

FINANCIAL STATEMENTS
For
ALLIANCE TO END HOMELESSNESS OTTAWA
For year ended
MARCH 31, 2018

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the directors of

ALLIANCE TO END HOMELESSNESS OTTAWA

We have reviewed the accompanying financial statements of Alliance to End Homelessness Ottawa that comprise the statement of financial position as at March 31, 2018, and the statements of operations and change in net assets and cash flows 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Alliance to End Homelessness Ottawa as at March 31, 2018, 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.



Chartered Professional Accountants
Licensed Public Accountants

Ottawa, Ontario
September 7, 2018.

ALLIANCE TO END HOMELESSNESS OTTAWA

STATEMENT OF FINANCIAL POSITION

MARCH 31, 2018

	<u>2018</u>	<u>2017</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 47,329	\$ 46,763
Accounts receivable	-	20,439
Prepaid expenses	<u>1,802</u>	<u>451</u>
	49,131	67,653
INVESTMENT (note 3)	<u>17,552</u>	<u>17,413</u>
	<u>\$ 66,683</u>	<u>\$ 85,066</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 10,341	\$ 8,028
Deferred contributions (note 4)	<u>9,135</u>	<u>36,641</u>
	19,476	44,669
UNRESTRICTED NET ASSETS	<u>47,207</u>	<u>40,397</u>
	<u>\$ 66,683</u>	<u>\$ 85,066</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, 2018

	<u>2018</u>	<u>2017</u>
Revenue		
Agency contributions and memberships	\$ 52,410	\$ 82,400
Donations and fundraising	3,364	5,243
Refunds - allowances	-	413
Project revenue		
Community Forum	18,096	13,810
Crime Prevention	4,335	7,309
A Way Home Ottawa	102,154	101,132
Planning Initiative	6,793	3,327
Veterans Project	2,088	5,912
Membership Development	<u>3,000</u>	<u>500</u>
	<u>192,240</u>	<u>220,046</u>
Expenses		
Bank charges	290	172
Honoraria	-	605
Insurance	993	1,070
Office supplies	34	3,093
Other operating expenses	5,858	7,873
Printing and photocopying	1,123	1,417
Professional development	2,442	3,331
Professional fees	3,323	3,337
Program expenses	6,140	6,383
Membership / promo resources	3,379	156
Salaries and benefits	126,731	134,327
Telecommunications	856	600
Translation costs	1,212	1,408
Travel and meetings	1,019	1,230
Website	2,080	644
Direct project expenses		
Community Forum	18,096	13,121
Crime Prevention	4,335	7,309
A Way Home Ottawa	5,357	29,587
Planning Initiative	-	3,327
Veterans Project	<u>2,162</u>	<u>5,912</u>
	<u>185,430</u>	<u>224,902</u>
Excess revenue over expenses (expenses over revenue)	6,810	(4,856)
Net assets, beginning of year	<u>40,397</u>	<u>45,253</u>
Net assets, end of year	<u>\$ 47,207</u>	<u>\$ 40,397</u>

(See accompanying notes)

PREPARED WITHOUT AUDIT

ALLIANCE TO END HOMELESSNESS OTTAWA

STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2018

	<u>2018</u>	<u>2017</u>
CASH FLOWS PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Excess revenue over expenses (expenses over revenue)	\$ 6,810	\$ (4,856)
Reinvested interest income	<u>(139)</u>	<u>(130)</u>
	6,671	(4,986)
Changes in working capital items		
Accounts receivable	20,439	(8,207)
Prepaid expenses	(1,351)	(13)
Accounts payable and accrued liabilities	2,313	281
Deferred contributions	<u>(27,506)</u>	<u>(27,748)</u>
INCREASE (DECREASE) IN CASH	566	(40,673)
CASH AT BEGINNING OF YEAR	<u>46,763</u>	<u>87,436</u>
CASH AT END OF YEAR	<u>\$ 47,329</u>	<u>\$ 46,763</u>

(See accompanying notes)

PREPARED WITHOUT AUDIT

ALLIANCE TO END HOMELESSNESS OTTAWA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2018

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, donations and fundraising, 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>2018</u>	<u>2017</u>
Measured at cost plus accrued interest		
BMO Cashable GIC - due Mar 29, 2019, earning 0.80% APR	\$ 17,552	\$ 17,413

4. DEFERRED CONTRIBUTIONS

	<u>Community Forum</u>	<u>Other Programs</u>	<u>2018 Total</u>	<u>2017 Total</u>
Balance, beginning of year	\$ -	\$ 36,641	\$ 36,641	\$ 64,389
Plus: contributions received in year	25,556	83,404	108,960	104,242
Less: amounts recognized as project revenue	<u>(18,096)</u>	<u>(118,370)</u>	<u>(136,466)</u>	<u>(131,990)</u>
Balance, ending of year	\$ 7,460	\$ 1,675	\$ 9,135	\$ 36,641

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ALLIANCE TO END HOMELESSNESS OTTAWA
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2018

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 the interest bearing investment in a GIC, 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.

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Welch LLP[®]