

**Barbra Schlifer
Commemorative Clinic**

Financial Statements

March 31, 2021



Independent Auditor's Report

To the Members of

Barbra Schlifer Commemorative Clinic

Qualified Opinion

We have audited the financial statements of **Barbra Schlifer Commemorative Clinic** (the Organization), which comprise the statement of financial position as at **March 31, 2021** and **2020**, the statements of operations, changes in 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 effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2021 and 2020, and its financial performance and its cash flows 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, the Organization derives revenue from donations, 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. Therefore, we were not able to determine whether any adjustments might be necessary to the donation and fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended March 31, 2021 and 2020, current assets as at March 31, 2021 and 2020, and fund balances as at April 1 and March 31 for both the 2021 and 2020 years. Our audit opinion on the financial statements for the year ended March 31, 2020 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 the Organization 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.

Barbra Schlifer Commemorative Clinic

Independent Auditor's 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. 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.

Clarkson Rouble LLP

**Mississauga, Ontario
August 12, 2021**

**Clarkson Rouble LLP
Chartered Professional Accountants
Licensed Public Accountants**



Barbra Schlifer Commemorative Clinic

Statement of Financial Position As at March 31

	2021	2020
Assets		
Current		
Cash and cash equivalents (Note 2)	\$ 2,888,397	\$ 787,618
Term deposits (Note 2)	-	515,250
Accounts receivable	413,893	228,038
HST rebate receivable	70,571	51,020
Canada Emergency Wage Subsidy receivable (Note 7)	129,711	-
Canada Emergency Rent Subsidy receivable (Note 7)	8,958	-
Prepaid expenses and deferred charges	45,582	57,012
	\$ 3,557,112	\$ 1,638,938

Liabilities

Current		
Accounts payable and accrued liabilities	\$ 121,273	\$ 145,006
Due to Government Funders	68,242	-
Deferred revenue (Note 3)	1,525,326	988,196
	1,714,841	1,133,202

Net Assets

Operating fund	147,271	145,736
Maintenance and Continuation fund (Note 4)	985,000	350,000
Special Planned Giving fund (Note 4)	-	10,000
FREEdom from Violence fund (Note 4)	330,000	-
Intake and Client Services fund (Note 4)	380,000	-
	1,842,271	505,736
	\$ 3,557,112	\$ 1,638,938

See accompanying notes to financial statements

On behalf of the Board:



Director



Director

Barbra Schlifer Commemorative Clinic

Statement of Operations Year Ended March 31

	2021	2020
Revenue		
Government grants (Note 6)	\$ 2,729,796	\$ 2,946,760
Government subsidies (Note 8)	1,113,948	-
United Way of Greater Toronto	443,418	296,278
Foundations and other grants	506,500	392,179
Donations	444,570	276,295
Fundraising campaign/events	108,900	256,678
Investment income	13,760	19,014
Fees for service	708,847	361,165
Rebates and other	19,208	44,877
	6,088,947	4,593,246
Expenses		
Salaries and benefits	3,062,819	3,001,262
Interpreters fees and training	606,829	598,603
Building occupancy	289,326	277,579
Purchased services	335,089	180,101
Insurance	38,983	37,402
Special events	-	53,052
Client disbursements	53,637	33,283
Promotion and publicity	5,550	15,060
Printing, postage, delivery	20,934	28,239
Telecommunications	91,278	117,297
Equipment, furniture, software	46,830	48,993
Travel	7,238	50,700
Volunteer expenses	475	6,864
Office and general	126,564	62,022
Program expenses	17,179	28,077
Professional development	21,534	14,420
Membership fees - legal and other	28,147	26,384
	4,752,412	4,579,338
Excess of revenue over expenses for the year	\$ 1,336,535	\$ 13,908

