

**SHELTER MOVERS
FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020**

**SHELTER MOVERS
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FOR THE YEAR ENDED MARCH 31, 2020**

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Independent Auditor's Report

To the Directors of Shelter Movers

Qualified Opinion

I have audited the accompanying financial statements of Shelter Movers, which comprise the statement of financial position as at March 31, 2020, and the statements of operations, changes in net assets and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of my report, the accompanying financial statements present fairly, in all material respects, the financial position of Shelter Movers (the Organization) as at March 31, 2020, and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, Shelter Movers derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of Shelter Movers. Therefore, I was not able to determine whether any adjustments might be necessary to fundraising revenue, excess (deficiency) of revenues over expenses, and cash flows from operations for the years ended March 31, 2020 and 2019, current assets and net assets as at March 31, 2020 and 2019, and net assets as at April 1 and March 31 for both the 2020 and 2019 years. My audit opinion on the financial statements for the year ended March 31, 2019 was modified accordingly because of the possible effects of this limitation in scope.

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of Shelter Movers in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

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Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Simcoe, Ontario
June 18, 2020



BRYSON CHARTERED ACCOUNTANT
PROFESSIONAL CORPORATION
Authorized to practise public accounting by the
Chartered Professional Accountants of Ontario

SHELTER MOVERS
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2020

	2020	2019
ASSETS		
Current assets		
Cash	\$ 305,177	\$ 212,551
Harmonized sales tax recoverable	15,570	20,882
Prepaid expenses	129	163
	320,876	233,596
Capital assets (Note 2)	396	738
	\$ 321,272	\$ 234,334
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	\$ 29,285	\$ 35,196
Deferred grant (Note 3)	89,449	81,500
	118,734	116,696
NET ASSETS		
Unrestricted	202,538	117,638
	\$ 321,272	\$ 234,334

Lease commitments (Note 4)

ON BEHALF OF THE BOARD

_____ Director

_____ Director

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

SHELTER MOVERS
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2020

	2020	2019
Revenues		
Donations	\$ 394,975	\$ 125,971
Federal government grants	267,767	30,000
Gala and fundraising	202,199	170,203
Unrestricted operating grants	85,000	10,000
Canada Summer Jobs contribution	-	20,266
	949,941	356,440
Expenses		
Direct salaries and wages	285,472	95,787
Administrative salaries and wages	181,920	126,665
Direct costs	149,472	68,903
Gala and fundraising	131,659	62,692
Professional fees	36,831	20,164
Rent	22,292	4,042
Telephone	14,407	4,673
Office and general	12,785	6,158
Advertising and promotion	9,523	9,976
Travel	7,735	4,948
Donation processing fees	5,517	3,188
Audit fees	3,500	3,000
Interest and bank charges	1,619	2,161
Insurance	1,600	1,238
Legal fees	367	-
Amortization of capital assets	342	342
	865,041	413,937
Excess (deficiency) of revenues over expenses	\$ 84,900	\$ (57,497)

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

SHELTER MOVERS
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2020

	2020	2019
Net assets - beginning of year	\$ 117,638	\$ 175,135
Excess (deficiency) of revenues over expenses	84,900	(57,497)
Net assets - end of year	\$ 202,538	\$ 117,638

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

**SHELTER MOVERS
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED MARCH 31, 2020**

	2020	2019
Operating activities		
Excess (deficiency) of revenues over expenses	\$ 84,900	\$ (57,497)
Non-cash item:		
Amortization of capital assets	342	342
	85,242	(57,155)
Changes in non-cash working capital:		
Harmonized sales tax recoverable	5,312	(11,218)
Prepaid expenses	34	(65)
Accounts payable and accrued liabilities	(5,911)	15,315
Deferred grant	7,949	81,500
Government remittances payable	-	(9,432)
	7,384	76,100
Increase in cash	92,626	18,945
Cash - beginning of year	212,551	193,606
Cash - end of year	\$ 305,177	\$ 212,551

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

SHELTER MOVERS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020

STATUS AND PURPOSE OF THE ORGANIZATION

Shelter Movers is incorporated as a not-for-profit organization under the *Canada Not-for-profit Corporations Act* and is a registered charity under the *Income Tax Act*. Its purpose is to provide moving and storage services to women and children experiencing abuse.

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the *CPA Canada Handbook* and include the following significant accounting policies:

(b) Revenue recognition

Shelter Movers 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 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 in the year.

(c) Government grants

Government grants are recorded when there is a reasonable assurance that the Organization has complied with and will continue to comply with, all the necessary conditions to obtain the grants.

(d) Government assistance

Government assistance for acquiring fixed assets and related to expenses is recorded as deferred government assistance and is amortized on the same basis and according to the same rates as the related fixed assets or to income as eligible expenditures are incurred. Government assistance for current expenses is recorded as a reduction of the related expenditures. Government assistance for acquiring fixed assets is recorded as a reduction of the cost of related assets.

(e) Capital assets

Capital assets are recorded at cost and amortized over their estimated lives using the straight-line method at the following annual rates:

Computer equipment	25%
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(f) Contributed services

Volunteers contribute significant time to assist Shelter Movers in delivering its services. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

(g) Financial instrument measurement

Shelter Movers initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost.

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SHELTER MOVERS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Use of estimates

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the reporting date, and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates.

2. CAPITAL ASSETS

	Cost	Accumulated Amortization	2020	2019
Computer equipment	\$ 1,367	\$ 971	\$ 396	\$ 738

3. DEFERRED GRANT

The deferred grant represents unspent resources for funding received in the current year that is related to expenses to be incurred in the subsequent year for an externally restricted project.

	2020	2019
Opening balance	\$ 81,500	\$ -
Plus: Amount received in the year	225,716	81,500
Less: Amount recognized as revenue in the year	(217,767)	-
Closing balance	\$ 89,449	\$ 81,500

4. LEASE COMMITMENTS

The Organization has a lease with respect to its office premises in Toronto that expires December 2021. Future minimum lease payments as at March 31, 2020, are as follows:

2021	\$ 28,800
2022	21,600
	<u>\$ 50,400</u>

5. FINANCIAL INSTRUMENTS

The Organization is exposed to various risks through its financial instruments, without being exposed to concentrations of risk. The following analysis describes the Organization's risk exposures at March 31, 2020.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities.