

Young Women's Christian Association of Greater Toronto

Financial statements
December 31, 2019



Independent auditor's report

To the Members of
Young Women's Christian Association of Greater Toronto

Opinion

We have audited the financial statements of **Young Women's Christian Association of Greater Toronto** [the "Association"], which comprise the statement of financial position as at December 31, 2019, and the statement of operations, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at December 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.

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 are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our 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 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 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.

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.

Toronto, Canada
March 17, 2020

Ernst + Young LLP

Chartered Professional Accountants
Licensed Public Accountants



Young Women's Christian Association of Greater Toronto

Statement of financial position

As at December 31

	2019	2018
	\$	\$
Assets		
Current		
Cash and cash equivalents	1,819,408	291,425
Accounts receivable <i>[note 3]</i>	1,577,962	1,835,063
Prepaid expenses and other assets	418,988	370,755
Total current assets	3,816,358	2,497,243
Investments, at fair value <i>[note 4]</i>	9,551,492	9,033,453
Capital assets, net <i>[notes 5, 7 and 9[d]]</i>	66,367,577	68,540,130
	79,735,427	80,070,826
Liabilities and net assets		
Current		
Bank indebtedness <i>[note 16]</i>	—	568,029
Accounts payable and accrued liabilities	2,497,118	2,436,085
Deferred contributions <i>[note 6]</i>	3,655,684	2,503,339
Current portion of long-term debt <i>[note 7]</i>	1,640,582	1,577,857
Total current liabilities	7,793,384	7,085,310
Long-term debt <i>[note 7]</i>	39,242,160	40,741,182
Capital replacement reserves <i>[note 8]</i>	2,586,175	2,295,576
Deferred capital contributions <i>[note 9[a]]</i>	24,593,274	25,497,329
Total liabilities	74,214,993	75,619,397
Commitments and contingencies <i>[notes 15 and 17]</i>		
Net assets		
Unrestricted	—	—
Internally restricted <i>[note 10]</i>	5,520,434	4,451,429
Total net assets	5,520,434	4,451,429
	79,735,427	80,070,826

See accompanying notes

On behalf of the Board:



Director



Director

Young Women's Christian Association of Greater Toronto

Statement of operations

Year ended December 31

	2019	2018
	\$	\$
Revenue		
Government <i>[note 11]</i>	23,952,669	21,563,933
Fees and rent <i>[note 13]</i>	5,592,252	5,516,197
Fundraising <i>[note 12]</i>	3,187,510	3,166,775
United Way of Greater Toronto	1,441,998	1,446,800
Investment income (loss)	856,224	(112,766)
Miscellaneous	336,984	379,676
	35,367,637	31,960,615
Expenses		
Salaries and employee benefits	19,041,287	16,712,751
Building occupancy <i>[note 7[d]]</i>	8,991,144	9,298,772
Other program costs	4,885,828	4,904,604
General and administration	1,335,610	1,213,928
Allocation to YWCA Canada	146,754	125,098
	34,400,623	32,255,153
Excess (deficiency) of revenue over expenses for the year before the following	967,014	(294,538)
Gain on sale of capital asset <i>[note 5]</i>	—	214,670
Excess (deficiency) of revenue over expenses for the year	967,014	(79,868)

See accompanying notes

Young Women's Christian Association of Greater Toronto

Statement of changes in net assets

Year ended December 31

	2019		
	Unrestricted	Internally restricted	Total
	\$	\$	\$
Net assets, beginning of year	—	4,451,429	4,451,429
Excess of revenue over expenses for the year	967,014	—	967,014
Contributions related to land	101,991	—	101,991
Transfer to internally restricted net assets <i>[note 10]</i>	(1,069,005)	1,069,005	—
Net assets, end of year	—	5,520,434	5,520,434

	2018		
	Unrestricted	Internally restricted	Total
	\$	\$	\$
Net assets, beginning of year	—	4,450,897	4,450,897
Deficiency of revenue over expenses for the year	(79,868)	—	(79,868)
Contributions related to land	80,400	—	80,400
Transfer to internally restricted net assets <i>[note 10]</i>	(532)	532	—
Net assets, end of year	—	4,451,429	4,451,429

