

YWCA of Kitchener-Waterloo
Financial Statements
For the year ended December 31, 2014

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Independent Auditor's Report

To the Members of YWCA of Kitchener-Waterloo

We have audited the accompanying financial statements of YWCA of Kitchener-Waterloo, which comprise the balance sheet as at December 31, 2014 and the statements of operations, changes in fund balances 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.



Basis for Qualified Opinion

In common with many charitable organizations, the entity derives revenue from donations and cash receipts the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization. We were unable to determine whether any adjustments might be necessary to revenues other than grants, excess of revenue over expenses, assets and fund balances.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of YWCA of Kitchener-Waterloo as at December 31, 2014 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.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Waterloo, Ontario
March 24, 2015

YWCA of Kitchener-Waterloo Balance Sheet

December 31

2014

2013

	Operating Fund	Externally Restricted Fund	Property, Plant and Equipment Fund	Total	Total
Assets					
Current					
Cash (Note 2)	\$ 37,439	\$ -	\$ -	\$ 37,439	\$ 114,804
Short-term investments (Note 3)	376,494	-	-	376,494	363,735
Accounts receivable	100,339	-	-	100,339	82,194
Inventory	2,373	-	-	2,373	3,588
Prepaid expenses	18,090	-	-	18,090	17,619
	534,735	-	-	534,735	581,940
Long-term investments (Note 4)	259,985	738,099	-	998,084	988,977
Property, plant, and equipment (Note 5)	-	-	8,192,130	8,192,130	8,557,158
	\$ 794,720	\$ 738,099	\$ 8,192,130	\$ 9,724,949	\$ 10,128,075
Liabilities and Fund Balances					
Current					
Accounts payable and accrued liabilities	\$ 461,542	\$ -	\$ -	\$ 461,542	\$ 500,986
Deferred revenue (Note 6)	348,906	-	-	348,906	204,400
Current portion of mortgages payable (Note 7)	-	-	1,018,036	1,018,036	187,832
Current portion of other long term debt (Note 8)	-	-	41,388	41,388	41,670
	810,448	-	1,059,424	1,869,872	934,888
Mortgages payable (Note 7)	-	-	1,451,298	1,451,298	2,469,335
Other long term debt (Note 8)	-	-	502,165	502,165	521,373
	810,448	-	3,012,887	3,823,335	3,925,596
Fund balances					
Externally restricted (Note 9)	-	738,099	-	738,099	772,554
Internally restricted	-	-	5,179,243	5,179,243	5,445,166
Unrestricted	(15,728)	-	-	(15,728)	(15,241)
	(15,728)	738,099	5,179,243	5,901,614	6,202,479
	\$ 794,720	\$ 738,099	\$ 8,192,130	\$ 9,724,949	\$ 10,128,075

On behalf of the Board:

_____ Director

_____ Director

The accompanying notes are an integral part of these financial statements.

**YWCA of Kitchener-Waterloo
Statement of Changes in Fund Balances**

For the year ended December 31	2014			2013		
	Operating Fund	Externally Restricted Fund	Property, Plant and Equipment Fund	Total	Total	Total
Fund balances, beginning of year	\$ 92,977	\$ 772,554	\$ 5,336,948	\$ 6,202,479	\$ 6,443,894	
Excess (deficiency) of revenues over expenses for the year	155,002	75,139	(527,398)	(297,257)	(237,223)	
Transfer to The Kitchener and Waterloo Community Foundation (Note 10)	-	(3,608)	-	(3,608)	(4,192)	
Inter-fund transfers (Note 11)	(263,707)	(105,986)	369,693	-	-	
Fund balances, end of year	\$ (15,728)	\$ 738,099	\$ 5,179,243	\$ 5,901,614	\$ 6,202,479	

The accompanying notes are an integral part of these financial statements.

