

# **Provincial Association of Transition Houses and Services of Saskatchewan Inc.**

**Audited Financial Statements**

For the year ending March 31, 2021

# Provincial Association of Transition Houses and Services of Saskatchewan Inc.

For the Year Ended March 31, 2021

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**Independent Auditors' Report**

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To the Board of Directors of Provincial Association of Transition Houses and Services of Saskatchewan Inc.

**Qualified Opinion**

We have audited the accompanying financial statements of Provincial Association of Transition Houses and Services of Saskatchewan Inc., which comprise the statement of financial position as at March 31, 2021, and the statements of operations, net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, these financial statements present fairly, in all material respects, the financial position of Provincial Association of Transition Houses and Services of Saskatchewan Inc., as at March 31, 2021, and its financial performance and its cash flows for the year then in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

**Basis for Qualified Opinion**

In common with many not-for-profit organizations, Provincial Association of Transition Houses and Services of Saskatchewan Inc. derives revenue from donation 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 Provincial Association of Transition Houses and Services of Saskatchewan Inc.. Therefore, we were not able to determine whether any adjustments might be necessary to donations revenue, surplus or deficiency of revenues over expenses, and cash flows from operations for the years ended March 31, 2021. Our audit opinion on the financial statements for the year ended March 31, 2021 was modified accordingly because of the possible effects of this limitation in scope.

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 Provincial Association of Transition Houses and Services of Saskatchewan Inc. in accordance with the 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 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.

**Independent Auditors' Report**

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**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.

**A further description of the auditor's responsibilities:**

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 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 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 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.

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.

*Priority Accountants CPA*

**Priority Accounting Services CPA Prof. Corp.**  
Chartered Accountants  
Regina, SK

# Provincial Association of Transition Houses and Services of Saskatchewan Inc.

## Statement of Financial Position

As At March 31, 2021

	2021	2020
<b>Assets</b>		
<b>Current Assets</b>		
Cash	673,571	109,508
Accounts receivable, net of allowances (Note 3)	3,584	2,494
Term investments (Note 5)	60,436	32,730
Prepaid expenses	-	2,018
<b>Total Current Assets</b>	<b>737,591</b>	<b>146,750</b>
Property, plant and equipment, net of accumulated amortization (Note 4)	5,083	6,466
<b>Total Assets</b>	<b>742,674</b>	<b>153,216</b>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities (Note 6)	62,934	6,036
Deferred income/revenue (Note 7)	465,409	45,238
<b>Total Current Liabilities</b>	<b>528,343</b>	<b>51,274</b>
<b>Net Assets</b>		
Net Assets	214,331	101,942
<b>Total Liabilities and Net Assets</b>	<b>742,674</b>	<b>153,216</b>

Approved on Behalf of the Board:

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

# Provincial Association of Transition Houses and Services of Saskatchewan Inc.

## Statement of Operations

For the Year Ended March 31, 2021

	2021	2020
<b>Revenue</b>		
Grants (Schedule 1)	286,244	233,934
Membership fees	11,508	11,275
Conference	25,499	1,000
Donations Income	16,833	7,271
Training Income	16,711	45,735
International Women's Day	-	1,930
Other income	48,224	3,740
Interest income	529	2,061
Subsidy	12,001	-
<b>Total revenue</b>	<b>417,549</b>	<b>306,946</b>
<b>Operating expenses</b>		
Amortization of tangible assets	1,382	1,783
Computer-related expenses	24	4,822
Conference expenses	11,901	420
Donations	50	101
Employee benefits	12,252	15,600
Insurance	4,578	1,619
Interest and bank charges	1,647	1,179
Meetings and conventions	-	28,458
Memberships and licenses	1,746	1,566
Office expenses	4,893	1,577
Participant incentives	30	3,300
Professional fees	154	4,011
Program materials	7,116	(242)
Promotion and other	45,303	1,552
Rental	26,159	24,410
Salaries and wages	128,145	115,622
Sub-contracts and honorarium fees	53,735	47,806
Travel expenses	92	15,897
Utilities	5,953	4,689
<b>Total operating expenses</b>	<b>305,160</b>	<b>274,170</b>
<b>Excess of revenue over expenses</b>	<b>112,389</b>	<b>32,776</b>

