

**YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF LETHBRIDGE AND
DISTRICT**

FINANCIAL STATEMENTS

For the year ended March 31, 2016

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF LETHBRIDGE AND DISTRICT
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March 31, 2016

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Young Parkyn McNab LLP

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To: The Board of
Young Women's Christian Association of Lethbridge and District

We have audited the accompanying financial statements of Young Women's Christian Association of Lethbridge and District, which comprise the statement of financial position as at March 31, 2016, and the statements of operations and 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 Association'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 Association'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 Association receives revenue from donations and fund raising, the completeness of which is not susceptible of satisfactory audit verification. We were therefore unable to obtain sufficient appropriate audit evidence regarding the completeness of these revenues. Consequently we were unable to determine whether any adjustments to donations and fund raising revenue were necessary.

Qualified Opinion

In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2016 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.



Lethbridge, Alberta

June 23, 2016

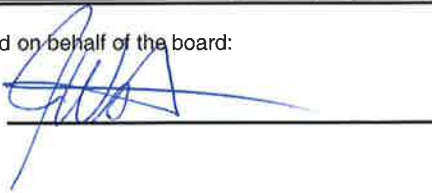
Chartered Accountants

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF LETHBRIDGE AND DISTRICT
Statement of Financial Position
As at March 31, 2016

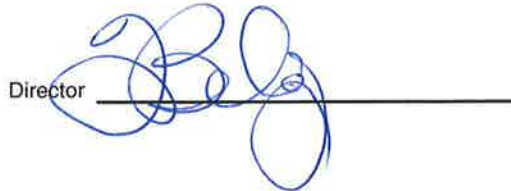
	Operating Fund		Gaming Fund		Capital Fund		2016		2015
ASSETS									
Current									
Cash and cash equivalents (note 3)	\$ 2,007,815	\$	32,701	\$	221,117	\$	2,261,633	\$	2,007,641
Accounts receivable	159,628		-		-		159,628		28,546
Inventory	835		-		-		835		835
Prepaid expenses	35,667		-		-		35,667		38,873
	2,203,945		32,701		221,117		2,457,763		2,075,895
Capital assets (note 4)	-		-		1,064,346		1,064,346		1,198,731
	\$ 2,203,945	\$	32,701	\$	1,285,463	\$	3,522,109	\$	3,274,626
LIABILITIES AND FUND BALANCES									
Current									
Accounts payable and accrued liabilities (note 5)	\$ 149,902	\$	-	\$	-	\$	149,902	\$	178,839
Unearned revenue	17,475		-		-		17,475		21,596
Restricted deferred contributions (note 6)	1,717,076		-		-		1,717,076		1,349,724
Current portion of long-term debt	-		-		44,681		44,681		43,337
	1,884,453		-		44,681		1,929,134		1,593,496
Long-term debt (note 7)	-		-		90,460		90,460		135,141
Unamortized capital contributions (note 8)	-		-		657,417		657,417		743,665
Deferred capital contributions	-		-		-		-		1,958
	1,884,453		-		792,558		2,677,011		2,474,260
Fund Balances									
Internally restricted Capital investment reserve	-		-		197,716		197,714		171,249
Operating reserve	201,426		-		-		201,426		174,961
Externally restricted Gaming reserve	-		32,701		-		32,701		37,097
Capital replacement reserve (note 9)	-		-		23,404		23,404		22,404
Invested in capital assets	-		-		271,787		271,787		276,589
Unrestricted	118,066		-		-		118,066		118,066
	319,492		32,701		492,905		845,098		800,366
	\$ 2,203,945	\$	32,701	\$	1,285,463	\$	3,522,109	\$	3,274,626

Approved on behalf of the board:

Director



Director



YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF LETHBRIDGE AND DISTRICT
STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
For the year ended March 31, 2016

