

EDMONTON WOMEN'S SHELTER LTD.

(Operating as WIN House)

Financial Statements

Year Ended March 31, 2024

EDMONTON WOMEN'S SHELTER LTD.
(Operating as WIN House)
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Year Ended March 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Members of Edmonton Women's Shelter Ltd. operating as WIN House

Opinion

We have audited the financial statements of Edmonton Women's Shelter Ltd., operating as WIN House, ("WIN House"), which comprise the statement of financial position as at March 31, 2024, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of WIN House as at March 31, 2024, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Opinion

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

Other Matter

The financial statements for the year ended March 31, 2023 were audited by another auditor who expressed an unmodified opinion on those financial statements on June 20, 2023.

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 ASNPO, 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 WIN House'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 WIN House or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing WIN House's financial reporting process.

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Independent Auditor's Report to the Members of Edmonton Women's Shelter Ltd. operating as WIN House
(continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our 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 our 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, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 our 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 WIN House'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 WIN House's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause WIN House 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.

We 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 we identify during our audit.



Edmonton, Alberta
June 17, 2024

YATES WHITAKER LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

EDMONTON WOMEN'S SHELTER LTD.
(Operating as WIN House)
Statement of Financial Position
March 31, 2024

	2024	2023
ASSETS		
CURRENT		
Cash <i>(Note 3)</i>	\$ 257,635	\$ 1,648,840
Short-term investments <i>(Note 4)</i>	1,060,000	-
Accounts receivable	12,015	9,636
Interest receivable	12,176	-
Goods and services tax recoverable	22,794	21,925
Prepaid expenses	72,826	83,701
	<hr/>	<hr/>
LONG-TERM INVESTMENTS <i>(Note 5)</i>	1,437,446	1,764,102
CAPITAL ASSETS <i>(Note 6)</i>	3,558,544	3,351,229
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	892,924	778,035
	<hr/>	<hr/>
	\$ 5,888,914	\$ 5,893,366
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 138,523	\$ 111,577
Wages payable	324,376	239,137
Deferred revenue <i>(Note 7)</i>	117,930	87,265
	<hr/>	<hr/>
UNAMORTIZED DEFERRED CAPITAL CONTRIBUTIONS <i>(Note 8)</i>	580,829	437,979
	<hr/>	<hr/>
	54,702	69,571
	<hr/>	<hr/>
	635,531	507,550
NET ASSETS		
Invested in capital assets	856,160	708,464
Internally restricted <i>(Note 9)</i>	3,095,931	3,456,114
Unrestricted	1,301,292	1,221,238
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	5,253,383	5,385,816
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	\$ 5,888,914	\$ 5,893,366

ON BEHALF OF THE BOARD

Freddie A. Director
J. D. Director

EDMONTON WOMEN'S SHELTER LTD.
(Operating as WIN House)
Statement of Revenues and Expenditures
Year Ended March 31, 2024

	2024	2023
REVENUES		
Government operating grant	\$ 3,416,328	\$ 3,416,320
Donations and fundraising	973,083	1,183,419
Grants	450,133	667,797
Amortization of deferred capital contributions	14,869	38,659
Other	7,261	2,801
	<u>4,861,674</u>	<u>5,308,996</u>
EXPENDITURES		
Salaries and benefits	3,958,281	3,680,764
Direct client costs	375,384	258,593
Facility	364,538	398,525
Administration	354,707	309,033
Fundraising	140,107	381,378
	<u>5,193,017</u>	<u>5,028,293</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES FROM OPERATIONS	<u>(331,343)</u>	<u>280,703</u>
OTHER REVENUES (EXPENDITURES)		
Investment income <i>(Note 10)</i>	235,747	55,868
Loss on disposal of capital assets	(36,837)	-
	<u>198,910</u>	<u>55,868</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (132,433)</u>	<u>\$ 336,571</u>

EDMONTON WOMEN'S SHELTER LTD.
(Operating as WIN House)
Statement of Changes in Net Assets
Year Ended March 31, 2024

	Unrestricted	Invested in capital assets	Internally Restricted	2024	2023
NET ASSETS -					
BEGINNING OF YEAR	\$ 1,221,238	\$ 708,464	\$ 3,456,114	\$ 5,385,816	\$ 5,049,245
Deficiency of revenues over expenditures	367,088	(127,013)	(372,508)	(132,433)	336,571
Transfer between funds	(262,157)	-	262,157	-	-
Investment in capital assets, net	(24,877)	274,709	(249,832)	-	-
NET ASSETS - END OF YEAR	\$ 1,301,292	\$ 856,160	\$ 3,095,931	\$ 5,253,383	\$ 5,385,816

EDMONTON WOMEN'S SHELTER LTD.
(Operating as WIN House)
Statement of Cash Flows
Year Ended March 31, 2024

	2024	2023
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenditures	\$ (132,433)	\$ 336,571
Items not affecting cash:		
Amortization of deferred capital contributions	(14,869)	(38,659)
Amortization of capital assets	105,045	132,480
Loss (gain) on disposal of investments	(142,614)	4,753
Unrealized (gains) losses on changes in fair value of investments	(25,241)	35,693
Loss on disposal of assets	<u>36,837</u>	-
	<u>(173,275)</u>	<u>470,838</u>
Changes in non-cash working capital:		
Accounts receivable	(2,379)	10,075
Interest receivable	(12,176)	-
Goods and services tax recoverable	(869)	6,798
Prepaid expenses	10,875	(22,324)
Accounts payable and accrued liabilities	26,946	(19,416)
Wages payable	85,239	(16,090)
Deferred revenue	<u>30,665</u>	<u>(26,765)</u>
	<u>138,301</u>	<u>(67,722)</u>
Cash flow from (used by) operating activities	<u>(34,974)</u>	<u>403,116</u>
INVESTING ACTIVITIES		
Purchase of capital assets	(256,771)	(105,513)
Purchase of investments, net of proceeds on disposal	<u>(39,460)</u>	<u>(100,056)</u>
Cash flow used by investing activities	<u>(296,231)</u>	<u>(205,569)</u>
INCREASE (DECREASE) IN CASH FLOW	<u>(331,205)</u>	<u>197,547</u>
Cash - beginning of year	<u>1,648,840</u>	<u>1,451,293</u>
CASH - END OF YEAR	<u>\$ 1,317,635</u>	<u>\$ 1,648,840</u>
CASH CONSISTS OF:		
Cash	\$ 257,635	\$ 1,648,840
Short-term investments	<u>1,060,000</u>	-
	<u>\$ 1,317,635</u>	<u>\$ 1,648,840</u>

EDMONTON WOMEN'S SHELTER LTD.
(Operating as WIN House)
Notes to Financial Statements
Year Ended March 31, 2024

1. NATURE OF OPERATIONS

Edmonton Women's Shelter Ltd. ("WIN House") is a not-for-profit organization incorporated under the Companies Act of Alberta. WIN House provides a safe haven for women, children, and non-binary individuals fleeing violent situations in Edmonton and the surrounding area. WIN House operates two emergency shelters, and one second stage shelter, specifically supporting victims of human trafficking and those with precarious immigration status.

In the event of dissolution, the Memorandum of Association provides for the distribution of WIN House's assets to such other charitable organizations as the members may decide. WIN House is a registered charity and is exempt from the payment of income taxes under Section 149(1) of the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Cash

Cash includes cash held net of outstanding cheques and deposits. Included in cash are amounts internally restricted for the shelter improvement fund, program development, and capacity building fund. Highly liquid investments with maturities of one year or less at date of purchase are classified as cash equivalents.

Restricted cash is subject to external restriction related Alberta Gaming, Liquor and Cannabis gaming regulation, and includes cash held in a casino gaming account.

Short-term investments

Short-term investments consist primarily of commercial paper with original maturities at date of purchase beyond three months and less than twelve months and carried at amortized cost.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives on a straight-line basis at the following rates:

Buildings	10 - 25 Years
Furniture and equipment	3 - 10 Years
Motor vehicles	5 Years

WIN House regularly reviews its capital assets to eliminate obsolete items. Government grants are treated as a reduction of capital assets cost.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

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EDMONTON WOMEN'S SHELTER LTD.
(Operating as WIN House)
Notes to Financial Statements
Year Ended March 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Long-term investments

Investments are stated at fair value. WIN House's investments are valued on the basis of quoted closing prices.