See accompanying notes to financial statements

Barbra Schlifer Commemorative Clinic

Statement of Changes in Net Assets Year Ended March 31

See descriptions in Note 4	Maintenance and Continuation Fund	Special Planned Giving Fund	FREEdom from Violence Fund	Intake and Client Services Fund	Operating Fund	2021 Total	2020 Total
Balances, beginning of year	\$ 350,000	\$ 10,000	-	\$ -	\$ 145,736	\$ 505,736	\$ 491,828
Excess (deficiency) of revenue over expense	-	-	-	-	1,336,535	1,336,535	13,908
Net Transfer between funds	635,000	(10,000)	330,000	380,000	(1,335,000)	-	-
Balances, end of year	\$ 985,000	\$ -	\$ 330,000	\$ 380,000	\$ 147,271	\$ 1,842,271	\$ 505,736

See accompanying notes to financial statements

Barbra Schlifer Commemorative Clinic

Statement of Cash Flows Year Ended March 31

	2021	2020
Operating activities		
Excess of revenue over expenses for the year	\$ 1,336,535	\$ 13,908
Cash generated from (used for)		
Operating working capital		
Accounts receivable	(185,855)	(49,094)
HST rebate receivable	(19,551)	(15,069)
Canada Emergency Wage Subsidy receivable	(129,711)	-
Canada Emergency Rent Subsidy receivable	(8,958)	-
Prepaid expenses	11,430	(5,211)
Accounts payable	(23,733)	(24,662)
Increase (decrease) from operating activities	980,157	(80,128)
Financing activities		
Deferred revenue	537,130	389,297
Due to government funders	68,242	-
Increase from financing activities	605,372	389,297
Increase in cash	1,585,529	309,169
Cash and cash equivalents, beginning of year	1,302,868	993,699
Cash and cash equivalents, end of year	\$ 2,888,397	\$ 1,302,868

See accompanying notes to financial statements

Barbra Schlifer Commemorative Clinic

Notes to Financial Statements

March 31, 2021

Barbra Schlifer Commemorative Clinic is a non-profit organization incorporated without share capital and is a registered Canadian Charitable organization and is exempt from income taxes under Section 149 of the Income Tax Act. The primary focus of the Clinic is to provide free legal, counselling, interpretation, information and referral services to women who are survivors of violence.

1. Significant accounting policies

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

a) Cash and cash equivalents

Cash and cash equivalents are defined as cash on hand, deposits in bank, and short-term investments which consist of term deposits.

b) Financial instruments

Financial instruments

The Clinic initially measures its financial assets and liabilities at fair value. The Clinic subsequently measures all its financial assets and liabilities at amortized cost, with the exception of short-term investments, which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash, short term investments and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable, accrued liabilities and deferred revenue.

The Clinic does not have any financial liabilities measured at fair value and has not elected to recognize any financial liabilities at fair value.

Transaction costs

The Clinic recognizes its transaction costs in net income in the period incurred except for financial instruments that will not be subsequently measured at fair value. The carrying amounts of these instruments are adjusted by the transaction costs that are directly attributable to their issuance.

Barbra Schlifer Commemorative Clinic

Notes to Financial Statements

March 31, 2021

1. Significant accounting policies (continued)

c) Prepaid expenses and deferred charges

Prepaid expenses and deferred charges consist primarily of deposits and costs incurred prior to special events and meetings held subsequent to year end. The remaining balance consists of prepaid rent, insurance and lawyers professional indemnity.

d) Capital assets

Equipment purchased with government funding and United Way funding are amortized 100% in the year of acquisition in accordance with funding guidelines. Equipment purchased from unrestricted revenue are capitalized and amortized over the estimated life of the asset.

All equipment purchases to date have been funded by government and United Way sources.

e) Revenue recognition

The Clinic follows the deferral method of accounting for revenue. Grant revenue is recorded as revenue in the year earned. Externally restricted contributions are deferred and recognized as revenue in the year in which the related expenses are incurred. Donations are recorded as received on a cash basis since pledges are not legally enforceable claims. Fees for services revenue is recognized as services are performed and fees are invoiced.

f) Measurement uncertainty

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 revenue and expenses during the reporting period. Significant items subject to such estimates and assumptions include valuation of accounts receivable, accrued liabilities and deferred revenue. Actual results could differ from those estimates.

g) Donated services

The work of the Clinic is dependent on the services of many volunteers. Because these services are not normally purchased by the organization and because of the difficulty of determining their fair value, donated services are not recognized in these statements.