See accompanying notes

Young Women's Christian Association of Greater Toronto

Statement of cash flows

Year ended December 31

	2019	2018
	\$	\$
Operating activities		
Excess (deficiency) of revenue over expenses for the year	967,014	(79,868)
Add (deduct) items not involving cash		
Reinvestment of investment income	(210,980)	(159,275)
Unrealized (gain) loss	(762,989)	308,150
Amortization of capital assets	2,496,797	2,458,836
Amortization of deferred capital contributions	(1,782,256)	(1,868,443)
Gain on sale of capital assets	—	(214,670)
	<u>707,586</u>	<u>444,730</u>
Net change in non-cash working capital balances related to operations <i>[note 14]</i>	<u>1,588,078</u>	<u>(1,036,677)</u>
Cash provided by (used in) operating activities	<u>2,295,664</u>	<u>(591,947)</u>
Investing activities		
Purchase of capital assets	(409,546)	(1,015,629)
Proceeds on sale of capital assets	—	3,664,461
Investment (purchases) withdrawals	455,930	(3,201,975)
Cash provided by (used in) investing activities	<u>46,384</u>	<u>(553,143)</u>
Financing activities		
Net increase (decrease) in bank indebtedness	(568,029)	568,029
Repayment of long-term debt <i>[note 14[c]]</i>	(1,577,856)	(1,507,820)
Contributions restricted for purchase of capital assets <i>[note 14c]</i>	939,230	1,291,860
Contributions related to land	101,991	80,400
Net increase in capital replacement reserves	290,599	10,403
Cash (used in) provided by financing activities	<u>(814,065)</u>	<u>442,872</u>
Net increase (decrease) in cash during the year	<u>1,527,983</u>	<u>(702,218)</u>
Cash and cash equivalents, beginning of year	291,425	993,643
Cash and cash equivalents, end of year	<u>1,819,408</u>	<u>291,425</u>

See accompanying notes

Young Women's Christian Association of Greater Toronto

Notes to financial statements

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1. Organization

Young Women's Christian Association of Greater Toronto [the "Association"] is a voluntary association of women from all communities, working together to create better lives for women at home and abroad. This mission is achieved through services and programs in education, pre-employment counselling, recreation and well-being, affordable housing, crisis shelters and advocacy. Since its inception, the Association has emphasized voluntary action and social change.

The Association, which is incorporated under the laws of Ontario, is registered as a charitable organization under the *Income Tax Act* (Canada) and, as such, is exempt from income taxes and is able to issue donation receipts for income tax purposes.

2. Summary of significant accounting policies

These financial statements are prepared in accordance with Part III of the *CPA Canada Handbook – Accounting*, "Accounting Standards for Not-for-Profit Organizations," which sets out generally accepted accounting principles for not-for-profit organizations in Canada and includes the significant accounting policies set out below.

Revenue recognition

The Association follows the deferral method of accounting for contributions, which include grants and donations. Grants and bequests are recorded in the accounts when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Other donations are recognized when received since pledges are not legally enforceable claims. Contributions restricted for the purchase of non-depreciable assets are credited directly to net assets. Unrestricted grants, bequests and other donations are recognized as revenue when initially recorded in the accounts. Externally restricted grants, bequests and other donations are initially deferred and recognized as revenue in the year in which the related expenses are incurred.

Fees, rent and other revenue from individuals are recognized when the services have been provided.

Investment income, which consists of interest, dividends, income distributions from pooled funds, and realized and unrealized gains and losses, is recorded as investment income in the statement of operations, except to the extent it relates to the capital replacement reserve or unspent deferred capital contributions, in which case it is added to the appropriate balance in the statement of financial position.

Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit and short-term investments with a short term to maturity of approximately three months or less from the date of purchase unless they are held for investment rather than liquidity purposes, in which case they are classified as investments.

Financial instruments

Investments are recorded at fair value. Transactions are recorded on a trade date basis and transaction costs for investments recorded at fair value are expensed as incurred.

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Other financial instruments, including accounts receivable and accounts payable, are initially recorded at fair value and are subsequently measured at cost, net of any provisions for impairment.