YWCA of Kitchener-Waterloo Statement of Operations

For the year ended December 31

2014 2013

	Operating Fund	Externally Restricted Fund	Property, Plant and Equipment Fund	Total	Total
Revenues					
Program (Note 17)	\$ 2,393,389	\$ -	\$ -	\$ 2,393,389	\$ 1,970,887
Grants (Notes 14 and 16)	3,040,194	29,078	-	3,069,272	3,313,224
United Way	253,800	-	-	253,800	270,000
Donations and special events	293,744	3,608	100	297,452	277,749
Interest	83,831	10,818	-	94,649	80,512
Memberships	240	-	-	240	180
Rent	-	36,227	-	36,227	35,443
Partnership contracts	194,682	-	-	194,682	196,826
Other	12,445	5,353	-	17,798	15,896
	6,272,325	85,084	100	6,357,509	6,160,717
Expenses					
Salaries and benefits (Note 15)	4,867,732	-	-	4,867,732	4,350,518
Occupancy costs	695,459	46,963	-	742,422	830,021
Financial costs	10,501	-	-	10,501	6,445
Program costs	308,918	-	-	308,918	506,573
Office administration	202,077	-	-	202,077	216,277
Interest on long term debt	-	-	142,190	142,190	136,035
Other	56,171	-	-	56,171	59,280
	6,140,858	46,963	142,190	6,330,011	6,105,149
Excess (deficiency) of revenue over expenses before other items	131,467	38,121	(142,090)	27,498	55,568
Other items					
Amortization of property, plant and equipment	-	-	(385,308)	(385,308)	(351,911)
Realized gain (loss) on disposal of long-term investments	9,431	820	-	10,251	(2,990)
Unrealized gain on change in fair market value of long-term investments	14,104	36,198	-	50,302	62,110
	23,535	37,018	(385,308)	(324,755)	(292,791)
Excess (deficiency) of revenues over expenses for the year	\$ 155,002	\$ 75,139	\$ (527,398)	\$ (297,257)	\$ (237,223)

The accompanying notes are an integral part of these financial statements.

YWCA of Kitchener-Waterloo Statement of Cash Flows

For the year ended December 31	2014	2013
Cash flows from operating activities		
Deficiency of revenues over expenses for the year	\$ (297,257)	\$ (237,223)
Items not involving cash		
Amortization of property, plant and equipment	385,308	351,911
Realized (gain) loss on disposal on long-term investments	(10,251)	2,990
Unrealized gain on change in fair market value of long-term investments	(50,302)	(62,110)
	<u>27,498</u>	<u>55,568</u>
Changes in non-cash working capital balances		
Accounts receivable	(18,145)	185,040
Inventory	1,215	(23)
Prepaid expenses	(471)	6,172
Accounts payable and accrued liabilities	(39,444)	(21,632)
Deferred revenue	144,506	53,771
	<u>115,159</u>	<u>278,896</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(20,279)	(873,904)
Purchase of long-term investments	(78,620)	(81,373)
Proceeds on disposal of long-term investments	130,066	56,339
Reinvested income on short-term investments	(12,760)	(12,388)
	<u>18,407</u>	<u>(911,326)</u>
Cash flows from financing activities		
Repayment of mortgages	(187,833)	(182,294)
Repayment of other long term debt	(19,490)	(9,897)
Proceeds from other long term debt	-	572,940
Transfer to the Kitchener-Waterloo Community Foundation	(3,608)	(4,192)
	<u>(210,931)</u>	<u>376,557</u>
Decrease in cash during the year	(77,365)	(255,873)
Cash, beginning of year	114,804	370,677
Cash, end of year	\$ 37,439	\$ 114,804

YWCA of Kitchener-Waterloo Notes to Financial Statements

December 31, 2014

1. Summary of Significant Accounting Policies

Nature of Operations	The Young Women's Christian Association of Kitchener-Waterloo works to improve the lives of women and children at critical turning points, as part of a world-wide women's movement for social justice. The Association is incorporated under the Ontario Business Corporations Act as a not-for profit association and is a registered charity under the Income Tax Act and is therefore exempt from income taxes.
Basis of Accounting	The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations (ASNPO).
Revenue Recognition	Unrestricted contributions are recognized as revenue of the Operating Fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions are recognized as revenue in the Externally Restricted Fund or the Property Plant and Equipment Fund in the year in which the contributions are received. Where there is no appropriate restricted fund, restricted contributions are recognized under the deferral method in the Operating Fund.
Harmonized Sales Tax	As a registered charity the organization receives the public service bodies' rebate of 50% of the federal portion of the HST paid and 82% of the provincial portion of HST paid in Ontario.
Financial Instruments	Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any unrealized gains and losses reported in operations. In addition, all bonds and guaranteed investment certificates have been designated to be in the fair value category, with gains and losses reported in operations. All other financial instruments are reported at cost or amortized cost less impairment, if applicable.

