING - A WOMAN'S PLACE

Financial Statements

Year Ended March 31, 2024

SISTERING - A WOMAN'S PLACE
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Year Ended March 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Directors of Sistering - A Woman's Place

Qualified Opinion

We have audited the financial statements of Sistering - A Woman's Place (the Organization), which comprise the statement of financial position as at March 31, 2024, and the statements of revenues and expenditures, changes in net assets 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 Organization as at March 31, 2024, 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 Organization 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 Organization. However, significant progress has been made by management in the past year to enhance the tracking and recording processes for these revenues, improving the overall accuracy and reliability of the records. Despite these improvements, inherent limitations in verifying the completeness of donations and fundraising activities remain, preventing a full audit verification. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2024, current assets and net assets as at March 31, 2024. Our audit opinion on the financial statements for the year ended March 31, 2023 was modified accordingly because of the possible effects of this limitation of scope.

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 Organization 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.

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

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Independent Auditor's Report to the Directors of Sistering - A Woman's Place (continued)

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

Bassi & Karimjee LLP

Brampton, Ontario
June 24, 2024

Chartered Professional Accountants
Licensed Public Accountants

SISTERING - A WOMAN'S PLACE
Statement of Financial Position
March 31, 2024

	2024	2023
ASSETS		
CURRENT		
Cash	\$ 1,425,916	\$ 1,098,901
Marketable securities (Cost \$1,124,473)	1,124,473	1,308,992
Accounts receivable	311,470	610,162
Prepaid expenses	18,129	47,358
	2,879,988	3,065,413
CAPITAL ASSETS (Note 3)	80,237	105,883
	\$ 2,960,225	\$ 3,171,296
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 84,922	\$ 157,740
Deferred income (Note 4)	145,705	292,188
	230,627	449,928
NET ASSETS		
General fund	1,513,337	1,505,107
Restricted fund	1,216,261	1,216,261
	2,729,598	2,721,368
	\$ 2,960,225	\$ 3,171,296

ON BEHALF OF THE BOARD

J Di Cintio Director

Sharon Bell Director

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See accompanying notes to financial statements

SISTERING - A WOMAN'S PLACE
Statement of Revenues and Expenditures
Year Ended March 31, 2024

	2024	2023
REVENUES		
City of Toronto	\$ 2,348,895	\$ 2,668,069
Ontario Health	2,131,970	1,848,991
Donations and fundraising	1,006,046	1,087,834
United Way of Greater Toronto	325,599	327,446
Ontario Women's Directorate	157,500	150,000
Miscellaneous (Note 4)	136,375	364,150
Other grants	129,125	521,751
West Neighbourhood House	121,005	121,100
Ontario Senior's Secretariat	51,438	55,090
	<u>6,407,953</u>	<u>7,144,431</u>
EXPENSES		
Salaries and wages	4,181,170	4,197,846
Programs	1,029,512	1,144,472
Rent	591,716	616,890
Office and general	200,618	224,216
Fundraising expenses	120,508	26,249
Repairs and maintenance	98,626	90,295
Professional fees	93,942	49,202
Advertising and promotion	53,425	52,350
Amortization	36,471	28,518
Purchased services	35,982	199,583
Insurance	34,587	11,281
Security	-	92,897
	<u>6,476,557</u>	<u>6,733,799</u>
(DEFICIENCY) EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS	<u>(68,604)</u>	<u>410,632</u>
OTHER INCOME		
Interest income on investments	76,834	28,729
Amortization of deferred capital	-	221,411
	<u>76,834</u>	<u>250,140</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 8,230</u>	<u>\$ 660,772</u>

See accompanying notes to financial statements

SISTERING - A WOMAN'S PLACE
Statement of Changes in Net Assets
Year Ended March 31, 2024