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair market value at the date of the contribution. Amortization is provided on the straight-line basis over the estimated useful lives of the assets as follows:

Tangible

Buildings	40 to 50 years
Building improvements	8 to 25 years
Furniture and equipment	3 to 10 years
Leasehold improvements	Over term of lease

Intangible

Software	3 years
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Interest is capitalized during the period in which capital assets are being constructed.

Amortization of capital assets begins when they are put into use.

Capital assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not contribute to the Association's ability to provide goods and services. Any impairment results in a write-down of the asset and an expense in the statement of operations. An impairment loss is not reversed if the fair value of the related asset subsequently increases.

Long-term debt

Long-term debt is initially measured at fair value, net of transaction costs and financing fees, and is subsequently measured at amortized cost. Transaction costs and financing fees are amortized using the straight-line method.

Employee future benefits

The multi-employer pension plan is accounted for as a defined contribution plan, as there is not sufficient information to apply defined benefit plan accounting. Contributions to the plan are expensed on an accrual basis.

Contributed materials and services

Contributed materials and services are not recognized in the financial statements.

Foreign currency translation

Transactions denominated in foreign currencies are translated into Canadian dollars at exchange rates prevailing at the transaction date. Monetary assets and liabilities are translated into Canadian dollars at exchange rates in effect at the statement of financial position date. Non-monetary assets and liabilities are translated at the historic rate. Exchange gains or losses are included in income.

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New accounting standards

During the year, the Association adopted the new accounting standards *Section 4433, Tangible Capital Assets*, and *Section 4434, Intangible Capital Assets* as of January 1, 2019. *Section 4433, Tangible Capital Assets* replaces the previous *Section 4431, Tangible Capital Assets* and provides additional guidance on contributed assets and the write-down (partial impairment) of assets. *Section 4434, Intangible Capital Assets* replaces the previous *Section 4432, Intangible Capital Assets* and provides additional guidance on contributed assets and the write-down (partial impairment) of assets. The changes did not have a significant impact on these financial statements.

3. Accounts receivable

Accounts receivable consist of the following:

	2019	2018
	\$	\$
City of Toronto	743,589	447,389
Province of Ontario	132,199	242,136
Government of Canada	52,645	300,564
Other	649,529	844,974
	<u>1,577,962</u>	<u>1,835,063</u>

4. Investments

Investments have an asset mix as follows:

	2019	2018
	\$	\$
Cash and cash equivalents	1,875,202	1,605,561
Fixed income securities	2,872,133	2,860,569
Canadian equities	2,412,974	2,276,867
U.S. and other foreign equities	2,391,183	2,290,456
	<u>9,551,492</u>	<u>9,033,453</u>

Investments in pooled funds have been allocated to the appropriate asset classes.

Cash and cash equivalents included in investments represent funds being held for long-term purposes. The majority of these funds are invested in two high interest savings accounts with interest rates of 1.35% and 1.60% [2018 – 1.35% and 1.60%].

Investments include \$2,586,175 [2018 – \$2,295,576] restricted for the capital replacement reserves [note 8].

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5. Capital assets

Capital assets consist of the following:

	2019		
	Cost	Accumulated amortization	Net book value
	\$	\$	\$
Tangible			
Land	962,750	—	962,750
Buildings funded by the City of Toronto	7,095,803	5,708,764	1,387,039
Other buildings	72,104,610	12,555,735	59,548,875
Building improvements	6,092,964	2,308,312	3,784,652
Furniture and equipment	2,860,365	2,274,499	585,866
Leasehold improvements	196,297	111,940	84,357
Intangible			
Software	64,139	50,101	14,038
	89,376,928	23,009,351	66,367,577
	2018		
	Cost	Accumulated amortization	Net book value
	\$	\$	\$
Tangible			
Land	962,750	—	962,750
Buildings funded by the City of Toronto	7,095,803	5,403,204	1,692,599
Other buildings	72,104,610	11,112,953	60,991,657
Building improvements	5,966,570	1,950,302	4,016,268
Furniture and equipment	2,718,992	1,999,199	719,793
Leasehold improvements	196,297	74,651	121,646
Intangible			
Software	64,139	28,722	35,417
	89,109,161	20,569,031	68,540,130

Included in building improvements and furniture and equipment are amounts of \$233,641 and \$148,850, respectively [2018 – \$1,053,669 and \$77,012, respectively] related to other capital assets not being amortized as they are not currently in use.