	Budget (Unaudited)	Operating Fund	Gaming Fund	Capital Fund	2016 Actual	2015 Actual
Revenues						
Grants	\$ 2,461,297	\$ 2,420,377	\$ -	\$ 3,649	\$ 2,424,026	\$ 2,282,151
Fees for service	295,100	308,063	-	-	308,063	309,534
Donations	220,148	131,954	-	-	131,954	150,747
Fundraising	301,957	105,102	3,040	-	108,142	123,998
Other	28,000	25,681	-	-	25,681	15,450
Interest	28,000	-	-	14,609	14,609	18,052
Amortization of deferred capital	119,000	-	-	114,596	114,596	113,946
	3,453,502	2,991,177	3,040	132,854	3,127,071	3,013,878
Expenses						
Salaries and honorariums	2,479,384	2,178,207	-	-	2,178,207	2,025,727
Direct client costs	113,663	112,407	-	-	112,407	120,394
Telephone and utilities	123,990	135,048	-	-	135,048	129,921
Travel and training	71,117	64,494	-	-	64,494	49,611
Repairs and maintenance	63,750	90,145	-	-	90,145	73,694
Supplies and stationary	84,847	61,773	-	-	61,773	74,454
Fundraising costs	50,060	49,632	328	-	49,960	83,710
Professional fees	70,157	42,035	-	-	42,035	23,524
Membership and fees	43,083	45,245	-	-	45,245	48,786
Advertising and promotion	28,828	18,951	-	-	18,951	27,535
Insurance	28,340	26,817	-	-	26,817	28,833
Grant	12,893	12,446	-	-	12,446	53,962
Information technology	29,750	14,722	-	-	14,722	13,880
Other	14,350	16,011	-	-	16,011	15,427
Volunteer costs	2,150	4,031	-	-	4,031	6,217
Interest and bank charges	6,300	6,427	-	-	6,427	8,095
Small equipment	7,472	12,886	-	-	12,886	728
Property taxes	1,032	1,051	-	-	1,051	1,057
Interest on long-term debt	7,295	-	-	5,122	5,122	6,441
Amortization	195,000	-	-	184,561	184,561	191,802
	3,433,461	2,892,328	328	189,683	3,082,339	2,983,798
Excess (deficiency) of revenues over expenses	20,041	98,849	2,712	(56,829)	44,732	30,080
Fund balances, beginning of year	800,366	293,027	37,098	470,241	800,366	770,286
Interfund transfers (note 10)	-	(72,384)	(7,109)	79,493	-	-
Fund balances, end of year	\$ 820,407	\$ 319,492	\$ 32,701	\$ 492,905	\$ 845,098	\$ 800,366

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF LETHBRIDGE AND DISTRICT
STATEMENT OF CASH FLOWS
For the year ended March 31, 2016

	2016	2015
Cash flows from operating activities		
Excess of revenues over expenses	\$ 44,732	\$ 30,080
Adjustments for items which do not affect cash		
Amortization	184,561	191,802
Amortization of capital contributions	(114,596)	(113,945)
	114,697	107,937
Change in non-cash working capital items		
Accounts receivable	(131,082)	13,262
Prepaid expenses	3,206	7,892
Accounts payable and accrued liabilities	(28,937)	(358,301)
Unearned revenue	(4,121)	2,571
Restricted deferred contributions	367,352	368,025
	321,115	141,386
Cash flows from investing activities		
Purchase of capital assets	(50,176)	(98,441)
Capital contributions received	26,390	30,106
	(23,786)	(68,335)
Cash flows from financing activity		
Repayment of long-term debt	(43,337)	(42,054)
Net increase in cash	253,992	30,997
Cash and cash equivalents, beginning of year	2,007,641	1,976,644
Cash and cash equivalents, end of year	\$ 2,261,633	\$ 2,007,641

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF LETHBRIDGE AND DISTRICT

NOTES TO THE FINANCIAL STATEMENTS For the year ended March 31, 2016

1. Nature of operations

Young Women's Christian Association of Lethbridge and District is an organization committed to women and the enhancement of their lives. The Association is a not-for-profit organization and is a registered charity under the Income Tax Act.

2. Significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are detailed as follows:

(a) Fund accounting

Revenue and expenses related to the operation of the Association's programs and administrative activities are reported in the Operating Fund.

Revenue and expenses related to the Association's Bingo, Raffle and Casino activities are reported in the Gaming Fund. These funds are expended in accordance with the Association's license issued under the Alberta Gaming Commission.

The Capital Fund reports the assets, liabilities, revenue and expenses related to the Association's capital assets. The Association has chosen to continue to treat invested in capital assets as a separate component of the capital fund.

(b) Revenue recognition

The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue of the appropriate fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Restricted contributions related to the purchase of capital assets are recognized as revenue of the Capital Fund. Capital contributions are recognized over the same period as the related capital asset.

(c) Financial instruments

The Association initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

The Association subsequently measures all its financial assets and financial liabilities at amortized cost.

(d) Cash and cash equivalents

The Association includes cash on hand, held by financial institutions in operating accounts, cheques issued in excess of cash on deposit, and an overdraft in the determination of cash and cash equivalents.

(e) Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined using the first-in, first-out method.

**YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF LETHBRIDGE AND
DISTRICT**
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2016

2. Significant accounting policies, continued

(f) Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is based on their useful life using the following methods and rates:

Buildings	35 years straight-line
Computer software	30% declining balance
Improvements - building	20% declining balance
Equipment - other	20% declining balance
Office equipment	20% declining balance

(g) Income taxes

Under Section 149 (1)(f) of the Income Tax Act, the Association is exempt from income taxes on income earned in the normal course of operations.

(h) Contributed goods and services

Contributed goods and services to assist the Association in carrying out its activities are not recognized in the financial statements due to the difficulty in determining their fair value.

(i) Allocated expenses

The Association incurs expenses that can be directly identified with program activities and therefore can be charged to the appropriate function. However, there are certain support services that relate to more than one program activity and must be allocated out based on management's best determination of where the expenses were incurred. These expenses include administration wages and benefits, facility rent, equipment repairs and maintenance, advertising, facility repairs and maintenance, office supplies and postage, telephone, professional fees and insurance. These expenses are allocated out based on the space used by the program, time spent on the program or by dollar value of the program.