	General Fund	Restricted Fund	2024	2023
NET ASSETS - BEGINNING OF YEAR	\$ 1,505,107	\$ 1,216,261	\$ 2,721,368	\$ 2,060,596
TRANSFER OF FUNDS	-	-	-	-
EXCESS OF REVENUE OVER EXPENSES	8,230	-	8,230	660,772
NET ASSETS - END OF YEAR	\$ 1,513,337	\$ 1,216,261	\$ 2,729,598	\$ 2,721,368

See accompanying notes to financial statements

SISTERING - A WOMAN'S PLACE
Statement of Cash Flows
Year Ended March 31, 2024

	2024	2023
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 8,230	\$ 660,772
Items not affecting cash:		
Amortization of capital assets	36,471	28,518
Recognition of deferred capital contributions	-	(221,411)
	<u>44,701</u>	<u>467,879</u>
Changes in non-cash working capital:		
Accounts receivable	298,691	(469,266)
Prepaid expenses	29,228	29,978
Accounts payable and accrued liabilities	(72,816)	(97,576)
Government remittances payable	-	(274)
Deferred revenue	(146,484)	(645,888)
	<u>108,619</u>	<u>(1,183,026)</u>
Cash flow from (used by) operating activities	<u>153,320</u>	<u>(715,147)</u>
INVESTING ACTIVITIES		
Purchase of capital assets	(10,825)	(50,464)
Proceeds from sale (purchase) of marketable securities	184,520	(427,613)
Cash flow from (used by) investing activities	<u>173,695</u>	<u>(478,077)</u>
INCREASE (DECREASE) IN CASH FLOW	327,015	(1,193,224)
CASH - BEGINNING OF YEAR	<u>1,098,901</u>	<u>2,292,125</u>
CASH - END OF YEAR	<u>\$ 1,425,916</u>	<u>\$ 1,098,901</u>

See accompanying notes to financial statements

SISTERING - A WOMAN'S PLACE
Notes to Financial Statements
Year Ended March 31, 2024

1. PURPOSE OF THE ORGANIZATION

Sistering - A Woman's Place (the "Organization") is a not-for-profit Organization incorporated under laws of the province of Ontario. The Organization operates with the goals of providing practical and emotional support to women through programs which enable them to take greater control over their lives.

The Organization is incorporated under the laws of the Province of Ontario without share capital. The Organization is a registered Canadian charity under the Income Tax Act (Canada) and its registration number is 107983009 RR0001. As a registered charity, the Organization is exempt from income tax under Subsection 149 (1) of the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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 include for amortization, accruals and deferred revenue 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.

Cash and cash equivalents

Cash consists primarily of cash held at a Canadian bank, money market funds and Guaranteed Investment Certificates (GICs) with maturities less than 90 days.

Fund accounting

Sistering - A Woman's Place follows the restricted fund method of accounting for contributions.

a) General Fund

The General Fund accounts for the Organization's day-to-day operating transactions. The results of the operating fund have been separated and presented under the main functional departments of the Organization.

b) Restricted Fund

The Restricted Fund is internally restricted by the Board of Directors. It reflects the accounts that have been formally set aside by the Organization to be used to support the Organization's day-to-day operations in the event of unforeseen shortfalls. In addition, it may also be used for one-time, non-recurring expenses that will build long-term capacity, such as staff development, research and development, or investment in infrastructure. They are not intended to be used to replace a permanent loss of funds or eliminate an ongoing budget gap. The use of the funds must be approved by the Board of Directors.

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SISTERING - A WOMAN'S PLACE
Notes to Financial Statements
Year Ended March 31, 2024

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

Revenue recognition

The Organization follows the deferral method in accounting for contributions, including grants received from various agencies. Accordingly, contributions subject to externally imposed restrictions are initially recorded as deferred revenue and are subsequently recorded as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognised as revenue in the year received, or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Interest income and miscellaneous revenue is recorded in the period earned.

Contributed goods and services

The operations of the Organization 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.