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

# Provincial Association of Transition Houses and Services of Saskatchewan Inc.

## Statement of Net Assets

For the Year Ended March 31, 2021

	2021	2020
Net Assets- Unrestricted, beginning balance	88,821	56,488
Net Assets-Restricted, beginning balance	13,121	12,678
<b>Total Net Assets, beginning balance</b>	<b>101,942</b>	69,166
Excess of revenue over expenses to unrestricted funds	100,691	32,333
Excess of revenue over expenses to internally restricted funds	11,698	443
<b>Excess of revenue over expenses</b>	<b>112,389</b>	32,776
<b>Net Assets</b>	<b>214,331</b>	101,942

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

# Provincial Association of Transition Houses and Services of Saskatchewan Inc.

## Statement of Cash Flows

For the Year Ended March 31, 2021

	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Excess of revenue over expenses	112,389	32,776
Depreciation, depletion and amortization	1,382	1,783
Accounts receivable	(1,750)	-
GST Receivable	615	(1,330)
Interest receivable	45	-
Employee benefits and share-based compensation	-	11,065
Accounts payable	56,898	(3,705)
Deferred income/revenue	420,171	(9,188)
Source deductions	499	(235)
Increase (decrease) in prepaids	2,019	(400)
<b>TOTAL CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>592,268</b>	<b>30,766</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from sale and maturity of marketable securities	(60,936)	(5,108)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
<b>OTHER ACTIVITIES:</b>		
<b>Net cash increase (decreases) in cash and cash equivalents</b>	<b>531,332</b>	<b>25,658</b>
Cash and cash equivalents at beginning of period	142,239	83,850
<b>Cash and cash equivalents at end of period</b>	<b>673,571</b>	<b>109,508</b>
Cash and cash equivalents consist of the following:		
Cash	673,571	109,508

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



# Provincial Association of Transition Houses and Services of Saskatchewan Inc. of Saskatchewan Inc.

## Notes to the Financial Statements

For the Year Ended March 31, 2021

### 1 Nature of Association

Provincial Association of Transition Houses and Services of Saskatchewan Inc. (the association) was incorporated in 1984 under the *The Non-Profit Corporation Act, 1995*. The association's active members are shelters, satellites, and second stage houses. The Board of Directors/ Executive Directors of their designate of the active member. The mission of the association is to create a society free of violence against women and their children.

### 2 Significant Accounting Policies

These financial statements are prepared using Canadian Accounting Standards for not-for-profit organizations.

#### a Cash and cash equivalents

Cash and cash equivalents include chequing and savings bank accounts, and petty cash. These are valued at cost which approximates market value.

#### b Property, plant and equipment

Property, plant and equipment is carried at cost. Grants intended to finance capital assets acquisition are netted against the cost of the assets. Depreciation is calculated using the declining balance method over estimated useful lives with the following rates:

- Computer and office equipment	: 30%
- Furniture and equipment:	: 20%
- Computer software	: 50%

#### c Income taxes

Provincial Association of Transition Houses and Services of Saskatchewan Inc. is exempt from paying corporate taxes under the section 149(1)(l) of *The Canadian Income Tax Act* as a not-for-profit organization .

#### d Financial instruments

##### i Fair values not materially different from book values

Financial instruments are recorded at fair value on initial recognition and are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Association has elected to carry its guaranteed investment certificates at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

The association has determined that the estimated fair value of the financial assets and liabilities do not differ considerably from their book value.

# Provincial Association of Transition Houses and Services of Saskatchewan Inc. of Saskatchewan Inc.

## Notes to the Financial Statements

For the Year Ended March 31, 2021

### 2 Significant Accounting Policies continued

#### d Financial instruments continued

##### ii Impairment

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Association determines if there is a significant adverse change in the expected amount of timing of future cash flows from the financial asset.

If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Association expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

##### iii Not subject to interest, currency or credit risk

Unless otherwise noted, it is management's opinion that the association is not exposed to significant interest rate, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values.

##### iv No significant risk due to short-term maturity

The association is not exposed to significant interest rate risk due to the short-term maturity of its monetary assets and current liabilities.

#### e 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 when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Membership fees are recorded in revenue over the period to which the membership relates. Interest income is earned over the maturity of the investment.

#### f Employee benefit plans

The association has entered into a defined contribution pension plan, managed by Great West Life Insurance (GWL). As at March 31, 2021, two employees qualified to be enrolled. There are number of requirements created by the association for entitlement to pension benefit plan to its employees. Company's portion of contribution as at year end was \$ 1,673.