(j) Measurement uncertainty

The preparation of financial statements in conformity 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 and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

3. Cash and cash equivalents

Cash has been allocated between the Operating, Gaming, and Capital Funds although amounts may not have been physically transferred to separate bank accounts.

**YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF LETHBRIDGE AND
DISTRICT**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2016

4. Capital assets

	2016		2015	
	Cost	Accumulated amortization	Net	Net
Land	\$ 160,000	\$ -	\$ 160,000	\$ 160,000
Buildings	3,753,628	3,146,323	607,305	714,552
Computer software	149,110	132,032	17,078	19,642
Improvements - building	674,066	514,061	160,005	180,978
Equipment - other	275,682	207,405	68,277	62,330
Office equipment	197,504	145,823	51,681	61,229
	\$ 5,209,990	\$ 4,145,644	\$ 1,064,346	\$ 1,198,731

5. Accounts payable and accrued liabilities

	2016		2015	
Accounts payable	\$ 65,081	\$ 77,683		
Vacation and lieu time payable	84,821	101,156		
	\$ 149,902	\$ 178,839		

**YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF LETHBRIDGE AND
DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2016**

6. Restricted deferred contributions

Restricted deferred contributions represent restricted program funding received that is related to subsequent years.

	2016	2015
Harbour House	\$ 468,766	\$ 426,076
Alberta Government Family and Community Safety Grant	274,061	-
Shelter Outreach	270,421	234,739
Alberta Human Services	119,448	-
Other	109,920	79,357
Project Child Recovery donations	103,688	80,777
Walk a Mile donations	45,176	42,010
Girl's Space	41,914	36,259
Community Facility Enhancement	35,739	62,178
Alcoa	34,492	16,431
Women of Distinction	33,453	25,809
Safe Visitation	33,296	150,938
Youth donations	32,818	32,818
Community Initiatives Program	25,000	50,000
Climb to end Family Violence	18,676	11,135
Young Girl Conference donations	17,778	21,589
YPM Sunrise House	16,188	16,188
Life Enrichment Centre	11,979	12,354
Life long learning association	6,500	5,000
Young women's leadership council	5,778	5,778
Community Foundation Grant	5,000	-
Community substance abuse response team	4,270	5,917
Canadian Women's Foundation	2,715	22,715
Community capital project grant	-	10,144
Reno's for dignity raffle	-	1,512
Balance, end of year	\$ 1,717,076	\$ 1,349,724

	2016	2015
Opening restricted deferred contributions	\$ 1,349,724	\$ 981,699
Amounts received	2,501,214	1,183,596
Amounts recognized	(2,133,862)	(815,571)
Ending restricted deferred contributions	\$ 1,717,076	\$ 1,349,724

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF LETHBRIDGE AND DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2016

7. Long-term debt

	2016	2015
Canada Mortgage and Housing Corporation This mortgage is repayable at \$1,741 per month including interest at 2.11%. Security pledged consists of a building with a carrying value of \$212,661. The mortgage is due in September 2018.	\$ 50,829	\$ 70,422
Royal Bank of Canada This mortgage is repayable at \$2,290 per month including interest at 3.84%. Security pledged consists of a house with a carrying value of \$277,523. The mortgage is due in May 2017.	84,312	108,056
	135,141	178,478
Less current portion	44,681	43,337
	\$ 90,460	\$ 135,141
Estimated principal repayments are as follows:		
2017	\$ 44,681	
2018	56,460	
2019	26,640	
2020	7,360	
	\$ 135,141	

8. Unamortized capital contributions

Unamortized capital contributions represent the unamortized portion of contributions received for the purchase of capital assets.

The changes for the year are as follows:

	2016	2015
Beginning balance	\$ 743,665	\$ 827,504
Capital contributions received	26,390	30,106
Transferred from deferred capital contributions	1,958	-
Amortization of capital contributions	(114,596)	(113,945)
	\$ 657,417	\$ 743,665

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF LETHBRIDGE AND DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2016

9. Capital replacement reserve

	2016	2015
Beginning balance	\$ 22,404	\$ 21,404
Transfer from operating	1,000	1,000
Ending balance	\$ 23,404	\$ 22,404

The Association appropriates a portion of current or prior years' operating surplus pursuant to an agreement with Canada Mortgage and Housing Corporation to be used for the replacement of capital assets in the future.

10. Interfund transfers

The operating interfund transfers represent net capital asset transactions of \$52,029, the transfer of \$1,000 to the capital replacement reserve per the CMHC agreement and \$26,464 which represents 50% of the remaining operating surplus to the capital investment reserve. A transfer of \$7,109 was made from the gaming fund to the operating fund for IT expenses and small tools.

11. Contingencies

Employees of the Association accrue sick leave to a maximum of 240 hours. As at March 31, 2016, the amount of sick leave accrued was \$74,645 (2015 - \$80,546). The amount was not recorded in the financial statements as there is no certainty the full amount will be used. The amount of accrued sick leave is not paid out to employees of the Association when they leave their position.

12. Economic dependence

The Association is dependent on continued funding from Alberta Human Services for the operation of the Harbour House program.