Marketable securities

Investments for which there are quoted prices in an active market are carried at fair value. Unrealised gains and losses are reported as part of net income. Investments for which there is not an active market are carried at amortized cost except when it is established that their value is impaired. Impairment losses, or reversal of previously recognized impairment losses, are reported as part of net income.

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 and methods:

Equipment	20%
Motor vehicles	20%
Computer equipment	20%
Leasehold improvements	term of the lease

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

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Deferred revenue

Funding received in the form of grants from various agencies in advance of the year in which it will be applied is classified as deferred revenue. Funding is recognized as revenue in the year in which the related expenses are incurred.

Deferred capital contributions

Externally restricted contributions for the acquisition of capital assets that will be amortized are deferred and amortized over the life of the related capital asset. Externally restricted capital contributions that have not been expended are recorded as part of deferred capital contributions on the statement of financial position.

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SISTERING - A WOMAN'S PLACE
Notes to Financial Statements
Year Ended March 31, 2024

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

Financial instruments

Measurement of financial instruments

The Organization initially measures its financial assets and liabilities at fair value, except for certain related party transactions. The Organization subsequently measures all its financial assets and liabilities at cost or amortized cost.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Impairment

For financial assets measured at cost or amortized cost, the Organization determines whether there are indications of possible impairment. When there is an indication of impairment, and the Organization determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in net income. A previously recognized impairment loss may be reversed. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

Transaction costs

Transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in income in the period incurred. Transaction costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the asset or liability and recognized in income over the life of the instrument using the straight-line method.

3. CAPITAL ASSETS

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Equipment	\$ 251,206	\$ 236,140	\$ 15,066	\$ 7,953
Motor vehicles	38,484	27,080	11,404	14,255
Computer equipment	279,993	235,636	44,357	55,446
Leasehold improvements	2,336,178	2,326,768	9,410	28,229
	\$ 2,905,861	\$ 2,825,624	\$ 80,237	\$ 105,883

SISTERING - A WOMAN'S PLACE
Notes to Financial Statements
Year Ended March 31, 2024

4. DEFERRED REVENUE

	2024	2023
Restricted fundraising and donations	\$ 98,333	\$ 267,937
Unrestricted	47,372	24,251
	\$ 145,705	\$ 292,188

5. LEASE COMMITMENTS

The Organization has a long term lease with respect to its premises. The lease contains renewal options and provides for payment of utilities, property taxes and maintenance costs. Future minimum lease payments as at year end are as follows:

2025	\$ 395,091
2026	94,535
	\$ 489,626

6. CONTINGENT LIABILITY

The Organization has a case under Human Rights Tribunal of Ontario brought by a former employee claiming lost wages of \$67,000 plus \$50,000 in damages on the ground of discrimination on the basis of race, reprisal and failure to investigate as well as wrongful dismissal.

The Organization has filed a response denying the allegations in their entirety. The allegations of discrimination and reprisal carry low to moderate risk of exposure while the allegations relating to failure to investigate concerns carry moderate risk if exposure. No provision has been made for this claim as the outcome is considered uncertain and the amount cannot be reasonably estimated.

SISTERING - A WOMAN'S PLACE

Notes to Financial Statements

Year Ended March 31, 2024

7. FINANCIAL INSTRUMENTS

The Organization 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 Organization's risk exposure and concentration as of March 31, 2024.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Organization main credit risk relates to accounts receivable that mainly consist of grants and HST rebates. In order to reduce its credit risk, the Organization manages its cash position. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Organization received funding for several programs and from various Organizations which minimizes concentration of credit risk. There has been no significant change to the credit risk exposure from the previous year.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its receipt of funds from its donors and other related sources, accounts payable and accrued liabilities. There has been no significant change to the liquidity risk exposure from the previous year.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The Organization is mainly exposed to other price risk as a result of its marketable securities.

Unless otherwise noted, it is management's opinion that the Organization is not exposed to significant interest rate risk and other price risks arising from these financial instruments.

8. COMPARATIVE FIGURES

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