In 2019, fully amortized assets of \$56,477 [2018 – \$111,729] were written off and deducted from cost and accumulated amortization.

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In 2018, the Association sold land and other buildings classified as held for sale for \$3,900,000, resulting in a gain of \$214,670.

Other buildings include the Elm Centre and Bergamot Avenue Apartments, which are built on properties leased from the City of Toronto for a period of 50 years until 2057 and 2056, respectively. The Association has agreed to surrender title to the buildings and all capital improvements on land leased from the City of Toronto at the end of the lease terms.

6. Deferred contributions

Deferred contributions represent unspent resources externally restricted for program expenses in future years. Changes in the deferred contributions balance are as follows:

	2019 \$	2018 \$
Balance, beginning of year	2,503,339	3,003,920
Amounts received during the year	2,067,350	887,627
Amounts recognized as revenue during the year	(915,005)	(1,388,208)
Balance, end of year	3,655,684	2,503,339

7. Long-term debt

[a] Long-term debt consists of the following:

	2019 \$	2018 \$
Mortgages funded under Section 78, City of Toronto		
Canada Mortgage and Housing Corporation, 2.61%, due December 1, 2023, repayable at \$30,306 per month principal and interest, with a first charge on land and building at Pape Avenue, which have a net book value of \$1,807,993	1,380,287	1,703,566
Royal Bank of Canada, 4.088%, due March 1, 2021, repayable at \$9,212 per month principal and interest, with a first charge on land and building at the Women's Shelter, which have a net book value of \$475,795	602,274	686,544
	1,982,561	2,390,110
Less current portion	419,508	407,550
	1,563,053	1,982,560

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	2019	2018
	\$	\$
Other		
First National Corporation, 5.33%, due January 1, 2028, repayable at \$24,652 per month principal and interest, with a first charge on the Bergamot Avenue building, which has a net book value of \$8,451,011	3,945,174	4,030,556
City of Toronto, related to Bergamot Avenue building project, principal of \$1,250,000, non-interest bearing, repayable at \$35,714 per year, due December 31, 2042 <i>[note 7[c]]</i>	470,400	480,504
Infrastructure Ontario debentures, with a first charge on the Elm Centre project, which has a net book value of \$51,035,646, together with future rent payments		
– 4.68% issued on December 1, 2011 and due December 1, 2031, repayable at \$80,943 per month principal and interest, monthly payments for principal and interest provided by Province of Ontario Ministry of Municipal Affairs and Housing through the Affordable Housing Program <i>[note 11]</i>	8,905,439	9,446,177
– 4.96% issued on December 1, 2011 and due December 1, 2051, repayable at \$47,955 per month principal and interest	9,221,667	9,336,621
– 4.96% issued on December 1, 2011 and due December 1, 2051, repayable at \$47,955 per month principal and interest	9,221,667	9,336,621
– 4.00% issued on March 3, 2014 and due March 3, 2034, repayable at \$31,875 per month principal and interest	4,149,470	4,361,367
City of Toronto, related to Elm Centre project, loan totalling \$5,500,000 with principal outstanding of \$5,500,000 [2018 – \$5,500,000]; interest free until it is converted to a 25-year term loan on June 1, 2034 at an interest rate of 3.25% <i>[note 7[c]]</i>	1,922,423	1,851,947
City of Toronto, related to Elm Centre project, with principal outstanding of \$2,000,000 [2018 – \$2,000,000]; interest free until it is converted to a 25-year term loan on June 1, 2034 at an interest rate not to exceed 3.25% <i>[note 7[c]]</i>	699,063	673,435
City of Toronto, related to Elm Centre project, non-interest bearing, principal of \$433,333 [2018 – \$500,000], repayable at \$66,667 per year starting July 1, 2011, due April 1, 2026 <i>[note 7[c]]</i>	364,878	411,701
	38,900,181	39,928,929
Less current portion	1,221,074	1,170,307
	37,679,107	38,758,622
	39,242,160	40,741,182

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[b] The principal portion of debt due in each of the next five years and thereafter is as follows:

	\$
2020	1,640,582
2021	2,129,290
2022	1,679,447
2023	1,747,020
2024	1,449,633
Thereafter	37,534,764
	<u>46,180,736</u>

[c] Debt was recorded at fair market value at the date on which the funds were advanced or there was a substantive change in the terms. The difference between the principal and the fair value, if any, is created because the loans bear interest at rates that are below market.