YWCA of Kitchener-Waterloo Notes to Financial Statements

December 31, 2014

Fund Accounting

The organization follows the restricted fund method of accounting for contributions.

Operating Fund

The operating fund accounts for administrative and operational costs and is financed by fees, donations, grants and other miscellaneous income. It also records the current assets, liabilities and surplus relating to ongoing programs and administrative operations.

Internally restricted fund and projects are determined by the Board. Annual operating surpluses are set aside by the Board into these funds. Interest on these funds accumulates to the funds unless directed otherwise by the Board.

Externally Restricted

The externally restricted fund reports donations, grants and rent received for restricted purposes. Net assets held in the externally restricted fund are invested in a variety of investment vehicles. Investment income earned on these funds is reported as revenue in the fund.

Property, Plant and Equipment Fund

The property plant and equipment fund reports the assets, liabilities, revenues and expenses related to the association's property, plant & equipment.

Leases

Leases entered into that transfer substantially all the benefits and risks associated with ownership are recorded as an acquisition of property, plant and equipment and the incurrence of an obligation. The asset is amortized in a manner consistent with property, plant and equipment owned by the organization, and the obligation, including interest thereon, is amortized over the term of the lease. All other leases are accounted for as operating leases, and the rental costs are expensed on incurred.

YWCA of Kitchener-Waterloo Notes to Financial Statements

December 31, 2014

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated amortization. Contributed property plant and equipment are recorded at fair value, when fair value can be reasonably estimated, at the date of contribution. Amortization based on the estimated useful life of the asset is calculated as follows:

Buildings	-	40 years straight-line basis
Machinery and equipment	-	10 years straight-line basis
Automotive equipment	-	5 years straight-line basis
Leasehold improvements	-	10 years straight-line basis

Impairment of Long-Lived Assets

In the event that facts and circumstances indicate that the organization's long-lived assets may be impaired, an evaluation of recoverability would be performed. Such an evaluation entails comparing the estimated future undiscounted cash flows associated with the asset to the asset's carrying amount to determine if a write down to market value or discounted cash flow value is required. The organization considers that no circumstances exist that would require such an evaluation.

Inventory

Inventory is stated at the lower of cost and net realizable value. Cost is generally determined on the first-in, first-out basis.

Contributed Services and Materials

Volunteers contribute many hours per year to assist the organization in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements. Contributed materials are not recognized in the financial statements unless they would normally be purchased by the organization and their fair market value can be ascertained.

Use of Estimates

The preparation of financial statements in accordance with ASNPO 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.

YWCA of Kitchener-Waterloo Notes to Financial Statements

December 31, 2014

2. Cash

The organization's bank accounts are held at one chartered bank. The bank accounts earn nominal interest.

The organization has an operating facility available to a maximum of \$300,000 with a temporary increase to \$400,000 until March 1, 2015 bearing interest at the Bank's prime rate plus 1.5%. The facility is due on demand and secured as described in Note 7. At December 31, 2014, the organization's unused credit facility is \$400,000.

3. Short-term Investments

	<u>2014</u>	<u>2013</u>
Accumulation Annuity Investment	\$ 327,283	\$ 314,757
Canadian Money Market Fund	49,211	48,978
	<u>\$ 376,494</u>	<u>\$ 363,735</u>

The total annualized return on these investments during the year was 3.45%.

YWCA of Kitchener-Waterloo Notes to Financial Statements

December 31, 2014

4. Long-term Investments

In accordance with the Ministry of Municipal Affairs and Housing, the organization has Social Housing Investments with Phillips, Hagar & North. These investments are held in an account separate from operations and intended to be used as a source of funding for future capital projects related to the property at Lincoln Road. The balance of the organization's investments are managed by Rae & Lipskie Investment Counsel. The carrying value of all investments are equal to the market values as determined by reference to the published values as at the year-end. A breakdown of the organization's investments at year-end is as follows:

	2014	2013
<u>Phillips, Hagar & North Portfolio</u>		
Canadian Short Term Bond Fund	\$ 19,907	\$ 19,420
Canadian Bond Fund	215,448	199,035
Canadian Equity Fund	262,807	235,703
	498,162	454,158
<u>Rae & Lipskie Investment Counsel Portfolio</u>		
Canadian Equity Instruments	182,767	178,715
Foreign Equity Instruments	103,656	96,262
Fixed Income Securities	174,606	210,414
Cash	38,893	49,428
	499,922	534,819
	\$ 998,084	\$ 988,977

During the past 12 months, the Phillips, Hagar & North and Rae & Lipskie portfolio's earned returns of 5.57% and 5.41% respectively.

