

**FINANCIAL STATEMENTS**  
**For**  
**ALLIANCE TO END HOMELESSNESS OTTAWA**  
**For year ended**  
**MARCH 31, 2021**

**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, 2021, 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*

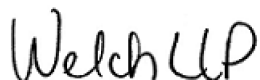
Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

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, 2021, 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 10, 2021.

**ALLIANCE TO END HOMELESSNESS OTTAWA**

**STATEMENT OF FINANCIAL POSITION**

**MARCH 31, 2021**

	<u>2021</u>	<u>2020</u>
<b><u>ASSETS</u></b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 119,421	\$ 71,968
Accounts receivable	1,622	14,250
Prepaid expenses	<u>1,271</u>	<u>569</u>
	122,314	86,787
<b>INVESTMENT (note 3)</b>	<u>5,029</u>	<u>17,812</u>
	<u>\$ 127,343</u>	<u>\$ 104,599</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 16,145	\$ 17,950
Deferred contributions (note 4)	<u>22,013</u>	<u>9,149</u>
	38,158	27,099
<b>UNRESTRICTED NET ASSETS</b>	<u>89,185</u>	<u>77,500</u>
	<u>\$ 127,343</u>	<u>\$ 104,599</u>

Approved by the Board:

DEIRDRE FREIHEIT  
 ..... Board Chair

TYLER FAINSTAT  
 ..... Treasurer

(See accompanying notes)

PREPARED WITHOUT AUDIT

**ALLIANCE TO END HOMELESSNESS OTTAWA**  
**STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS**  
**YEAR ENDED MARCH 31, 2021**

	<u>2021</u>	<u>2020</u>
<b>Revenue</b>		
Agency contributions and memberships	\$ 52,301	\$ 46,300
Donations and fundraising	78,963	10,780
Project revenue		
A Way Home Ottawa	47,066	58,281
Community Forum	4,043	21,987
Crime Prevention	-	660
Research Grants	8,475	-
United Way - Relief Fund	40,000	-
Veterans Project	-	3,000
	<u>230,848</u>	<u>141,008</u>
<b>Expenses</b>		
Bank charges	465	155
Honoraria	-	6,325
Insurance	1,137	1,020
Membership / promo resources	-	435
Office supplies	662	4,059
Other operating expenses	208	1,843
Printing and photocopying	-	996
Professional development	-	1,065
Professional fees	13,814	6,940
Program expenses	7,374	-
Salaries and benefits	180,186	62,377
Telecommunications	2,533	1,138
Translation costs	-	2,170
Travel and meetings	23	3,249
Website	1,246	338
Direct project expenses		
A Way Home Ottawa	80	18,457
Community Forum	-	9,627
Crime Prevention	-	660
Research Grants	8,475	-
United Way - Relief Fund	2,960	-
Veterans Project	-	3,140
	<u>219,163</u>	<u>123,994</u>
<b>Excess revenue over expenses</b>	11,685	17,014
<b>Net assets, beginning of year</b>	<u>77,500</u>	<u>60,486</u>
<b>Net assets, end of year</b>	<u>\$ 89,185</u>	<u>\$ 77,500</u>

(See accompanying notes)

PREPARED WITHOUT AUDIT

**ALLIANCE TO END HOMELESSNESS OTTAWA**

**STATEMENT OF CASH FLOWS**

**YEAR ENDED MARCH 31, 2021**

	<u>2021</u>	<u>2020</u>
<b>CASH FLOWS PROVIDED BY (USED IN):</b>		
<b>OPERATING ACTIVITIES</b>		
Excess revenue over expenses	\$ 11,685	\$ 17,014
Reinvested interest income	<u>(57)</u>	<u>(128)</u>
	11,628	16,886
Changes in working capital items		
Accounts receivable	12,628	(13,030)
Prepaid expenses	(702)	(118)
Accounts payable and accrued liabilities	(1,805)	(19,033)
Deferred contributions	<u>12,864</u>	<u>(11,440)</u>
	<u>34,613</u>	<u>(26,735)</u>
<b>INVESTING ACTIVITIES</b>		
Sale of investments	17,840	-
Purchase of investments	<u>(5,000)</u>	<u>-</u>
	<u>12,840</u>	<u>-</u>
<b>INCREASE (DECREASE) IN CASH</b>	47,453	(26,735)
<b>CASH AT BEGINNING OF YEAR</b>	<u>71,968</u>	<u>98,703</u>
<b>CASH AT END OF YEAR</b>	\$ <u>119,421</u>	\$ <u>71,968</u>

(See accompanying notes)

PREPARED WITHOUT AUDIT

ALLIANCE TO END HOMELESSNESS OTTAWA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2021

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 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>2021</u>	<u>2020</u>
BMO Cashable GIC - maturing April 24, 2023, bearing interest at 0.60%	\$ 5,029	\$ 17,812

4. **DEFERRED CONTRIBUTIONS**

	<u>2021</u>	<u>2020</u>
Balance, beginning of year	\$ 9,149	\$ 20,589
Plus: contributions received in year	112,448	72,488
Less: amounts recognized as project revenue	<u>(99,584)</u>	<u>(83,928)</u>
Balance, ending of year	\$ 22,013	\$ 9,149

PREPARED WITHOUT AUDIT

**ALLIANCE TO END HOMELESSNESS OTTAWA**  
**NOTES TO THE FINANCIAL STATEMENTS - Cont'd.**  
**YEAR ENDED MARCH 31, 2021**

**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 accounts 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 risk.

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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**ALLIANCE TO END HOMELESSNESS OTTAWA**  
**NOTES TO THE FINANCIAL STATEMENTS - Cont'd.**  
**YEAR ENDED MARCH 31, 2021**

**6. COVID-19**

In Mid-March of 2020, the Government of Canada instituted emergency measures in response to the public health concerns originating from the spread of COVID-19.

A high degree of uncertainty persists surrounding the full economic impact of the situation. The unpredictable nature of the spread of the virus makes it difficult to determine the length of time that the Organization's operations may be impacted. Consequently, at the time of issuances of these financial statements, the effect that the abrupt decline in economic activity may have on the Organization's operations, assets, liabilities, net assets, revenues and expenses is not yet known.

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**Welch LLP<sup>®</sup>**