Cash held within investments is held on a long-term basis to support liquidity requirements and is invested as needed.

Employee future benefits

The defined contribution plan provides pension and post-employment benefits for WIN House employees. It is funded by the employee and employer on a shared basis, each contributing 4% of applicable wages to the plan. Contributions to the plan for current service are recognized when the contribution is paid, or is payable, based on pay dates.

Revenue recognition

Edmonton Women's Shelter Ltd. follows the deferral method of accounting for contributions.

Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Operating grants are recognized in the year to which they relate. Where a portion of the grant relates to a future period, it is deferred and recognized in that subsequent period. Unrestricted donations are recognized as revenue when received.

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.

Contributions of capital assets and contributions restricted for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets.

Investment income is recognized as revenue in the year the revenue is earned.

Government grants

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

Contributed services

The operations of WIN House depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

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EDMONTON WOMEN'S SHELTER LTD.
(Operating as WIN House)
Notes to Financial Statements
Year Ended March 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are the collectibility of accounts receivable, the useful life of capital assets, the valuation of long-term investments held at year end and are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

3. CASH

	2024	2023
Cash	\$ 213,538	\$ 1,615,950
Cash - casino	<u>44,097</u>	<u>32,890</u>
	<u><u>\$ 257,635</u></u>	<u><u>\$ 1,648,840</u></u>

Monies held in the cash - casino account were received from casino, raffle and lottery accounts and are restricted by the Alberta Gaming, Liquor and Cannabis Commission.

4. SHORT-TERM INVESTMENTS

Short-term investments consist of Guaranteed Investment Certificates (GIC) with major banking organizations in Canada.

	2024	2023
Guaranteed investment certificate - operating	\$ 1,000,000	\$ -
Guaranteed investment certificate - casino	<u>60,000</u>	<u>-</u>
	<u><u>\$ 1,060,000</u></u>	<u><u>\$ -</u></u>

The operating GIC is cashable and bears interest at bank prime less 2.0% and matures in December 2024.

The casino GIC bears interest of 5.0% and matures in September 2024. The monies held in this account were received from casino, raffle and lottery accounts and are restricted by the Alberta Gaming, Liquor and Cannabis Commission.

EDMONTON WOMEN'S SHELTER LTD.
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Notes to Financial Statements
Year Ended March 31, 2024

5. LONG-TERM INVESTMENTS

	2024		2023	
	Cost	Fair Value	Cost	Fair Value
Investments - Canadian				
Cash and cash equivalents	\$ 151,215	\$ 151,215	\$ 397,861	\$ 399,391
Bond funds & exchange - traded funds	2,124,860	2,066,080	2,598,418	2,375,613
Equities	1,257,229	1,341,249	545,203	576,225
	\$ 3,533,304	\$ 3,558,544	\$ 3,541,482	\$ 3,351,229

As of March 31, 2024 the bond funds and exchange-traded funds have annual yields ranging from 2.31% to 11.92% (2023 - 2.14% to 3.74%)

Included in investments are internally restricted net assets of \$1,863,189 (2023 - \$2,050,781) relating to the contingency and capacity building funds (Note 10).

6. CAPITAL ASSETS

	Cost	Accumulated amortization	2024		2023	
			Net book value	Net book value	Net book value	Net book value
Buildings	\$ 2,093,762	\$ 1,700,482	\$ 393,280	\$ 291,604		
Land	388,946	-	388,946	388,946		
Furniture and fixtures	366,988	256,290	110,698	97,485		
Motor vehicles	49,620	49,620	-	-		
	\$ 2,899,316	\$ 2,006,392	\$ 892,924	\$ 778,035		

Amortization expense of \$105,045 (2023 - \$132,480) is included in facility expenditures.