Barbra Schlifer Commemorative Clinic

Notes to Financial Statements

March 31, 2021

2. Cash and cash equivalents

	2021	2020
Cash held in bank - at cost	\$ 2,888,397	\$ 787,618
Term deposits - at fair value	-	515,250
	<u>\$ 2,888,397</u>	<u>\$ 1,302,868</u>

3. Deferred contributions

Deferred contributions represent unspent externally restricted funding received by the organization related to activities of the subsequent period or specific projects which extend beyond the current fiscal period.

	2021	2020
Balance, beginning of period	\$ 988,196	\$ 598,899
Add: amounts received during the year	5,064,259	3,656,001
Less: amount recognized as revenue during the year	(4,527,129)	(3,266,704)
Balance, end of period	\$ 1,525,326	\$ 988,196

4. Restricted and designated funds

Maintenance and Continuation Fund

The Maintenance and Continuation Fund is an internally restricted and designated fund, used to ensure, in the event of cessation or rapid curtailment of operations, that ongoing and termination expenses could be met in an orderly and responsible fashion.

Special Planned Giving Fund

The Special Planned Giving Fund is an internally restricted and designated fund, the interest on which is to be used for special client circumstances at the discretion and approval of the Board of Directors. The Special Planned Giving Fund has been merged with the Intake and Client Services Fund whereby special needs situations can be funded at the discretion of the Board of Directors.

Barbra Schlifer Commemorative Clinic

Notes to Financial Statements

March 31, 2021

4. Restricted and Designated Funds (continued)

FREEdom from Violence Fund

The Board has designated a fund for the purpose of Feminist Research, Engagement and Evaluation. This investment over the next number of years will use evidence-based data to determine the needs of women suffering from abuse, and the impacts and the outcomes of various programs designed to meet these needs. This will be a comprehensive and integrated process that will be systematized so that all parts of the clinic are continually providing best practices.

Intake and Client Services Fund

Much of the work of the clinic is funded by individual project grants. While there is some funding for the direct legal, counselling and interpretation services, the process of responding immediately to clients with complicated needs is often underfunded. The board is thus designating a fund that can be specifically used for intake and for special client circumstances.

5. Lease commitments

The Clinic's obligation under an operating lease of occupied premises, including estimated occupancy costs and HST are as follows:

2022	\$ 193,972
	<u>\$ 193,972</u>

6. Revenue - Government grants

Ministry of Children, Community and Social Services		
- Citizenship & Immigration Division (Note 9)	\$ 715,271	\$ 783,462
Ministry of Children, Community and Social Services		
- Community Program (Note 10)	592,133	538,159
Ministry of the Attorney General (Note 11)	752,500	805,500
Ministry of Health	405,051	365,413
Women and Gender Equality Canada	196,232	240,509
Department of Justice Canada	-	75,000
City of Toronto	68,609	138,717
	<u>\$ 2,729,796</u>	<u>\$ 2,946,760</u>

Barbra Schlifer Commemorative Clinic

Notes to Financial Statements March 31, 2021

7. Financial instruments risk exposure

The Clinic is exposed to various risks through its financial instruments. The following analysis provides a measure of the Clinic's risk exposure and concentrations at the statement of financial position date.

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. The Clinic's main credit risks relate to accounts receivable, however the risk is limited due to the nature of its accounts receivable. Contributions are not recorded in receivables unless collection is reasonably assured. The Clinic has not had issues with these collections in the past. The allowance for doubtful accounts is \$Nil (2020 - \$Nil).

Liquidity risk

Liquidity risk is the risk that the organization will encounter difficulty in meeting obligations associated with financial liabilities. The Clinic is exposed to this risk mainly in respect of its accounts payable. The Clinic expects to meet these obligations as they come due through sufficient cash flow from operations. The Clinic has not had issues with meeting obligations in the past.

There has been no change in risk assessment from the prior year.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. Due to the nature of the Clinic and the type of financial assets and liabilities that it carries, the Clinic is not significantly exposed to currency risk, interest rate risk, or other price risk.