The balance of fixed income securities includes a variety of government, bank, and corporate bonds with effective yields ranging from 2.31% to 4.50% and maturity dates ranging from June 2015 to December 2019.

**YWCA of Kitchener-Waterloo
Notes to Financial Statements**

December 31, 2014

5. Property, Plant and Equipment

	2014		2013	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 462,200	\$ -	\$ 462,200	\$ -
Buildings	11,054,883	4,454,200	11,054,883	4,185,325
Machinery and equipment	519,069	303,623	519,069	262,167
Automotive equipment	44,471	36,341	44,471	31,980
Leasehold improvements	1,121,411	215,740	1,101,132	145,125
	\$ 13,202,034	\$ 5,009,904	\$ 13,181,755	\$ 4,624,597
Net book value		\$ 8,192,130		\$ 8,557,158

6. Deferred Revenue

	2014	2013
Balance, beginning of year	\$ 204,400	\$ 150,629
Contributions received	348,906	204,400
Recognized into revenue during the year	(204,400)	(150,629)
Balance, end of year	\$ 348,906	\$ 204,400

YWCA of Kitchener-Waterloo Notes to Financial Statements

December 31, 2014

7. Mortgages Payable

	2014	2013
Mortgage payable - 4.443%, due September 1, 2018, monthly payments of \$16,812 principal and interest, secured by land and a building on Lincoln Road	\$ 1,585,918	\$ 1,714,750
Mortgage payable - 5.2%, due July 1, 2015, monthly payments of \$4,917 principal plus interest, see security below.	883,416	942,417
	2,469,334	2,657,167
Current portion	(1,018,036)	(187,832)
	\$ 1,451,298	\$ 2,469,335

The 5.2% mortgage payable has a general security agreement on all assets of the organization, an assignment of fire insurance for \$10,000,000, a collateral mortgage on 151/153 Frederick Street for \$700,000, a collateral mortgage on real property on 84 Frederick Street for \$2,325,000, business insurance for \$25,000,000 and a general assignment of rents representing a first charge on rents.

The agreement with respect to the 5.2% mortgage payable contains a covenant regarding a debt service coverage ratio pertaining to emergency shelter operations.

Principal repayments for the next five years and thereafter are as follows:

2015	\$ 1,018,036
2016	140,668
2017	146,987
2018	153,590
2019	160,490
Thereafter	849,563
	\$ 2,469,334

YWCA of Kitchener-Waterloo Notes to Financial Statements

December 31, 2014

8. Other Long Term Debt

	2014	2013
Loan payable - 4.003%, due August, 2033, monthly payments of \$3,449 principal and interest, secured by Jean Steckle Day Care facility	\$ 543,553	\$ 563,043
Current portion	(41,388)	(41,670)
	\$ 502,165	\$ 521,373

The loan is payable to the Waterloo Region District School Board for reimbursement of capital costs associated with the construction of the Jean Steckle day care facility. The loan is secured by the cost of the day care and an assignment of comprehensive general liability insurance for \$2,000,000.

Principal repayments for the next five years and thereafter are as follows:

2015	\$	41,388
2016		41,388
2017		41,388
2018		41,388
2019		41,388
Thereafter		336,613
	\$	543,553

YWCA of Kitchener-Waterloo Notes to Financial Statements

December 31, 2014

9. Externally Restricted Funds

Externally restricted funds represent amounts received from contributors which are designated for specific purposes. The fund balances at year-end are as follows:

	<u>2014</u>	<u>2013</u>
Lincoln Road Reserve Fund	\$ 656,591	\$ 575,963
151 Frederick Street Capital Fund	37,028	147,047
E. Dreger Memorial Fund	<u>44,480</u>	<u>49,544</u>
	<u>\$ 738,099</u>	<u>\$ 772,554</u>

Lincoln Road Reserve Fund

The purpose of this fund is to purchase repairs, renovations, and improvements to the physical building at 155 Lincoln Road and to purchase and repair the major equipment located therein. This fund is also used to cover annual Lincoln Road Apartments operating deficits.