7. DEFERRED REVENUE

Changes in deferred revenues are as follows:

	Balance March 31, 2023	Received in 2024	Recognized in 2024	Balance March 31, 2024	
				\$	\$
Grants					
Community grants	\$ 33,588	\$ 6,256	\$ (39,844)	-	-
Donations and Fundraising					
Casino	33,100	108,290	(38,169)	103,221	
In-Kind	20,577	23,477	(29,345)	14,709	
	\$ 87,265	\$ 138,023	\$ (107,358)	\$ 117,930	

EDMONTON WOMEN'S SHELTER LTD.
(Operating as WIN House)
Notes to Financial Statements
Year Ended March 31, 2024

8. UNAMORTIZED DEFERRED CAPITAL CONTRIBUTIONS

Changes in unamortized deferred capital contributions are as follows:

	2024	2023
Balance, beginning of year	\$ 69,571	\$ 108,230
Less amounts recognized as revenue in the year	<u>(14,869)</u>	<u>(38,659)</u>
	<u>\$ 54,702</u>	<u>\$ 69,571</u>

9. INTERNALLY RESTRICTED NET ASSETS

WIN House has internally restricted net assets for the following special purposes:

	2024	2023
Contingency fund	\$ 1,708,160	\$ 1,708,160
Shelter improvement fund	1,000,000	1,000,000
Program development fund	232,742	405,333
Capacity building fund	155,029	342,621
	<u>\$ 3,095,931</u>	<u>\$ 3,456,114</u>

Contingency fund

The purpose of the contingency fund is to cover the cost of ongoing programs in the event of an unanticipated loss of funding. These funds are not to be used to fund budgeted deficits, unanticipated capital costs or new operating costs. The Board of Directors has determined that the principal amount of the fund will be maintained at 50% of the Government of Alberta grant received for operations and childcare and is to be maintained at this level unless otherwise determined by the Board.

Shelter improvement fund

The purpose of the shelter improvement fund is to support facility improvements. This includes, but is not limited to, repairs, purchasing necessary items (appliances, mattresses, etc.), repairing structural damage or wear and tear, and upgrading systems (security, phone/internet, etc.).

Program development fund

The purpose of the program development fund is to provide support for new or existing programs for those residing in shelter.

Capacity building fund

The purpose of the capacity building fund is to cover costs related to items or projects that build capacity for the organization, staff, or Board.

EDMONTON WOMEN'S SHELTER LTD.
(Operating as WIN House)
Notes to Financial Statements
Year Ended March 31, 2024

10. INVESTMENT INCOME

	2024	2023
Gain (loss) on sale of marketable securities	\$ 142,614	\$ (4,753)
Interest income	40,032	89,014
Dividend income	27,860	7,300
Unrealized gain (loss) on marketable securities	25,241	(35,693)
	<hr/>	<hr/>
	\$ 235,747	\$ 55,868

11. ECONOMIC DEPENDENCE

WIN House receives approximately 70% (2023 - 64%) of operational revenues from a Government of Alberta grant. Should this grant become no longer available to WIN House, management is of the opinion that continued viable operations would be doubtful without finding new sources to replace this grant.

12. CHARITABLE FUNDRAISING ACT (ALBERTA)

The following supplementary information is disclosed in compliance with the Charitable Fundraising Act (Alberta) and related Regulations

No amounts during the year (2023 - \$nil) were paid as remuneration to a fundraising business, including any expenses or fees paid by WIN House on behalf of the fundraising business or as reimbursement to the fundraising business.

13. FINANCIAL INSTRUMENTS

WIN House has a risk management framework to monitor, evaluate and manage the principal risks assumed in investments. The risks that arise from transacting financial instruments include credit risk, liquidity risk and price risk. Price risk arises from changes in interest rates, foreign currency exchange rates and market prices. WIN House does not use derivative financial instruments.

Changes in market prices, interest rates and credit ratings are the main cause of changes in the fair value of interest-bearing instruments resulting in favourable or unfavourable variance compared to book value. Price risk is managed by investing in investment grade and reputable large Canadian corporate entities. Interest rate risk is mitigated by managing maturity dates and payment frequency. Credit risk is managed by investing only with accredited chartered banks and providing trade terms to credit worthy entities.

It is management's opinion that WIN House is not exposed to significant price, interest, currency or credit risk arising from its financial instruments.

14. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation. The prior year comparative figures were audited by another public accounting firm.