8. COVID-19 and Government assistance related to COVID-19

On March 11, 2020, the World Health Organization declared an outbreak of a novel coronavirus (COVID-19) as a global pandemic, which has led to a significant impact on the Canadian and global economies. The full impact of the Covid-19 outbreak continues to evolve at the date of this report. Management has proactively taken steps to continue delivery of programs and services during the pandemic ensuring the safety of all staff and participants.

Barbra Schlifer Commemorative Clinic

Notes to Financial Statements March 31, 2021

8. COVID-19 and Government assistance related to COVID-1 (continued)

The organization has applied for and received Government assistance related to the COVID-19 pandemic under the Canada Emergency Wage Subsidy (CEWS) program and the Canada Emergency Rent Subsidy (CERS) program. The CEWS program provides varying wage subsidy rates based on government outlined subsidy periods commencing March 15, 2020. The CERS program provides a subsidy to cover part of commercial rent and property expenses commencing September 27, 2020. For the fiscal year ended March 31, 2021, the organization was eligible for \$1,064,512 in subsidies from the CEWS program and \$49,436 from the CERS program which are recognized in the statement of operations.

9. Ministry of Children, Community and Social Services - Citizenship & Immigration Division funding and expenses

Funding received from the Ministry and the related expenses for providing language interpretation services to Violence Against Women (VAW) programs during the year ended March 31, 2021 are as follows:

Funding received	\$ 715,271
Expenses	
Salaries	264,636
Benefits	43,659
Interpreter remuneration	262,398
Interpreter travel	6,840
Other program expenses	1,300
Staff travel	1,850
COVID-19 related expenses	35,350
Administration	99,238
	715,271
	\$ -

Barbra Schlifer Commemorative Clinic

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10. Ministry of Children, Community and Social Services - Community Division funding and expenses

The Clinic has a Service Contract with the Ministry of Children, Community and Social Services to provide counselling and transitional housing support to women who have experienced violence.

	Revenue	Expenses	Surplus (Deficit)
Violence Against Women	\$ 565,313	\$ 565,313	\$ -
Pandemic Pay - Violence Against Women	18,858	18,858	-
Broader Public Sector-Other-Adult Social Svcs	7,962	7,962	-
	<u>\$ 592,133</u>	<u>\$ 592,133</u>	<u>\$ -</u>

11. Ministry of the Attorney General funding and expenses

Specialized Legal Services

Income and expenses for the legal support program operated by the clinic with the funding received from the Ministry of the Attorney General for the period April 1, 2020 to March 31, 2021 are as follows:

Income

Ministry of the Attorney General funding	\$ 413,000
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Expenses

Salaries	256,920
Benefits	33,400
Rent	20,000
Office supplies	3,000
Telecommunications	7,000
Community workshops/meetings/events	2,479
Client expenses	6,500
Legal indemnity insurance	6,253
Professional membership fees - Law Society	9,448
Professional membership fees - Law Society	5,000
COVID-19 related expenditures	63,000
	<u>413,000</u>

\$ -

Barbra Schlifer Commemorative Clinic

Notes to Financial Statements

March 31, 2021

11. Ministry of the Attorney General funding and expenses (continued)

Independent Legal Advice for Victims of Sexual Assault

Income and expenses for the independent legal advice program operated by the clinic with the funding received from the Ministry of the Attorney General for the period April 1, 2020 to March 31, 2021 are as follows.

Income

Ministry of the Attorney General funding	\$ 112,000
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Expenses

Salaries	71,407
Benefits	11,671
Rent/Lease/Utilities	16,818
Fee for service lawyers	4,000
Insurance	4,637
Professional membership fees	3,467
	<hr/>
	112,000

\$ -

Family Court Support Worker Program

Income and expenses for the family court support worker program operated by the clinic with the funding received from the Ministry of the Attorney General for the period April 1, 2020 to March 31, 2021 are as follows:

Income

Ministry of the Attorney General	\$ 227,500
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Expenses

Salaries	215,185
Benefits	30,579
Cell phones	4,503
Staff expenses	500
	<hr/>
	250,767

\$ (23,267)