151 Frederick Street Capital Fund

The purpose of this fund is to purchase repairs, renovations, and improvements to the physical building at 151-153 Frederick Street, and to purchase and repair the major equipment located therein. This fund is also used for extraordinary Community Resource Centre (CRC) purchases, and to cover annual CRC deficits.

E. Dreger Memorial Fund

The purpose of this fund is to provide subsidies for children attending Camp Clover.

10. YWCA Endowment Fund

On December 14, 1995, the organization entered into an agreement with The Kitchener and Waterloo Community Foundation (Community Foundation) to establish a permanent endowment fund within the Community Foundation to be known as YWCA Endowment Fund. The endowment fund includes two funds: YWCA General Fund and YWCA Mary's Place Fund. As required by the agreement, the organization transferred to the Endowment Fund the endowed portion of the Club 84 donations. During the year, \$3,608 (2013 - \$4,192) was transferred to the Kitchener Waterloo Community Foundation by the Association.

11. Interfund Transfers

During the year, the Board of Directors approved interfund transfers from the Operating Fund and the Externally Restricted Fund to the Property, Plant and Equipment Fund to cover the cost of debt servicing.

YWCA of Kitchener-Waterloo Notes to Financial Statements

December 31, 2014

12. Commitments

Under the terms of lease agreements, the organization's total obligations for occupied premises, exclusive of realty taxes and other occupancy charges and equipment for the next five years, are as follows:

2015	\$	74,232
2016		58,152
2017		59,630
2018		32,339
2019		2,064
		226,417
	\$	226,417

13. Departmental Statement of Revenues and Expenses

Unaudited departmental statements of revenues and expenses are available from the YWCA of Kitchener-Waterloo upon request.

14. Grant Revenue

During the year, the YWCA of Kitchener-Waterloo received the following funding:

	2014	2013
Federal Funding	\$ 21,166	\$ 11,979
Provincial Funding	89,765	89,760
Regional Funding	2,889,241	3,114,134
Corporations and foundations	69,100	97,351
	\$ 3,069,272	\$ 3,313,224

15. Pension Plan

The YWCA of Kitchener-Waterloo makes contributions to an employee defined contribution plan on behalf of some of its employees under a matching plan. Employer contributions during the year were \$148,770 (2013 - \$138,144) for current service and are included as an expense in the Statement of Operations.

**YWCA of Kitchener-Waterloo
Notes to Financial Statements**

December 31, 2014

16. Special Purpose Disclosure - Wage Subsidy

	<u>2014</u>	<u>2013</u>
Total amount of funding received for wage subsidy, wage improvement, and pay equity	<u>\$ 371,319</u>	<u>\$ 371,319</u>

In accordance with the Service agreement and Provincial Guidelines, the total amount of wage subsidy funding received from the Region of Waterloo has been applied to supplemental staff salaries and benefits as required.

17. Occupancy/Rental Charges

	<u>2014</u>	<u>2013</u>
Gross rental charges	\$ 450,852	\$ 442,764
RGI subsidy	(355,842)	(345,592)
Vacancy loss	(2,379)	(4,038)
Net rental charges	<u>\$ 92,631</u>	<u>\$ 93,134</u>

The net rental charges are included in program revenue on the Statement of Operations.

18. Comparative Amounts

The comparative amounts have been reclassified to conform to the current year's presentation.

YWCA of Kitchener-Waterloo Notes to Financial Statements

December 31, 2014

19. Financial Instrument Risks

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Financial instruments which potentially subject the organization to concentrations of credit risk consist of cash, accounts receivable and short and long term investments. The short and long term investments are described in Notes 3 and 4 respectively. The organization has deposited the cash and investments with a reputable financial institution, from which management believes the risk of loss to be remote. The credit risk on accounts receivable arises from related day care facilities and grantors.

Liquidity Risk

Liquidity risk is the risk that the organization encounters difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the organization will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. Liquidity risk arises from accounts payable and accrued liabilities, mortgages payable and other long-term debt.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate as a result of market factors. Market factors include two types of risk: interest rate risk and equity risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The organization is exposed to interest rate risk arising from the possibility that changes in interest rates will affect the value of fixed income denominated investments and the value of its long-term debt.