The City of Toronto loans for \$5,500,000 and \$2,000,000 related to the Elm Centre project were initially issued as interest free for five years after completion of the building, to be converted to 25-year term loans on January 1, 2017. On January 31, 2018, the Association received notice that Toronto City Council approved the deferral of these two loans to June 1, 2034, at which time both loans will be converted to a 25-year term loan at an interest rate not to exceed 3.25%.

[d] Interest on long-term debt charged to building occupancy expense during the year amounted to \$1,935,714 [2018 – \$2,012,973]. Imputed interest expense on below market loans of \$141,559 [2018 – \$140,703] was also included in building occupancy expense and an equal amount of deferred capital contributions [note 9[a]] was recorded as other government grants [note 11].

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Notes to financial statements

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8. Capital replacement reserves

Capital replacement reserves consist of amounts for the repair and replacement of certain capital assets. The continuity of the reserves is as follows:

	2019 \$	2018 \$
For housing funded under Section 78, City of Toronto		
Balance, beginning of year	978,688	1,170,360
Annual funding <i>[note 11]</i>	62,267	60,885
City Reconciliation from 2017 Annual Income Report	—	(1,773)
Investment income (loss)	111,150	(44,598)
Amount transferred to deferred capital contributions <i>[note 9]</i>	(84,248)	(131,554)
Amount used to fund unit repairs <i>[note 11]</i>	(8,179)	(74,632)
Balance, end of year	<u>1,059,678</u>	<u>978,688</u>
For Bergamot Avenue Apartments		
Balance, beginning of year	389,731	351,058
Required increase to reserve	50,831	51,838
Amount used to fund unit repairs <i>[note 13]</i>	(10,175)	(13,165)
Balance, end of year	<u>430,387</u>	<u>389,731</u>
For Elm Street Apartments		
Balance, beginning of year	927,157	763,755
Required increase to reserve	187,129	185,904
Interest income	18,462	11,965
Amount transferred to deferred capital contributions <i>[note 9]</i>	(36,638)	(34,467)
Balance, end of year	<u>1,096,110</u>	<u>927,157</u>
	<u>2,586,175</u>	<u>2,295,576</u>

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Notes to financial statements

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9. Deferred capital contributions

- [a] Deferred capital contributions represent the unamortized amount of contributions received for the purchase of capital assets. The amortization of deferred capital contributions is included in government revenue [note 11], fundraising revenue [note 12] and fees and rent revenue [note 13] in the statement of operations.

	2019 \$	2018 \$
Balance, beginning of year	25,497,329	26,214,615
Contributions restricted for purchase of capital assets [notes 8 and 12]	1,019,760	1,291,860
Imputed interest expense on below market loans [notes 7[d] and 11]	(141,559)	(140,703)
Amortization related to capital assets purchased with deferred capital contributions [notes 11, 12 and 13]	(1,782,256)	(1,868,443)
Balance, end of year	24,593,274	25,497,329

- [b] The Association received funding from the Government of Ontario to assist with the funding of the Bergamot Avenue Apartments. This funding was provided in the form of a loan with a 25-year term that began once the last advance was made. Principal and interest payments are forgivable provided the Association complies with the terms of the agreement, which include its ongoing operation in accordance with the program requirements. The total amount received of \$1,972,000 has been recorded as deferred capital contributions. It has not been recorded as a loan since the Association intends to meet these terms and, therefore, does not expect to have to repay these amounts.
- [c] As at December 31, 2019, the Association has recorded cumulative grants of \$2,388,084 from the City of Toronto to fund the Bergamot Avenue Apartments. These contributions have been recorded as deferred capital contributions. All or a portion of the grants are potentially repayable if certain conditions are not met related to the operation of the program. Since the Association believes it will meet all conditions related to the operation of the program, no amount has been recorded as repayable grants.
- [d] Substantially all of the assets of the Association, excluding real estate, have been pledged as collateral in connection with the forgivable loan [note 9[b]] and the repayable grants [note 9[c]] for the Bergamot Avenue Apartments.
- [e] As at December 31, 2019, the Association had received cumulative grants of \$3,054,116 to fund the Elm Centre project. All or a portion of the grants are potentially repayable if certain conditions are not met related to the operation of the program. Since the Association believes it will meet all conditions related to the operation of the program, no amount has been recorded as repayable grants.

