

**FINANCIAL STATEMENTS**  
**For**  
**ALLIANCE TO END HOMELESSNESS OTTAWA**  
**For year ended**  
**MARCH 31, 2017**

**REVIEW ENGAGEMENT REPORT**

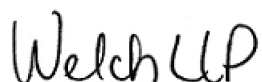
To the directors of

**ALLIANCE TO END HOMELESSNESS OTTAWA**

We have reviewed the statement of financial position of Alliance to End Homelessness Ottawa as at March 31, 2017 and the statements of operations and changes in net assets and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the company.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.



Chartered Professional Accountants  
Licensed Public Accountants

Ottawa, Ontario  
September 8, 2017.

**ALLIANCE TO END HOMELESSNESS OTTAWA**

**STATEMENT OF FINANCIAL POSITION**

**MARCH 31, 2017**

	<u>2017</u>	<u>2016</u>
<b><u>ASSETS</u></b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 46,763	\$ 87,436
Accounts receivable	20,439	12,232
Prepaid expenses	<u>451</u>	<u>438</u>
	67,653	100,106
<b>INVESTMENTS (note 3)</b>	<u>17,413</u>	<u>17,283</u>
	<u>\$ 85,066</u>	<u>\$ 117,389</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 8,028	\$ 7,747
Deferred contributions (note 4)	<u>36,641</u>	<u>64,389</u>
	44,669	72,136
<b>UNRESTRICTED NET ASSETS</b>	<u>40,397</u>	<u>45,253</u>
	<u>\$ 85,066</u>	<u>\$ 117,389</u>

Approved by the Board:

..... Director

..... Director

(See accompanying notes)

PREPARED WITHOUT AUDIT

**ALLIANCE TO END HOMELESSNESS OTTAWA**  
**STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS**  
**YEAR ENDED MARCH 31, 2017**

	<u>2017</u>	<u>2016</u>
<b>Revenue</b>		
Agency contributions and memberships	\$ 82,400	\$ 70,700
Donations and fundraising	5,243	4,915
Grants	-	10,000
Refunds - Allowances	413	-
Project revenue		
Community Forum	13,810	10,265
Crime Prevention	7,309	6,681
A Way Home Ottawa	101,132	45,900
Planning Initiative	3,327	12,105
Progress Project	-	12,000
Veterans Project	5,912	-
Membership Development	500	-
	<u>220,046</u>	<u>172,566</u>
<b>Expenses</b>		
Bank charges	172	51
Honoraria	605	200
Insurance	1,070	1,052
Office supplies and expenses	3,093	442
Other operating expenses	7,873	1,272
Printing and photocopying	1,417	1,641
Professional development	3,331	2,140
Professional fees	3,337	3,980
Program expenses	6,383	14,439
Membership / Promo Resources	156	-
Salaries and benefits	134,327	100,532
Telecommunications	600	550
Translation costs	1,408	731
Travel and meetings	1,230	1,060
Website	644	772
Direct project expenses		
Community Forum	13,121	9,949
Crime Prevention	7,309	3,681
A Way Home Ottawa	29,587	18,173
Planning Initiative	3,327	8,605
Veterans Project	5,912	-
	<u>224,902</u>	<u>169,270</u>
<b>Excess revenue over expenses (expenses over revenue)</b>	(4,856)	3,296
<b>Net assets, beginning of year</b>	<u>45,253</u>	<u>41,957</u>
<b>Net assets, end of year</b>	<u>\$ 40,397</u>	<u>\$ 45,253</u>

(See accompanying notes)

PREPARED WITHOUT AUDIT

ALLIANCE TO END HOMELESSNESS OTTAWA

STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2017

	<u>2017</u>	<u>2016</u>
<b>CASH FLOWS PROVIDED BY (USED IN):</b>		
<b>OPERATING ACTIVITIES</b>		
Excess revenue over expenses (expenses over revenue)	\$ (4,856)	\$ 3,296
Changes in working capital items		
Accounts receivable	(8,207)	6,307
Prepaid expenses	(13)	-
Accounts payable and accrued liabilities	281	(440)
Deferred contributions	<u>(27,748)</u>	<u>22,164</u>
	<u>(40,543)</u>	<u>31,327</u>
<b>INVESTING ACTIVITIES</b>		
Interest earned and reinvested	(130)	-
Sale of investments	-	17,283
Purchase of investments	<u>-</u>	<u>(17,283)</u>
	<u>(130)</u>	<u>-</u>
<b>INCREASE (DECREASE) IN CASH</b>	(40,673)	31,327
<b>CASH AT BEGINNING OF YEAR</b>	<u>87,436</u>	<u>56,109</u>
<b>CASH AT END OF YEAR</b>	<u>\$ 46,763</u>	<u>\$ 87,436</u>

