

FINANCIAL STATEMENTS
For
ALLIANCE TO END HOMELESSNESS OTTAWA
For year ended
MARCH 31, 2016

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, 2016 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
August 29, 2016.

ALLIANCE TO END HOMELESSNESS OTTAWA

STATEMENT OF FINANCIAL POSITION

MARCH 31, 2016

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 87,436	\$ 56,109
Accounts receivable	12,232	18,539
Prepaid expenses	<u>438</u>	<u>438</u>
	100,106	75,086
INVESTMENTS (note 3)	<u>17,283</u>	<u>17,283</u>
	<u>\$ 117,389</u>	<u>\$ 92,369</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 7,747	\$ 8,187
Deferred contributions (note 4)	<u>64,389</u>	<u>42,225</u>
	72,136	50,412
UNRESTRICTED NET ASSETS	<u>45,253</u>	<u>41,957</u>
	<u>\$ 117,389</u>	<u>\$ 92,369</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, 2016

	<u>2016</u>	<u>2015</u>
Revenue		
Agency contributions and memberships	\$ 70,700	\$ 54,050
Donations and fundraising	4,915	10,361
Grants	10,000	-
Project revenue		
Community Forum	10,265	19,250
Crime Prevention	6,681	-
A Way Home Ottawa	45,900	-
Planning Initiative	12,105	-
Progress Reports	<u>12,000</u>	<u>12,000</u>
	<u>172,566</u>	<u>95,661</u>
Expenses		
Bank charges	51	288
Consultant	-	4,068
Honoraria	200	140
Insurance	1,052	1,014
Office supplies and expenses	442	542
Other operating expenses	1,272	1,056
Printing and photocopying	1,641	3,108
Professional development	2,140	1,265
Professional fees	3,980	11,091
Program expenses	14,439	7,874
Salaries and benefits	100,532	69,353
Telecommunications	550	600
Translation costs	731	1,393
Travel and meetings	1,060	927
Website	772	3,307
Direct project expenses		
Community Forum	9,949	6,090
Crime Prevention	3,681	-
A Way Home Ottawa	18,173	-
Planning Initiative	<u>8,605</u>	<u>-</u>
	<u>169,270</u>	<u>112,116</u>
Excess revenue over expenses (expenses over revenue)	3,296	(16,455)
Net assets, beginning of year	<u>41,957</u>	<u>58,412</u>
Net assets, end of year	<u>\$ 45,253</u>	<u>\$ 41,957</u>

(See accompanying notes)

PREPARED WITHOUT AUDIT

ALLIANCE TO END HOMELESSNESS OTTAWA

STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2016

	<u>2016</u>	<u>2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess revenue over expenses (expenses over revenue)	\$ 3,296	\$ (16,455)
Changes in working capital items		
Accounts receivable	6,307	(17,539)
Prepaid expenses	-	(37)
Accounts payable and accrued liabilities	(440)	4,794
Deferred contributions	<u>22,164</u>	<u>42,225</u>
	<u>31,327</u>	<u>12,988</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of investments	17,283	-
Purchase of investments	<u>(17,283)</u>	<u>(17,283)</u>
	<u>-</u>	<u>(17,283)</u>
INCREASE (DECREASE) IN CASH	31,327	(4,295)
CASH AT BEGINNING OF YEAR	<u>56,109</u>	<u>60,404</u>
CASH AT END OF YEAR	<u>\$ 87,436</u>	<u>\$ 56,109</u>

(See accompanying notes)

PREPARED WITHOUT AUDIT

ALLIANCE TO END HOMELESSNESS OTTAWA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2016

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. 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. Restricted grants and contributions are recognized as 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>2016</u>	<u>2015</u>
Measured at fair value		
BMO Cashable GIC - due Mar 29, 2019, earning 0.75% APR	\$ 17,283	\$ 17,283

4. DEFERRED CONTRIBUTIONS

	<u>2016</u>	<u>2015</u>
Balance, beginning of year	\$ 42,225	\$ -
Plus: contributions received in year	97,115	42,225
Less: amounts recognized as revenue	<u>(74,951)</u>	<u>-</u>
Balance, ending of year	\$ 64,389	\$ 42,225

PREPARED WITHOUT AUDIT

ALLIANCE TO END HOMELESSNESS OTTAWA
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2016

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 analysed 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[®]

An Independent Member of BKR International