# Provincial Association of Transition Houses and Services of Saskatchewan Inc. of Saskatchewan Inc.

## Notes to the Financial Statements

For the Year Ended March 31, 2021

### 2 Significant Accounting Policies continued

#### g 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 and disclosure of contingent 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 those estimates and may have impact on future periods.

#### h Economic dependence

The association currently receives significant revenues in grants. As a result, the association is dependent upon the continuance of these grants to maintain operations at their current level.

### 3 Receivables

Accounts receivable consist of the following:

	2021	2020
Trade accounts receivable	1,750	-
GST receivable	1,834	2,449
Interest receivable	-	45
<b>Total</b>	<b>3,584</b>	<b>2,494</b>

### 4 Property, plant and equipment

Property, plant and equipment consist of the following:

	2021		2020	
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Computer equipment	4,678	(4,573)	105	150
Furniture	5,047	(4,810)	237	297
Office equipment	2,906	(2,466)	440	628
Equipment	9,415	(5,132)	4,283	5,354
Computer software	650	(632)	18	37
Computer equipment - funded by grant	4,236	(4,236)	-	-
Office equipment - funded by grant	1,791	(1,791)	-	-
Computer software - funded by grant	364	(364)	-	-
<b>Total</b>	<b>29,087</b>	<b>(24,004)</b>	<b>5,083</b>	<b>6,466</b>

# Provincial Association of Transition Houses and Services of Saskatchewan Inc. of Saskatchewan Inc.

## Notes to the Financial Statements

For the Year Ended March 31, 2021

### 5 Investments

	2021	2020
Conexus term deposit, due on March 25, 2021, with annual interest rate @ 1.550%	-	22,730
Conexus term deposit, due on March 25, 2022, with annual interest rate @ 0.300%	22,730	-
Conexus term deposit, due on September 1, 2021, with annual interest rate @ 0.600%	27,500	-
Conexus term deposit, due on September 26, 2021, with annual interest rate @ 0.450%	10,206	10,000
<b>Total</b>	<b>60,436</b>	<b>32,730</b>

### 6 Accounts payable and accrued expenses

Accounts payable consist of the following:

	2021	2020
Trade accounts payable	59,479	4,440
MasterCard	420	(939)
Employee deductions payable	3,035	2,535
<b>Total</b>	<b>62,934</b>	<b>6,036</b>

### 7 Deferred revenue

	2021	2020
Law Foundation Fund	-	27,980
PAF	-	12,706
IWD	<b>6,594</b>	4,552
HRJ	<b>46,072</b>	-
Investment Ready	<b>26,771</b>	-
WSC	<b>222,500</b>	-
YWCA	<b>4,000</b>	-
CWF	<b>159,472</b>	-
	<b>465,409</b>	45,238

# Provincial Association of Transition Houses and Services of Saskatchewan Inc. of Saskatchewan Inc.

## Notes to the Financial Statements

For the Year Ended March 31, 2021

### 8 Comparative figures

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year.

### 9 COVID-19

Subsequent to year-end, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus (the "COVID-19" outbreak). In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Organization's financial condition, liquidity, and future results of operations. The Organization is dependent on its workforce to deliver its services on behalf of the Saskatchewan Ministry of Social Services.

If significant portions of the Organization's workforce are unable to work effectively, or if operations are curtailed due to illness, quarantines, or other restrictions in connection with the COVID-19 pandemic, the Organization's operation will likely be impacted and costs may increase.

At this time, the Organization's management cannot predict the impact of the COVID-19 pandemic, but management continues to monitor the situation."

# Provincial Association of Transition Houses and Services of Saskatchewan Inc.

For the Year Ended March 31, 2021

## Schedule of Grants Revenue

	2021	2020
CIF	700	12,000
Law Foundation Funding	69,590	72,946
Justice funding	43,317	40,470
PAF grant	12,706	9,313
PHAC	37,246	99,205
Investment Readiness Program	23,229	-
HW Siebens Charitable Foundation	28,928	-
South Sask Community Foundation	5,000	-
CWF - Safer + Stronger Grant	40,528	-
CWF 2020-2021	25,000	-
<b>Total revenue</b>	<b>286,244</b>	<b>233,934</b>