10. Internally restricted net assets

Internally restricted net assets include amounts set aside for various purposes. Annually, the Board of Directors determines the amount, if any, to be transferred between unrestricted and internally restricted net assets.

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Notes to financial statements

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11. Government revenue

Government revenue includes amounts from the following sources:

	2019 \$	2018 \$
Ministry of Community and Social Services, TPAR		
Annual Subsidy, January 1–March 31	766,709	803,771
Annual Subsidy, April 1–December 31	2,320,731	2,408,936
Other, January 1–March 31	4,200	1,212
	3,091,640	3,213,919
Ministry of Advanced Education and Skills Development	3,997,992	4,488,949
City of Toronto		
Social Housing Unit, Section 78	1,246,459	1,262,492
Social Housing Unit, Rent Supplement – Woodlawn	262,858	261,330
Social Housing Unit, Rent Supplement – Bergamot	713,837	707,806
Social Housing Unit, Rent Supplement – Elm	551,163	538,062
Social Housing Unit, Capital Replacement Reserve transfer <i>[note 8]</i>	(62,267)	(60,885)
Unit repairs funded by the capital replacement reserves <i>[note 8]</i>	8,179	74,632
Hostel Services	4,520,010	1,486,211
Children's Services	1,148,415	1,108,509
Children's Service one-time stability grant	—	16,120
Children's Services general operating grant	275,329	275,329
Other	994,473	890,715
	9,658,456	6,560,321
Ministry of Health and Long-Term Care		
CMHA, January 1–March 31	267,600	264,584
CMHA, April 1–December 31	802,835	802,879
Rent Supplement, January 1–March 31	281,096	287,707
Rent Supplement, April 1–December 31	827,604	825,377
	2,179,135	2,180,547
Ministry of Municipal Affairs and Housing <i>[note 7[a]]</i>	428,472	453,244
Other government grants	3,539,610	3,520,187
Amortization of deferred capital contributions <i>[note 9[a]]</i>	915,805	1,006,063
Imputed interest income on below market loans <i>[notes 7[d] and 9[a]]</i>	141,559	140,703
	23,952,669	21,563,933

Young Women's Christian Association of Greater Toronto

Notes to financial statements

December 31, 2019

12. Fundraising revenue

Fundraising revenue consists of the following:

	2019	2018
	\$	\$
Amounts received during the year		
Contributions restricted for December 6 Fund	150,123	180,376
Other contributions	2,491,997	1,779,854
Women of Distinction	668,182	704,353
	<u>3,310,302</u>	<u>2,664,583</u>
Net amount transferred to deferred contributions related to December 6 Fund <i>[note 6]</i>	(98,448)	(137,690)
Net transfer from (to) deferred contributions related to other contributions <i>[note 6]</i>	(641,624)	183,053
Amount received restricted for the purchase of capital assets transferred to deferred capital contributions <i>[note 9[a]]</i>	(227,630)	(382,951)
Amortization of deferred capital contributions <i>[note 9[a]]</i>	844,910	839,780
	<u>3,187,510</u>	<u>3,166,775</u>

In addition to contributions received for the December 6 Fund in 2019, the Association transferred \$44,250 [2018 – \$44,250] to the Fund. Other contributions include membership fees, general donations and capital campaign contributions. Women of Distinction revenue includes ticket sales, sponsorships and donations in connection with the annual dinner and awards presentation.