(See accompanying notes)

PREPARED WITHOUT AUDIT

ALLIANCE TO END HOMELESSNESS OTTAWA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2017

1. NATURE OF OPERATIONS

Alliance to End Homelessness Ottawa ("ATEH" or "the Organization") was incorporated without share capital on April 29, 2010 under the Ontario Business Corporations Act and is not subject to income taxes. ATEH is a non-profit organization whose purpose is to improve the efficiency and effectiveness of member organizations that address homelessness issues in Ottawa.

2. SIGNIFICANT ACCOUNTING POLICIES

*Basis of presentation*

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

*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 at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. Areas of significant estimates include the accrual of liabilities.

*Revenue recognition*

ATEH follows the deferral method of accounting for grants and other contributions, which include membership fees and project revenue. Restricted grants and contributions are recognized as project revenue in the year in which the related expenses are incurred. Unrestricted grants and contributions are recognized as revenue when received.

*Financial instruments*

ATEH initially measures its financial assets and liabilities at fair value. The Organization subsequently measures all its financial assets and liabilities at amortized cost, increased or decreased by the amount of related financing fees and transaction costs.

3. INVESTMENTS

	<u>2017</u>	<u>2016</u>
Measured at fair value		
BMO Cashable GIC - due Mar 29, 2019, earning 0.75% APR	\$ 17,413	\$ 17,283

4. DEFERRED CONTRIBUTIONS

	<u>2017</u>	<u>2016</u>
Balance, beginning of year	\$ 64,389	\$ 42,225
Plus: contributions received in year	104,241	97,115
Less: amounts recognized as project revenue	<u>(131,989)</u>	<u>(74,951)</u>
Balance, ending of year	\$ 36,641	\$ 64,389

PREPARED WITHOUT AUDIT

**ALLIANCE TO END HOMELESSNESS OTTAWA**  
**NOTES TO THE FINANCIAL STATEMENTS - Cont'd.**  
**YEAR ENDED MARCH 31, 2017**

**5. FINANCIAL INSTRUMENTS**

The Organization is exposed to and manages various financial risks resulting from operations and does not enter into financial instrument agreements including derivative financial instruments for speculative purposes.

The Organization's main financial risk exposures and its financial risk management policies are as follows:

*Credit risk*

The Organization is exposed to credit risk resulting from the possibility that parties may default on their financial obligations. The Organization's maximum exposure to credit risk represents the sum of the carrying value of its cash, investments and amounts receivable. The Organization's cash and investments are deposited with a Canadian Chartered bank and as a result, management believes the risk of loss of these items to be remote. Accounts receivable balances are managed and analyzed on an ongoing basis and accordingly, exposure to bad debts is not considered significant.

*Liquidity risk*

Liquidity risk is the risk that the Organization cannot meet a demand for cash or fund its obligations as they become due. The Organization's maximum exposure to liquidity risk represents the sum of the carrying value of trade and other operating liabilities. The Organization meets its liquidity requirements by establishing budgets and cash estimates to ensure it has funds necessary to fulfil its obligations.

*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 is comprised of currency risk, interest rate risk and other price risk.

i) Currency risk

Currency risk refers to the risk that the fair value of instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates. The Organization's financial instruments are all denominated in Canadian dollars and it transacts primarily in Canadian dollars. As a result, management does not believe it is exposed to significant currency risks.

ii) Interest rate risk

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the financial instruments will fluctuate due to changes in market interest rates. Except for interest bearing investments in GICs, the Organization's remaining financial instruments are non-interest bearing, therefore the Organization is not exposed to significant interest rate risk.

iii) Other price risk

Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated will fluctuate because of changes in market prices (other than those arising from currency or interest rate risk), whether those changes are caused by factors specific to the individual instrument to its issuer or factors affecting all similar instruments traded in the market. Since the Organization does not have investments in marketable securities, it is not exposed to other price risk.

*Changes in risk*

There are no significant changes in risk exposure from the previous year.

PREPARED WITHOUT AUDIT

**Welch LLP<sup>®</sup>**

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