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

# Provincial Association of Transition Houses and Services of Saskatchewan Inc.

For the Year Ended March 31, 2021

## Schedule of Deferred Revenue

	2021	2020
<b>PAF</b>		
Unspent	12,705	22,018
Expenses paid	(12,705)	(9,313)
<b>PAF - deferred</b>	-	12,705
<b>International Woman</b>		
Unspent	4,552	6,482
IWD received	2,042	-
Expenses paid	-	(1,930)
<b>IWD - deferred</b>	6,594	4,552
<b>Law Foundation</b>		
Unspent	27,980	25,926
Law Foundation received	41,610	75,000
Interest income	-	430
Expenses paid	(69,590)	(73,376)
<b>Law Foundation - deferred</b>	-	27,980
<b>HW Siebens Charitable Foundation</b>		
HW Siebens Charitable Foundation received	75,000	-
Expenses paid	(28,928)	-
<b>HW Siebens Charitable Foundation - deferred</b>	46,072	-
<b>Investment Ready Program</b>		
Investment ready program received	50,000	-
Expenses paid	(23,229)	-
<b>Investment ready program - deferred</b>	26,771	-
<b>WSC</b>		
WSC received	222,500	-
Expenses paid	-	-
<b>WSC - deferred</b>	222,500	-

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

# Provincial Association of Transition Houses and Services of Saskatchewan Inc.

For the Year Ended March 31, 2021

## Schedule of Deferred Revenue (Cont'd)

	2021	2020
<b>YWCA</b>		
YWCA received	4,000	-
Expenses paid	-	-
<b>YWCA- deferred</b>	<b>4,000</b>	<b>-</b>
<b>CWF</b>		
CWF received	200,000	-
Expenses paid	(40,528)	-
<b>CWF - deferred</b>	<b>159,472</b>	<b>-</b>
<b>Total Deferred Revenue</b>	<b>465,409</b>	<b>45,237</b>

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



# Provincial Association of Transition Houses and Services of Saskatchewan Inc.

For the Year Ended March 31, 2021

## Schedule of income statement by class

	Conference	CWF	IWD	Justice	Law Foundation
Income	25,499	25,000	-	41,472	69,590
<b>Expenses</b>					
Bank Charges	1,079	-	-	8	289
Business Tax & Licenses	-	-	-	-	300
Conference Expense	6,447	-	-	5,454	-
Contractor Payments	-	27,125	-	-	2,259
Facilities	-	-	-	4,818	19,188
Honorarium/Professional Fees	-	-	-	-	3,459
Insurance, Bus	-	-	-	-	2,019
Memberships	-	-	-	-	613
Office supplies and materials	-	-	-	-	926
Program materials	-	-	-	-	-
Publicity and promotion	-	-	-	-	2,052
MERC	-	-	-	1,507	1,132
Payroll	-	-	-	30,035	27,606
Salaries & Benefits - Other	-	-	-	(350)	4,165
Telephone & Website	-	-	-	-	5,582
Staff Development	-	-	-	-	-
Travel	11	-	-	-	-
<b>Total Expenses</b>	<b>7,537</b>	<b>27,125</b>	<b>-</b>	<b>41,472</b>	<b>69,590</b>
<b>Excess of revenue over expenses to internally restricted funds</b>	<b>17,962</b>	<b>(2,125)</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

# Provincial Association of Transition Houses and Services of Saskatchewan Inc.

For the Year Ended March 31, 2021

## Schedule of income statement by class (Cont'd)

	PAF	PHAC	SSCom Foundation	Total
Income	12,706	37,246	-	211,513
<b>Expenses</b>				
Bank Charges	-	-	-	1,376
Business Tax & Licenses	-	-	-	300
Conference Expense	-	-	-	11,901
Contractor Payments	573	9,706	-	39,663
Facilities	-	2,153	-	26,159
Honorarium/Professional Fees	346	-	-	3,805
Insurance, Bus	2,082	-	-	4,101
Memberships	107	-	-	720
Office supplies and materials	1,983	287	-	3,195
Program materials	2,416	4,700	-	7,116
Publicity and promotion	2,633	-	-	4,685
MERC	2,226	1,418	-	6,283
Payroll	274	23,100	-	80,741
Salaries & Benefits - Other	-	(350)	-	3,739
Telephone & Website	-	371	-	371
Staff Development	-	-	-	5,582
Travel	66	-	-	78
<b>Total Expenses</b>	<b>12,706</b>	<b>41,385</b>	<b>-</b>	<b>199,815</b>
<b>Excess of revenue over expenses to internally restricted funds</b>	<b>-</b>	<b>(4,139)</b>	<b>-</b>	<b>11,698</b>

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