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Notes to financial statements

December 31, 2019

13. Fees and rent revenue

Fees and rent revenue comprise amounts from the following sources:

	2019 \$	2018 \$
Individual tenant rent		
Ministry of Health and Long-Term Care		
Rent Supplement – Elm Supportive	525,421	490,273
City of Toronto		
Rent Supplement – Bergamot	326,750	311,047
Rent Supplement – Elm	170,572	173,883
Rent Supplement – Woodlawn	90,362	85,590
Rent – Elm Affordable	2,246,374	2,192,012
Rent – Woodlawn [non-supplement]	239,279	207,739
Rent – Pape	361,211	357,266
Total individual tenant rent	3,959,969	3,817,810
Camp fees	730,552	702,131
Commercial rent	434,736	501,237
Employment training program fees	301,370	295,400
Daycare parent fees	62,584	103,423
Sale of products	63,442	55,811
Other institutions	7,883	4,620
Amortization of deferred capital contributions related to capital assets funded by the capital replacement reserves <i>[note 9[a]]</i>	21,541	22,600
Unit repairs funded by the capital replacement reserves <i>[note 8]</i>	10,175	13,165
Total fees and rent	5,592,252	5,516,197

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14. Statement of cash flows

[a] The net change in non-cash working capital balances related to operations consists of the following:

	2019 \$	2018 \$
Decrease (increase) in accounts receivable	393,321	(610,648)
Decrease (increase) in prepaid expenses and other assets	(48,233)	95,571
Increase (decrease) in accounts payable and accrued liabilities	90,645	(21,019)
Increase (decrease) in deferred contributions	1,152,345	(500,581)
	<u>1,588,078</u>	<u>(1,036,677)</u>

[b] Included in accounts payable and accrued liabilities in 2018 was an amount of \$29,612 related to the purchase of capital assets.

Included in accounts receivable is an amount of \$136,220 [2018 – nil], of which \$80,530 relates to contributions received for purchases of capital assets and \$55,690 relates to rebates to be received towards capital assets.

[c] Repayment of long-term debt and contributions restricted for purchase of capital assets do not include transactions related to imputed interest on long-term debt of \$141,559 [2018 – \$140,703].

15. Commitments

The Association is committed to the following future minimum annual lease payments:

	\$
2020	171,466
2021	34,916
	<u>206,382</u>

In addition to minimum rental payments, leases for offices generally require the payment of various operating costs.

16. Credit facilities

As at December 31, 2019, the Association had an available line of credit of \$2,500,000 bearing interest at the bank's prime rate prime plus 1.25% or 5.20% [2018 – 1.25% or 5.20%], letters of credit/guarantee to a maximum of \$240,000 for performance guarantees and a credit card facility of \$100,000 for the purchase and payment of goods and services. These credit facilities are secured by a general security agreement covering all assets, other than real property, of the Association and a negative pledge not to encumber its Woodlawn Avenue property.

As at December 31, 2019, no amounts [2018 – \$568,029] have been drawn on the line of credit.

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17. Contingencies

In the normal course of operations, the Association is subject to claims or potential claims. Management records its best estimate of the potential liability related to these claims where potential liability is likely and able to be estimated. In other cases, the ultimate outcome of the claims cannot be determined at this time. Any additional losses related to claims would be recorded in the year during which the amount of the liability is able to be estimated or adjustments to the amounts recorded are determined to be required.

18. Financial instruments

The Association is exposed to various financial risks through transactions in financial instruments.

Foreign currency risk

The Association is exposed to foreign currency risk with respect to its investments denominated in foreign currencies, including the underlying investments of its pooled funds denominated in foreign currencies, because of fluctuations in the relative value of foreign currencies against the Canadian dollar.

Credit risk

The Association is exposed to credit risk in connection with its accounts receivable and its fixed income investments because of the risk that one party to the financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Interest rate risk

The Association is exposed to interest rate risk with respect to its fixed rate debt and its investments in fixed income securities and a pooled fund that holds fixed income securities, the fair value of which will fluctuate due to changes in market interest rates. In addition, the Association is exposed to interest rate risk with respect to its line of credit because cash flows will fluctuate as the interest rate is linked to the bank's prime rate, which changes from time to time.

Liquidity risk

The Association is exposed to the risk that it will encounter difficulty in meeting obligations in connection with its financial liabilities.

Other price risk

The Association is exposed to other price risk through changes in market prices [other than changes arising from interest rate or currency risks] in connection with its investments in equity securities and pooled funds.