Equity Risk

Equity risk is the uncertainty associated with the valuation of assets arising from changes in equity markets. The organization is exposed to this risk through its equity holdings within its investment portfolio.

The organization's exposure to the above risks are unchanged from the prior year.



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Auditor's Comments on Supplementary Financial Information

To the Members of
YWCA of Kitchener-Waterloo

The audited financial statements of the organization, are comprised of the statement of financial position as at December 31, 2014 and the statements of operations, changes in fund balances and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information. We have issued our report thereon dated March 24, 2015 which contained a qualified opinion on those financial statements. The audit was performed to form an opinion on the financial statements as a whole. The Schedule of Expenses and Schedule of Operating Fund Balances is presented for the purposes of additional analysis and is not a required part of the financial statements. Such supplementary information is the responsibility of management and was derived from the underlying accounting and other records used to prepare the financial statements.

The supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such supplementary information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Waterloo, Ontario
March 24, 2015

**YWCA of Kitchener-Waterloo
Schedule 1 - Schedule of Expenses**

For the year ended December 31	2014	2013
Salaries and Benefits		
Salaries	\$ 4,261,393	\$ 3,812,548
Benefits	606,339	537,970
	<u>\$ 4,867,732</u>	<u>\$ 4,350,518</u>
Occupancy Costs		
Property taxes	\$ 80,896	\$ 75,251
Light, heat and power	209,054	206,945
Repairs and maintenance	239,927	364,391
Rent	161,717	130,047
Insurance	50,828	53,387
	<u>\$ 742,422</u>	<u>\$ 830,021</u>
Financial Costs		
Bank charges and interest	\$ 10,501	\$ 6,445
Program Costs		
Extend-a-bed	\$ 2,646	\$ 91,519
Food	200,444	225,903
Program supplies and equipment	73,505	149,248
Special assistance	10,842	18,596
Miscellaneous	8,008	10,839
Advertising	3,944	7,979
Laundry	7,292	2,429
Fundraising event	2,237	60
	<u>\$ 308,918</u>	<u>\$ 506,573</u>
Office Administration		
Office supplies and replacements	\$ 48,270	\$ 62,849
Telephone and postage	51,064	49,850
Professional fees	73,677	78,557
Conferences and meetings	14,443	13,549
Travel	14,623	11,472
	<u>\$ 202,077</u>	<u>\$ 216,277</u>
Amortization of Property, Plant and Equipment	<u>\$ 385,308</u>	<u>\$ 351,911</u>
Interest on long term debt	<u>\$ 142,190</u>	<u>\$ 136,035</u>
Other		
National YWCA support	\$ 56,171	\$ 59,280

YWCA of Kitchener-Waterloo
Schedule 2 - Schedule of Operating Fund Balances

For the year ended December 31, 2014	Operating	Internally Restricted	Total
Revenues			
Programs	\$ 2,393,389	\$ -	\$ 2,393,389
Grants	3,040,194	-	3,040,194
United Way	253,800	-	253,800
Donations and special events	293,744	-	293,744
Interest	63,300	20,531	83,831
Memberships	240	-	240
Partnership contracts	194,682	-	194,682
Other	12,445	-	12,445
	<u>6,251,794</u>	<u>20,531</u>	<u>6,272,325</u>
Expenses			
Salaries and benefits	4,867,732	-	4,867,732
Occupancy costs	689,915	5,544	695,459
Financial costs	10,501	-	10,501
Program costs	308,918	-	308,918
Office administration	202,077	-	202,077
Other	56,171	-	56,171
	<u>6,135,314</u>	<u>5,544</u>	<u>6,140,858</u>
Excess of revenues over expenses before other item	116,480	14,987	131,467
Other item			
Realized gain on disposal of long-term investments	-	9,431	9,431
Unrealized gain on change in fair market value of long-term investments	-	14,104	14,104
	<u>-</u>	<u>14,104</u>	<u>14,104</u>
Excess of revenues over expenses for the year	116,480	38,522	155,002
Interfund transfers	(116,967)	(146,740)	(263,707)
Fund balances, beginning of the year	(15,241)	108,218	92,977
Fund balances, end of the year	\$ (15,728)	\$ -	\$ (15,728)